Brønnøysundregistrene

Årsregnskap for regnskapsåret 2013

Organisasjonsnr:	980 040 461
Navn/foretaksnavn:	CELLCURA ASA
Forretningsadresse:	Uniongata 18
	3732 SKIEN

Brønnøysundregistrene
20.11.2020

2014.142802

Brønnøysundregistrene – Regnskapsregisteret

VEDLEGG TIL ÅRSREGNSKAP 2013

	Organisasjonsnr.	
CELLCURA ASA Postboks 1320 Vika 0112 OSLO	980 040 461	ASA

Registrerte opplysninger per 01.08.2014		Eventuelle endringer dette regnskapsåret	
Startdato	Avslutningsdato	Startdato	Avslutningsdato
01.01.2013	31.12.2013		
Konsernforhold Foreninger som følger regler for frivillig virksomhet, kan ikke være morselskap	Morselskap JA	Endret konsernforhold ☐ Morselskap	☐ Ikke morselskap

Kun for aksjeselskap som har meldt fravalg av revisjon

Selskapet har besluttet at årsregnskapet ikke skal revideres ☐ Ja

Årsregnskapet er utarbeidet av ekstern autorisert regnskapsfører ☐ Ja

Ekstern autorisert regnskapsfører har i løpet av regnskapsåret bistått ved den løpende regnskapsføringen eller utført andre tjenester for selskapet enn å utarbeide årsregnskapet ☐ Ja

Årsregnskapet er satt opp etter reglene for frivillig virksomhet ☐ Avkrysning er kun aktuelt for foreninger (FLI) som er registrert i Frivillighetsregisteret

Hvis enheten ikke følger norsk regnskapslov eller frivillighetsregisterloven, kryss av ☐ IFRS selskap ☒ IFRS konsern

Hvis enheten velger å avvike fra regnskapsloven § 6-1, kryss av ☐ Funksjon selskap ☐ Funksjon konsern

Følges regnskapsreglene for små foretak? ☐ Ja ☒ Nei

jf vedlegg

Jeg bekrefter at vedlagte årsregnskap er fastsatt av kompetent organ den Dato

Sted/dato, Underskrift av representant for enheten

Bare til bruk for Regnskapsregisteret To

G ☒ NYVE ☐ Admr ☐ Kregn Ja ☒ Nei ☐ Aktiv. regn ☐

M ☐ Rets ☐ Ant.s 57

☐ ov.b ☐ årsb ☐ res ☐ bal ☐ e.bal ☐ gj.bal ☐ rev ☐ i-rev ☐ k-res ☐ k-bal ☐ k-n ☐ k-rev ☐ i-k-rev ☐ n

☐ k-regn ☐ kto ☐ d.k ☐ ik-fv ☐ konsf ☐ ifrs ☐ fr-rev ☐ ☐ ☐ ☐ ☐ funk ☐ u.off ☐ brev

BR-1001-11

PARENT COMPANY INCOME STATEMENT

Income Statement

(NOK '000)	Note	2013	2012
Operating income			
Revenue		2 889	1 636
Operating expenses			
Cost of sales		(2 007)	(1 546)
Personnel expenses	3	(46)	(2 559)
Depreciation and amortisation	6	(5 206)	(5 272)
Other operating expenses	4	(16 161)	(22 034)
Total operating expenses		**(23 420)**	**(31 411)**
Operating profit		**(20 531)**	**(29 775)**
Financial items			
Interest income	17	994	912
Other financial income		3	110
Total finance income		**997**	**1 022**
Finance cost			
Interest expense	13	(660)	(2 309)
Impairment of investment in subsidiary	16	-	(3 000)
Other finance expense		(1 014)	(33)
Total finance cost		**(1 674)**	**(5 343)**
Net from finance		**(676)**	**(4 320)**
Profit before tax		**(21 207)**	**(34 095)**
Income tax expense	5	-	-
Profit/ (loss) for the period		**(21 207)**	**(34 095)**
Attributable to:			
Retained earnings		(21 207)	(34 095)

PARENT COMPANY STATEMENT OF FINANCIAL POSITION

(NOK '000)	Note	31.12.13	31.12.12
ASSETS			
Non-current assets			
Intangible assets	6	8 854	14 060
Loans to group companies	17	15 885	14 014
Investment in subsidiaries	16	7 096	7 096
Total non-current assets		**31 836**	**35 170**
Current assets			
Trade receivables	7	1 112	327
Other short term assets	9	923	1 736
Inventory	8	3 065	6 468
Cash and cash equivalents	10	189	226
Total current assets		**5 288**	**8 757**
Total assets		**37 124**	**43 927**
EQUITY AND LIABILITIES			
Capital and reserves			
Issued capital	11	13 041	4 745
Share premium		93 244	81 356
Other paid in capital		1 938	1 365
Not registered capital increase		-	8 427
Retained earnings		(102 108)	(80 901)
Total equity		**6 115**	**14 992**
Non-current liabilities			
Borrowings	13	9 533	12 400
Total non-current liabilities		**9 533**	**12 400**
Current liabilities			
Current portion of non-current borrowings	13	4 956	2 227
Shareholder loans	17	4 229	-
Trade payables	14	11 502	10 624
Other short term liabilities	12	787	3 683
Total current liabilities		**21 476**	**16 535**
Total equity and liability		**37 124**	**43 927**

Oslo, 9 May 2014

Board of Directors CellCura ASA

Dag Dvergsten Chairman	Cornelia Horn Board member	Christina Hugosson Board member
Lars Rønn Board member		Tore Viana-Rønningen CEO

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PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

Statement of changes in equity

(NOK '000)	Share Capital	Share premium	Other paid in capital	Not registered capital increase	Retained earnings	Total Equity
Equity at 01.01.2012	3 624	76 808	1 365		(46 806)	34 992
						-
Profit/(loss) for the year	-	-	-		(34 095)	(34 095)
Issue of shares	1 121	4 811	-		-	5 931
Transaction costs	-	(262)	-		-	(262)
Conversion of loans	-	-		8 427	-	8 427
Equity at 31.12.2012	**4 744**	**81 356**	**1 365**	**8 427**	**(80 902)**	**14 993**

(NOK '000)	Share Capital	Share premium	Other paid in capital	Not registered capital increase	Retained earnings	Total Equity
Equity at 01.01.2013	4 744	81 356	1 365	8 427	(80 902)	14 993
						-
Profit/(loss) for the year	-	-	-		(21 207)	(21 207)
Issue of shares	8 296	13 059	-	(8 427)	-	12 929
Release of debt			573			573
Transaction costs	-	(1 172)	-		-	(1 172)
Equity at 31.12.2013	**13 041**	**93 244**	**1 938**	**0**	**(102 109)**	**6 115**

GROUP CONSOLIDATED INCOME STATEMENT

(NOK '000)	Note	2013	2012
Operating income			
Revenue		4 356	2 855
Total operating income		**4 356**	**2 855**
Operating expenses			
Cost of sales		(2 366)	(2 076)
Personnel expenses	3	(4 964)	(7 883)
Depreciation and amortisation	7,8	(7 123)	(7 112)
Other operating expenses	4	(12 677)	(17 622)
Total operating expenses		**(27 131)**	**(34 693)**
Operating profit/(loss)		**(22 775)**	**(31 838)**
Financial income/(expenses)			
Financial income	15	42	4 764
Financial expenses	15	(2 621)	(5 188)
Total finance income/ (expenses)		**(2 579)**	**(424)**
Profit/ (loss) before tax		**(25 353)**	**(32 262)**
Income tax income/ (expense)	5	630	706
Profit/ (loss) for the period		**(24 723)**	**(31 556)**
Earnings per share: (in NOK)			
Basic earnings per share	6	(0,27)	(0,80)
Diluted earnings per share	6	(0,27)	(0,80)

Consolidated statement of comprehensive income

(NOK '000)	2013	2012
Profit/ (loss) for the year	(24 723)	(31 556)
Other comprehensive income:		
Items that may be reclassified subsequently to profit or loss:		
Exchange difference on translating foreign operations	1 214	(482)
Total comprehensive income	**(23 510)**	**(32 038)**

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Consolidated statement of financial position

(NOK '000)	Note	31.12.2013	31.12.2012
ASSETS			
Non-current assets			
Deferred tax asset	5	344	116
Goodwill	8	2 788	2 441
Intangible assets	8	11 977	18 520
Property, plant and equipment	7	2	31
Total non-current assets		**15 111**	**21 108**
Current assets			
Trade receivables	10	654	530
Other short term assets	11	958	1 851
Inventory	9	3 182	6 660
Cash and cash equivalents	12	190	334
Total current assets		**4 985**	**9 376**
Total assets		**20 096**	**30 484**
EQUITY AND LIABILITIES			
Capital and reserves			
Issued capital	13	13 041	4 745
Additional paid in capital		87 632	75 745
Retained earnings		(111 379)	(86 656)
Currency translation adjustments		794	(419)
Total equity		**(9 912)**	**(6 586)**
Not registered capital increase		-	8 427
Non-current liabilities			
Borrowings	15	9 990	12 400
Deferred tax liability	5	697	1 017
Total non-current liabilities		**10 687**	**13 417**
Current liabilities			
Current portion of non-current borrowings	15	4 956	2 227
Shareholder loans	15	4 229	-
Trade payables		8 001	9 239
Other short term liabilities	14	2 134	3 760
Total current liabilities		**19 321**	**15 226**
Total liabilities		**30 008**	**28 643**
Total equity and liabilities		**20 096**	**30 484**

Oslo, 9 May 2014

Board of Directors CellCura ASA

Dag Dvergsten Chairman	Cornelia Horn Board member	Christina Hugosson Board member
Lars Rønn Board member		Tore Viana-Rønningen CEO

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

2012

		Additional paid in capital				
(NOK '000)	**Share Capital**	**Share premium**	**Other paid in capital**	**Currency translation effects**	**Retained earnings**	**Total Equity**
Equity at 01.01.2012	3 624	69 831	1 365	63	(55 101)	19 782
						-
- Profit/ (loss) for the period	-	-	-	-	(31 556)	(31 556)
- Currency translation effects	-	-	-	(482)	-	(482)
Total comprehensive income	-	-	-	*(482)*	*(31 556)*	*(32 038)*
Issue of shares	1 121	4 811	-	-	-	5 931
Transaction costs		(262)	-	-	-	(262)
Equity at 31.12.2012	**4 745**	**74 379**	**1 365**	**(419)**	**(86 656)**	**(6 586)**

CellCura has raised TNOK 8 427 in additional capital, representing TNOK 1 832 in share capital from conversion of convertible loans. This conversion was determined by the general meeting in December 2012, but not formally registered before January 2013. This capital increase was thus not included in equity as at 31 December 2012.

2013

		Additional paid in capital				
(NOK '000)	**Share Capital**	**Share premium**	**Other paid in capital**	**Currency translation effects**	**Retained earnings**	**Total Equity**
Equity at 01.01.2013	4 745	74 379	1 365	(419)	(86 656)	(6 586)
						-
- Profit/ (loss) for the period	-	-	-	-	(24 723)	(24 723)
- Currency translation effects	-	-	-	1 214		1 214
Total comprehensive income	-	-	-	*1 214*	*(24 723)*	*(23 510)*
Issue of shares	8 296	13 059				21 356
Transaction costs		(1 172)	-	-	-	(1 172)
Equity at 31.12.2013	**13 041**	**86 266**	**1 365**	**794**	**(111 380)**	**(9 912)**

NOTES TO PARENT COMPANY FINANCIAL STATEMENT

Note 1 General information

CellCura ASA (the company) is a public limited liability company incorporated and domiciled in Norway, with its main office in Skien. CellCura's business is development of novel equipment and products for use in Assisted Reproductive Technology (ART) and Stem Cell Research throughout the world.

Note 2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

2.1 Basis for preparation

The financial statements for CellCura ASA have been prepared in accordance with the provisions of the Norwegian Accounting Act and generally accepted accounting practices in Norway.

2.2 Subsidiaries

Subsidiaries are measured using the cost method of accounting in the parent company accounts. Investments are valued at the acquisition cost of the shares unless impairment losses have been necessary. Such assets are impaired to fair value when the decrease in value is for reasons not considered to be of a temporary nature and must be deemed necessary based on generally accepted accounting principles. Impairment loss is reversed when the reason for the impairment no longer applies.

2.3 Foreign currency

The functional currency of the Company is NOK. Monetary assets and liabilities denominated in other currencies are translated at the year-end exchange rates. Foreign currency revenues and expenses are translated at transaction date exchange rates. Exchange gains and losses are included in the determination of net income.

2.4 Revenue

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the company's activities. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the company. The group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the company's activities as described below.

Sale of goods
Revenue from the sale of goods is recognised in the income statement when the significant risk and rewards of ownership has been transferred to the buyer, usually once delivery has taken place.

Sale of services
Revenue from a contract to provide services is recognised by reference to the labour hours delivered and direct expenses are incurred.

2.5 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and any impairment charges. Depreciated are calculated on a straight line basis over the assets expected useful life and adjusted for any impairment charges. Expected useful lives of long-lived assets are reviewed annually and where they differ significantly from previous estimates, depreciation periods are changed accordingly.

Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount and are included in operating profit.

2.6 Intangible assets

Intangible assets acquired

Intangible assets acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

2.7 Impairment of tangible and intangible assets excluding goodwill

At the end of each reporting period, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.8 Leases (as lessee)

Financial leases
Leases where the company assumes most of the risk and rewards of ownership, are classified as financial leases. The company does currently not have any such leases.

Operating leases
Leases in which most of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight-line basis over the period of the lease.

2.9 Short term receivables (current assets)

Short term receivables are initially recognised at fair value plus any transaction costs. The receivables are subsequently carried at amortised cost using the effective interest method, if the amortisation effect is material, and the carrying amount is subsequently reduced by any impairment losses.

2.10 Inventory

Inventories are stated at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw material: Purchase cost on a first in, first out basis.

- Finished goods and work in progress: Cost of direct materials and labour and proportion of manufacturing overheads based on normal operating capacity but excluding borrowing costs.

2.11 Cash and cash equivalents

Cash and the equivalents include cash on hand, deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

2.12 Government grants

Government grants, such as "Skattefunn" is recognised in profit and loss on a systematic basis over the periods in which the company recognises expenses the related cost for which the grant are intended to compensate.

Government grants related to assets is presented in the balance by deducting the grant in arriving at the carrying amount of the asset.

2.13 Borrowings

All loans and borrowings are initially recognised at cost, being the fair value of the consideration received net of transaction/issue costs associated with the borrowing. After initial recognition, interests-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Any difference between the consideration received net of transaction/issue costs associated with the borrowing and the redemption value, is recognised in the income statement over the term of the loan.

2.14 Taxes

Income taxes for the period comprise tax payable and changes in deferred tax.

Deferred tax assets and liabilities are calculated on the basis of existing temporary differences between the carrying amounts of assets and liabilities in the financial statement and their tax bases, together with tax losses carried forward at the balance sheet date. Deferred tax assets and liabilities are calculated based on the tax rates and tax legislation that are expected to exist when the assets are realised or the liabilities are settled, based on the tax rates and tax legislation that have been enacted or substantially enacted on the balance sheet date. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the assets can be utilised.

2.15 Pension plans

The Company has a defined contribution plan for its employees. A defined contribution plan is a plan under which the company pays fixed contributions into a separate entity. The company has no legal or constructive obligations to pay further contributions. The contributions are recognised as employee benefit expenses when they are due.

2.16 Share-based payment

The Company has from time to time issued equity settled share-based compensation plans, under which the company receives services as consideration for equity instruments. The total amount to be expensed is determined by reference to the fair value of the options granted.

The total expense is recognised over the vesting period, which is the period over which all of the specific vesting conditions are to be satisfied. At the end of each reporting period, the company revises its estimates of the number of options that are expected to vest, and recognises the impact of the revision to original estimates, if any, in the income statement. The corresponding entry to expenses is increase in equity (other paid in capital). No such plans are active at the year end.

2.17 Provisions

A provision is recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable (i.e. more likely than not) that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as finance cost.

2.18 Contingent liabilities

Contingent liabilities are not recognised in the financial statements. Significant contingent liabilities are disclosed, with the exception of contingent liabilities where the probability of the liability occurring is remote.

2.19 Cost of equity transactions

Transaction costs directly linked to an equity transaction are recognised directly in equity, net after deducting tax.

2.20 Cash flow statement

The cash flow statement is prepared by using the indirect method.

Note 3 - Salary costs and remunerations

(NOK '000)	2013	2012
Salary	26	2 488
Social security tax	54	120
Pension costs	-61	-92
Other expenses	27	42
Total personnel expenses before capitalisation	**46**	**2 559**
Cost of inventories	-	-
Total personnel expenses	**46**	**2 559**

	2013	2012
Average number of man-labour years:	0	3

Employees and pensions

The Company does not have any employees as at 31 December 2013. This years expense relates to short term employee contracts. This years pension cost is negative due to settlement of previous held defined contribution plan.

Remuneration to management and share based payments
See note 3 in the Consolidated financial statement.

Note 4 - Other operating expenses

(NOK '000)	2013	2012
Rental expenses	148	355
Research and development	11 126	9 365
Consultants and auditors fee	1 587	6 093
Dag Dvergsten AS (Ref. note 18, related parties)	2 082	5 700
Other operating expenses	1 860	2 936
Government grants [1]	(642)	(2 415)
Total operating expenses before capitalization	**16 161**	**22 034**
Cost of inventories	-	-
Total other operating expenses	**16 161**	**22 034**

[1] The company has projects that are comprised by the "Skattefunn" scheme and the grants are recognised as an reduction of operating expenses. The grants relate to research and development expenses regarding "protein free medium", however, it is assessed that the expenses and related grants does not qualify for capitalisation as intangible assets.

Remuneration to auditors
See note 4 in the Consolidated financial statement.

Note 5 - Income taxes

Income tax payable:

(NOK '000)	2013	2012
Profit before tax	(21 207)	(34 095)
Permanent differences	(1 095)	1 500
Change in temporary differences	(285)	(32)
Basis for tax payable	**(22 587)**	**(32 627)**
Tax payable on this year's profit	**-**	**-**

Specification of basis for deferred tax:

(NOK '000)	2013	2012
Fixed and intangible assets	(49)	(83)
Other temporary differences	-	(252)
Tax losses carry forward	(164 585)	(141 997)
Basis deferred tax asset	**(164 634)**	**(142 332)**
Deferred tax asset 27% (28% in 2012) not recognised	**(44 451)**	**(39 853)**

Capitalisation of deferred income tax assets is subject to strict requirements in respect of the ability to substantiate that sufficient taxable profit will be available against which the unused tax losses can be utilised. Based on these requirements deferred tax asset has not been recognised.

Note 6 - Intangible assets

(NOK '000)	Patents	Web design	Other intangible assets	Total
Acquisition cost				
Accumulated 1 January 2012	852	387	24 982	26 221
Additions of the year	-	-	-	-
Disposals of the year	-	-	-	-
Accumulated 31 December 2012	852	387	24 982	26 221
Additions of the year	-	-	-	-
Disposals of the year	-	-	-	-
Accumulated 31 December 2013	852	387	24 982	26 221
Amortisation				
Accumulated 1 January 2012	216	194	6 479	6 889
Disposals of ordinary amortisation	-	-	-	-
This year's ordinary amortisation	146	130	4 997	5 272
Accumulated 31 December 2012	362	324	11 476	12 161
Disposals of ordinary amortisation	-	-	-	-
This year's ordinary amortisation	146	64	4 996	5 206
Accumulated 31 December 2013	508	387	16 472	17 367
Book value				
Book value at 31 December 2012	491	64	13 507	14 060
Book value at 31 December 2013	345	-	8 510	8 854

Economic life	5 years	5 years	5 years	
Depreciation method	linear	linear	linear	

Intangible assets:
Other intangible assets became available for use late in 2010, and was subject to amortisation from that time. See note 8 in the consolidated financial statement for impairment assessments. See note 4 regarding treatment of research and development expenses in 2013 and related "Skattefunn" grants.

Note 7 - Trade receivables

(NOK '000)	**2013**	**2012**
Gross trade receivables [1]	1 154	357
Provision for bad debt	(43)	(30)
Net trade receivables	1 112	327

[1] Of this is NOK 1 058 thousands receivables from subsidiary. See note 17.

Note 8 - Inventories

Inventories include:

(NOK '000)	**2013**	**2012**
Cost of materials and work in progress	1 116	1 846
Finished goods	1 949	4 622
Total inventories at the lower of cost and net realisable value	3 065	6 468

No impairment has been recognised in 2013 (NOK 203 thousand recognised in 2012).

Note 9 - Other short-term assets

(NOK '000)	**2013**	**2012**
VAT- receivables	281	314
Receivable on government grants	642	1 100
Prepaid expenses	-	209
Deposits	-	113
Total other short-term	**923**	**1 736**

Note 10 - Cash and cash equivalents

(NOK '000)	**2013**	**2012**
Cash in hand and at bank - unrestricted funds	189	165
Employee withheld taxes - restricted funds	0	61
Cash and cash equivalents in the balance sheet	**189**	**226**

Note 11 - Share capital, shareholder information

See note 13 in the consolidated financial statements.

Note 12 - Other short-term liabilities

(NOK '000)	2013	2012
Accrued expenses	780	2 695
Salary and other liabilities to employees	6	632
Public duties payable	1	105
Accrued revenue	-	252
Total	**787**	**3 683**

Note 13 - Long term debt and convertible loans

See note 15 in the consolidated financial statement.

Note 14 - Financial risk management, objectives and policies

See note 16 in the consolidated financial statement.

Note 15 - Leases

Operating leases

The Company has entered into several different operating leases for premises, and office machines. The agreements related to office machines contain an option to extend.

The lease costs included:

(NOK '000)	2013	2012
Ordinary lease payments	148	355

Future payments related to non-cancellable leases fall due for payment as follows:

	2013	2012
Within 1 year	5	193
1 to 5 years	-	-
Future lease commitment[1)]	**5**	**193**

[1)]Lease commitments related to office machinery are not included above.

Note 16 - Overview of subsidiaries

The following subsidiaries are included in the consolidated accounts:

Company	Country, and business adress	Stake and voting rights	Carrying amounts *(NOK '000)*
CellCura Inc	USA, 505 South Rosa Road, Suite 115, Madison, WI 53719	100 %	-
CellCura Software Solution A/S	Denmark, Fruebjergvej 3, 2100 København	100 %	7 096

The investment in CellCura Software Solutions A/S was impaired with NOK 3 million i 2012

Note 17 - Related parties transactions

(a) Purchases from related parties

(NOK '000)	**Description of purchase**	**2013**	**2012**
Dag Dvergsten AS [1]	Business Service Agreement	2 082	5 700
Dag Dvergsten AS [1]	Guarantee for loan	750	719
CellCura Software Solution A/S	Goods and other operating services	3 280	4 777
CellCura Inc	Research and development services	2 052	2 208

[1] Refer to note 18 in the consolidated financial statement for further information regarding these agreements.

(b) Income from and sales to related parties

(NOK '000)	**Description of income**	**2013**	**2012**
CellCura Software Solution A/S	Interest income	44	44
CellCura Inc	Interest income	939	848
CellCura Software Solution A/S	Goods	1 061	-
CellCura Inc	Goods	1 036	-

(c) Balance with related parties:

(NOK '000)	**2013**	**2012**
Assets:		
Loan to CellCura Inc [1]	15 195	13 368
Loan to CellCura Software Solutions [1]	690	646
Trade receivables from CellCura Inc	1 058	-
Total receivables from related parties	16 943	14 014
Liabilities:		
Trade payables to Dag Dvergsten AS [2]	750	890
Short term borrowing from Dag Dvergsten AS [2]	1 892	-
Short term borrowing from Scorpio Capital AS [2]	2 338	-
Trade payables and accrued liabilities to CellCura Software Solutions	771	1 782
Trade payables to CellCura inc	4 166	2 113
Total liabilities to related parties	9 916	4 785

[1] No repayment schedule has been agreed for these loans.

[2] Dag Dvergsten AS and Scorpio Capital AS are shareholders of the company. See note 15 in the Consolidated financial statement for further information regarding these loans.

Note 18 - Events after the balance sheet date

For information about events after the balance sheet date, see note 21 to the consolidated financial statement.

CORPORATE GOVERNANCE

CellCura strives to practice good corporate governance to help strengthen confidence in the company and help ensure the greatest possible value creation over time in interest of shareholders, employees and other stakeholders.

CellCura has adopted "The Norwegian Code of Practice for Corporate Governance" dated 21 October 2010. The objective of this Code of Practice is that companies listed on regulated markets in Norway will practice corporate governance that regulates the division of roles between shareholders, the Board of Directors and executive management more comprehensively than is required by legislation. CellCura's Corporate Governance policy is based on this code of practice.

Implementation and reporting on corporate governance:
The board of CellCura ASA is responsible for the implementation of the company's corporate guidelines. These guidelines are reviewed annually by the board and executive management, and discussed in the annual report.

CellCura's Corporate Governance Principles and Ethical Guidelines are available under the investor relations section on our website www.cellcura.com.

Business:
The business of CellCura is defined in article 3 of its Articles of Association and the company conducts its business within this definition.

"The object of the company is to develop and provide services and products related to biotechnology and health care."

Equity and dividends:
The Board of Directors continuously monitors the equity needs of the company. CellCura intends to follow a dividend policy favourable to the shareholders. The amount of any dividends to be distributed will be dependent on the company's investment requirements and rate of growth as well as the general development and financing of the Company.

At an Ordinary general meeting on 6 June 2013 the shareholders authorized the Board to issue up to 32.800.000 shares raising additional capital or acquiring companies/ assets, and thus give the Board a tool that will enable share capital increase in favour of shareholders, private placements and to acquire assets within the core business of the company with consideration, in whole or in part, by way of shares.

Equal treatment of shareholders and transactions with close associates:
The Company has one class of shares and each share gives the owner the right to cast one vote at the general meeting. All shareholders will be treated equally no matter their share-holding or connection to the company. The company has not traded in own shares and do not plan on doing so in the near future.
All transactions between CellCura, other group companies, affiliated companies and persons and other customers or suppliers, shall be made on market terms.

Members of the Board of Directors of CellCura and its employees must behave impartially in all business dealings and not give other companies, organizations or persons improper advantages. If a member of the Board of Directors or the executive management has a material interest in a transaction or other matter involving the company, he or she shall ensure that the Board of Directors is notified of the situation immediately.

In the event of any not immaterial transactions between the company and its shareholders, members of the Board of Directors, members of the leading management or close affiliated persons or companies, the Board of Directors will ensure that a valuation is obtained from an independent third party. This also applies to transactions between companies within the CellCura group where any of the companies involved have minority interests.

Freely negotiable shares
The shares in CellCura ASA are listen on Oslo Axess and all shares are freely negotiable.

General meetings
The general meeting is CellCura ASA's supreme body. Notice of the annual general meeting is sent to shareholders, and documentation will be available at the company's website www.cellcura.com at least 21 days before the meeting.

All shareholders registered in the Norwegian Central Securities Depository (VPS) will receive and invitation to the general meeting. They are entitled to vote at the meeting or by proxy. A proxy form will be sent with the notice.

The deadline for registration is 5 days prior to the general meeting. Shareholders that do not send such notification may be refused entrance to the general meeting.

The annual general meeting shall approve the company's annual accounts and the annual report, including distribution of dividend and all other matters that by law shall be considered by the general meeting.

The Board of Directors and management must attend the general meeting. A person to chair the meeting is elected at the meeting.

The minutes of the general meeting is published in a notice to the stock exchange and made available on the company's website after the meeting.

Election committee
The Company has an election committee consisting of 3 members elected by the general meeting. Members of the election committee shall, at the time of election, be shareholders of the company or appointed by shareholders of the company. The election committee shall put forward suggestions on new board members and deputy board members to the general meeting and also suggest the remuneration to the board members. The members of the election committee shall be elected for a period of two years. The board members elected by the general meeting shall prepare recommendations and instructions for the election committee.

Corporate Assembly and Board of Directors, composition and independence
The Company do not have a corporate assembly, as it is exempt from the duty.
The Board of Directors shall be composed so as to ensure that the Board of Directors can attend to the common interests of all shareholders and meet the company's need for expertise, capacity and diversity.

The composition of the Board of Directors shall ensure that it can operate independently of any special interests. A majority of the shareholder-elected members of the Board of Directors shall be independent of the leading employees and material business contacts.

At least two of the members of the Board of Directors elected by the shareholders shall be independent of the company's main shareholders. At present two Board members is independent of the main shareholder.

The present board consists of two women and two men. The Board of Directors does not include leading employees.

The work of the board of directors
Every year the board adopts a meeting schedule for the coming year. Meetings will otherwise be held as required. 14 board meetings were held in 2013.

The Board is responsible for the overall control and management of the company and to ensure that relevant controls and guidelines related to the overall operations are implemented.

The Board of Directors will evaluate its performance and expertise annually.

Risk management and internal control
The Board of Directors is responsible for ensuring that CellCura has sound internal control and systems for risk management that are appropriate in relation to the extent and nature of CellCura's activities.

There will be an annual review of the company's most important areas of exposure to risk and its internal control arrangements.

Remuneration of the board of directors
Remuneration of the Board of Directors is decided by the annual general meeting after being proposed by the election committee.

The remuneration of the Board of Directors shall reflect the responsibility, expertise, time commitment and the complexity of CellCura's activities and will not be linked to the company's performance. Members of the Board of Directors or their affiliated companies shall not take on specific assignments for CellCura in addition to their appointment as a member of the Board of Directors, unless the assignments and the remuneration for these have been approved by the Board of Directors.

CellCura has entered into a business service agreement with Dag Dvergsten AS, a company owning 22,67 % of the shares in CellCura. Dag Dvergsten AS is owned 100% by Dag Dvergsten who is also chairman of the board in CellCura ASA. See note 18 of the consolidated financial statement for more details.

Remuneration of executive personnel
The Board of Directors in CellCura is responsible for determining the remuneration of the Chief Executive Officer. The Chief Executive Officer is - together with the Board of Directors – again responsible for the remuneration of the management team.

The underlying principle when determining the remuneration is that the total compensation package reflects the responsibility and duties resting with the team members - and that the employee contributes to the long-term value creation in CellCura. It is important that CellCura can offer a competitive remuneration package that enables CellCura to attract the skills and competences needed to support the strategic development of CellCura both nationally as well as internationally.

CellCura has adopted an option scheme for leading employees in which up to 2,000,000 shares may be issued. No options are currently in issue.

Information and communications
All information, including financial information, given by CellCura will be communicated accurately and fully, both internally and externally. The communication will be based on openness and the requirement for equal treatment of all participants in the market.

Every year, the company publishes a financial calendar that contains scheduled dates for periodic publication of information.

All information distributed to the shareholders will also be published on the web side of CellCura at the same time as it is sent to the shareholders.

The periods of reporting of financial information will be as set out in applicable rules and regulations, and no other financial information will be communicated to participants in the market unless the market is simultaneously informed through the publishing of presentation to analysts and similar.

Take-overs
In a take-over situation the board of directors will focus on and use its best efforts to ensure equal treatment of the shareholders, and further to have the best interest of the shareholders in mind regarding price and other conditions.

Transactions that in effect have as a consequence a sale of CellCura's business as a whole will be subject to approval by the general meeting.

Auditor
The auditor is appointed by the general meeting that also approves the auditor's fee. Auditor's fee is reported annually to the general meeting and annual accounts specified on audit work and other assignments.

BDO AS is appointed as the company's auditor. BDO does not perform assignments for CellCura that may lead to conflict of interest.

The auditor will participate in the board meeting where the Board of Directors deals with the annual accounts and otherwise as needed. When the audit committee is established the auditor will be present in meetings with the committee.

RESPONSIBILITY STATEMENT

We confirm, to the best of our knowledge, that the financial statements for the year 2013 which have been prepared in accordance with relevant accounting and reporting standards and gives a true and fair view of the assets, liabilities, financial position and results of operations for the entity and the group as a whole. We also confirm that the Board of Directors' report includes a true and fair review of the development and performance of the business and the position of the entity and the group, and a description of the main risks and uncertainties facing the entity and the group.

Oslo, 9 May 2014

Board of Directors CellCura ASA

Dag Dvergsten Chairman	Cornelia Horn Board member	Christina Hugosson Board member
Lars Rønn Board member		Tore Viana-Rønningen CEO

NOTES TO CONSOLIDATED FINANCIAL STATEMENT 2013

Note 1 General information

CellCura ASA (the company) which is the parent company of the CellCura Group is a public limited liability company incorporated and domiciled in Norway, with its main office in Skien. The Group's business is development of novel equipment and products for use in Assisted Reproductive Technology (ART) and Stem Cell Research throughout the world.

The Board of Directors adopted CellCura's consolidated financial statements for the year ended at 31 December 2013 at its meeting on 8 May 2014.

Note 2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

2.1 Basis for preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and in accordance with the additional requirements following the Norwegian Accounting Act.

The financial statements have been prepared on a historical cost basis, except for derivative financial instruments that have been measured at fair value.

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statement of CellCura ASA and entities controlled by the company (its subsidiaries). Control is achieved where the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed are included in the consolidated financial statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. All intercompany balances and transactions have been eliminated upon consolidation or combination.

Business combinations
Acquisition of subsidiaries are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value. Acquisition-related costs are recognized in profit or loss as incurred. At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair value at the acquisition date. Goodwill is measured as the excess of the sum of the consideration transferred, and the amount of any non-controlling interest in the acquire (if any) over the net of the acquisition date amounts of the identifiable assets acquired and liabilities incurred.

2.3 Foreign currency

The functional currency of the parent company, and the presentation currency for the group is NOK. Monetary assets and liabilities denominated in other currencies are translated at the year-end exchange rates. Foreign currency revenues and expenses are translated at transaction date exchange rates. Exchange gains and losses are included in the determination of net income.

Group companies that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- Income and expense for each income statement are translated at the average exchange rate; and
- All resulting exchange differences are recognised as a separate component of equity.

2.4 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and any impairment charges. Depreciated are calculated on a straight line basis over the assets expected useful life and adjusted for any impairment charges. Expected useful lives of long-lived assets are reviewed annually and where they differ significantly from previous estimates, depreciation periods are changed accordingly.

Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount and are included in operating profit.

2.5 Intangible assets

Intangible assets acquired
Intangible assets acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Internally-generated intangible assets – research and development expenditure
Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

2.6 Impairment of tangible and intangible assets excluding goodwill

At the end of each reporting period, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.7 Leases (as lessee)

Financial leases
Leases where the company assumes most of the risk and rewards of ownership, are classified as financial leases. The company does currently not have any such leases.

Operating leases
Leases in which most of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight-line basis over the period of the lease.

2.8 Short term receivables (current assets)

Short term receivables are initially recognised at fair value plus any transaction costs. The receivables are subsequently carried at amortised cost using the effective interest method, if the amortisation effect is material, and the carrying amount is subsequently reduced by any impairment losses.

2.9 Inventory

Inventories are stated at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition is accounted for as follows:

- Raw material: Purchase cost on a first in, first out basis.
- Finished goods and work in progress: Cost of direct materials and labour and proportion of manufacturing overheads based on normal operating capacity but excluding borrowing costs.

2.10 Cash and cash equivalents

Cash and the equivalents include cash on hand, deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

2.11 Government grants

Government grants, such as “Skattefunn” is recognised in profit and loss on a systematic basis over the periods in which the company recognises expenses the related cost for which the grant are intended to compensate.

Government grants related to capitalized assets is presented in the balance by deducting the grant in arriving at the carrying amount of the asset.

2.12 Borrowings

All loans and borrowings are initially recognised at cost, being the fair value of the consideration received net of transaction/issue costs associated with the borrowing. After initial recognition, interests-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Any difference between the consideration received net of transaction/issue costs associated with the borrowing and the redemption value, is recognised in the income statement over the term of the loan.

2.13 Revenue

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group. The group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Group's activities as described below.

Sale of goods
Revenue from the sale of goods is recognised in the income statement when the significant risk and rewards of ownership has been transferred to the buyer, usually once delivery has taken place.

Sale of services
Revenue from a contract to provide services is recognised by reference to the labour hours delivered and direct expenses are incurred.

2.14 Taxes

Income taxes for the period comprise tax payable and changes in deferred tax.

Deferred tax assets and liabilities are calculated on the basis of existing temporary differences between the carrying amounts of assets and liabilities in the financial statement and their tax bases, together with tax losses carried forward at the balance sheet date. Deferred tax assets and liabilities are calculated based on the tax rates and tax legislation that are expected to exist when the assets are realised or the liabilities are settled, based on the tax rates and tax legislation that have been enacted or substantially enacted on the balance sheet date. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the assets can be utilised.

2.15 Pension plans

The company has a defined contribution plan for its employees. A defined contribution plan is a plan under which the company pays fixed contributions into a separate entity. The company has no legal or constructive obligations to pay further contributions. The contributions are recognised as employee benefit expenses when they are due. Previous defined benefit plans held by the company has been settled.

2.16 Share-based payment

The company has from time to time issued equity settled share-based compensation plans, under which the company receives services as consideration for equity instruments. The total amount to be expensed is determined by reference to the fair value of the options granted.

The total expense is recognised over the vesting period, which is the period over which all of the specific vesting conditions are to be satisfied. At the end of each reporting period, the company revises its estimates of the number of options that are expected to vest, and recognises the impact of the revision to original estimates, if any, in the income statement. The corresponding entry to expenses is increase in equity (other paid in capital). At year end 2013 no such plans are active.

2.17 Provisions

A provision is recognised when the company has a present legal or constructive obligation as a result of past events, it is probable (i.e. more likely than not) that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as finance cost.

2.16 Contingent liabilities

Contingent liabilities are not recognised in the financial statements. Significant contingent liabilities are disclosed, with the exception of contingent liabilities where the probability of the liability occurring is remote.

2.18 Segment reporting

The company does have three products that are partly dependent on each other. The products are:

- The CellCura ART lab solutions, which is the first of its kind combining all the steps in the ART process into one integrated digital workplace.
- CellCura Software Solutions, which develops and commercializes software solutions for use in ART clinics and hospitals.
- CellCura Protein Free Media, which is a unique and complete rang of protein-free media product.

Due to the currently very low volume of sales, the company does not formally operate with different operating segments for management purpose. If the increase in sales volume occur as planned it will be proper to operate and disclose different segments.

2.19 Cost of equity transactions

Transaction costs directly linked to an equity transaction are recognised directly in equity, net after deducting tax.

2.20 Cash flow statement

The cash flow statement is prepared by using the indirect method.

2.21 Critical accounting estimates and assumptions

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates. Areas where significant judgement has been applied are:

a. *Recognition and subsequent measurement of intangible assets:* The criteria for when development costs qualify for recognition as an intangible asset are subject to substantive judgement. Further, even if the projects to where cost has been activated progress in a satisfactory manner, uncertainty exist regarding future market and anticipated margins on these products. Consequently the estimates regarding recoverable amount, related to impairment testing, is uncertain.

New and amended standards and interpretations

The implementation of new and amended standards and interpretations effective for the accounting periods starting 1 January 2013 did not have any impact on the company's financial statement.

IFRS and IFRIC issued but not adopted by the company

Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the group are listed below.

It is assessed that none of the standards, amendments and interpretation to existing standards will have material impact on the financial statements as the currently is presented, however, they may have impact in the future.

IAS 27 Separate Financial Statements (as revised in 2011) The amendment becomes effective for annual periods beginning on or after 1 January 2014 (IASB effective date is 1 January 2013).

IAS 28 Investments in Associates and Joint Ventures (as revised in 2011): The amendment becomes effective for annual periods beginning on or after 1 January 2014 (IASB effective date is 1 January 2013).

IAS 32 - Amendment: Offsetting Financial Assets and Financial Liabilities. The amendment becomes effective for annual periods beginning on or after 1 January 2014.

IFRS 9 Financial Instruments: Classification and Measurement: According to IASB the standard is effective for annual periods beginning on or after 1 January 2017. EU has not yet decided on effective date.

IFRS 10 Consolidated Financial Statements: This standard becomes effective for annual periods beginning on or after 1 January 2014. (IASB effective date is 1 January 2013).

IFRS 11 Joint Arrangements This standard becomes effective for annual periods beginning on or after 1 January 2014 (IASB effective date is 1 January 2013).

IFRS 12 Disclosure of Involvement with Other Entities: This standard becomes effective for annual periods beginning on or after 1 January 2014. (IASB effective date is 1 January 2013).

Note 3 - Salary costs and remunerations

(NOK '000)	2013	2012
Salary	4 553	7 604
Social security tax	102	197
Pension costs	261	11
Other expenses	48	71
Total personnel expenses before capitalisation	**4 964**	**7 883**
Cost of inventories	-	-
Total personnel expenses	**4 964**	**7 883**

	2013	2012
Average number of man-labour years:	3	5

COMPENSATION TO KEY MANAGEMENT 2013

Tore Kvam, the Company's CEO in 2013 has not been employed in the Company but has been hired from Nordicadvice AS. In 2013 the Company has paid in average 181 thousands for each month (a total of 2,175 thousands for the year) for the services provided by Kvam (figures are inclusive VAT). Kvam retired from the position as CEO 17 January 2014. Tore Viana-Rønningen has been engaged as new CEO starting from 20 January 2014. Viana-Rønningen has not received any remuneration from the Company in 2013, and is employed in Dag Dvergsten AS.

Bent Nordbø, the Company's COO, is employed in Dag Dvergsten AS, and fees related to his work is covered by a Business Service Agreement between the Company and Dag Dvergsten AS, see note 18 for further information.

COMPENSATION TO KEY MANAGEMENT 2012

Name	Salary	Pension contribution	Share options	Other remuneration	Total 2012
Tore Kvam 1)	-	-	-	1 575	**1 575**
Lars Kristian Bredahl 2)	1 531	159	-	102	**1 792**
Total	**1 531**	**159**	-	**1 677**	**3 367**

1) Kvam joined the Company in April 2012 as CFO. He held this position until 21 December when he was appointed to the position as CEO. He is not employed by CellCura, but is hired from Nordicadvice AS. Nordicadvice AS invoiced CellCura NOK 175 thousand each month for the services provided by Kvam.

2) Bredahl retired from his position as CEO effective from 21 December 2012.

COMPENSATION TO THE BOARD
The board of directors has not received any remuneration from the company in 2013 and 2012.

Pension
The Parent Company does not have any employees as at 31 December 2013, and thus no pension plan is required. Employees in CellCura Software Solutions are covered by pension plans applicable in Denmark.

Share based payment
In 2012 CellCura had an active share option program whereby employees and other parties that delivers services to CellCura had been granted share options back in year 2009 to 2012. The options, if vested and executed, would be settled in shares. The changes in fair value of the options granted did not affect the assessments regarding ordinary remuneration. All of the share options had expired as at 31 December 2012.

	Number of options	Vesting date	Expiry	Exercise price (NOK)	Fair value at grant date
Issued in Nov. 2009	900 000	nov.12	At General meeting 2012	1,0	0,39
Issued in May 2007	15 000	18. May 2010	At General meeting 2012	0,1	29,91
Issued in June 2011	100 000	June 2011	16. December 2012	2,3	2,20

Movements in share options during the year:	Number of options	Weighted average exercise price
Number of options outstanding at 01.01.2012	915 000	0,99
Granted during the year	100 000	2,2
Forfeited during the year	(1 015 000)	-
Number of options outstanding at 31.12.2012	-	-
Granted during the year	-	-
Forfeited during the year	-	-
Number of options outstanding at 31.12.2013	-	-

Policy on salary for management
Cellcura has developed a policy for regulating salary for management within the group according to the Norwegian rules. Management salaries are to be competitive and reflect the responsibility, position, industry and the size of the company.

Note 4 - Other operating expenses

(NOK '000)	2013	2012
Rental expenses	487	651
Research and development	6 052	2 528
Consultants and auditors fee	2 136	6 863
Dag Dvergsten AS (See note 18 Related parties)	2 082	5 700
Other expenses	2 549	4 164
Impairment of receivables	13	130
Government grants [1]	(642)	(2 415)
Total operating expenses before capitalization	**12 677**	**17 622**
Cost of inventories	0	0
Total other operating expenses	**12 677**	**17 622**

[1] The company has projects that are comprised by the "Skattefunn" scheme and the grants are recognised as reductions of operating expenses. The grants relate to research and development expenses regarding "protein free medium", however, it is assessed that the expenses and related grants do not qualify for capitalisation as intangible assets.

Remuneration to Auditors:

(NOK '000)	2013		2012	
	Auditors of the parent company	**Other auditors**	**Auditors of the parent company**	**Other auditors**
Statutory audit	504	29	290	31
Other assurance services	66		132	
Tax assistance	-	-	-	-
Other services	25	-	-	-
Total, excl. VAT	**595**	**29**	**422**	**31**

Note 5 - Income taxes

Tax expense/ (income)

(NOK '000)	**2013**	**2012**
Current tax	-	-
Changes in deferred tax	(630)	(706)
Total tax expense/(income)	(630)	(706)

Specification of basis for deferred tax:

(NOK '000)	**2013**	**2012**
Fixed and intangible assets	2 876	4 265
Convertible loan	(457)	-
Other temporary differences	(112)	(350)
Tax losses carry forward	(165 987)	(142 642)
Total basis for net tax asset	**(163 680)**	**(138 727)**
Net deferred tax asset not recognised (27% in 2013 and 28% in 2012)	(45 235)	(39 976)
Deferred tax liability (25%) recognised	**(697)**	**(1 017)**
Deferred tax asset (25%) recognised	**344**	**116**

Capitalisation of deferred income tax assets is subject to strict requirements in respect of the ability to substantiate that sufficient taxable profit will be available against which the unused tax losses can be utilised. Based on these requirements deferred tax asset from CellCura ASA has not been recognised. Of deferred tax losses carry forward in 2013 disclosed above , NOK 164.6 nillion relates to CellCura ASA (NOK142 million in 2012).

Reconciliation of effective tax rate:

(NOK '000)	**2013**	**2012**
Profit before tax	(25 353)	(32 262)
Tax based on tax rate of the domestic tax rate	(7 075)	(9 033)
Effects from:		
Transaction costs recognised in equity	(328)	(73)
Other permanent differences	401	(1 034)
Change in tax rate Norwegian entity	1 651	-
Deferred income tax asset not recognised	4 722	9 435
	(630)	**(706)**

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Note 6 - Earnings per share

Basic

Basic earnings per share is calculated by dividing the profit or loss attributable to equity holders of the company by the weighted average number of ordinary shares in issue during the year.

Diluted

Diluted earnings per share is calculated by adjusting the number of shares for the effects of dilutive options, if they have a dilutive effect.

	2013	2012
Profit attributable to equity holders of the company (in NOK '000)	(24 723)	(31 556)
Weighted average number of ordinary shares in issue	92 780 455	39 558 887
Basic earnings per share (in NOK)	(0,27)	(0,80)
Diluted earnings per share (in NOK) [1]	(0,27)	(0,80)

[1] Potential dilutive shares from share options and convertible loans, was not included in the calculation of Diluted earnings per share for 2012 since they did not have any dilutive effect. No potential shares have been outstanding in 2013.

Note 7 - Property, plant and equipment and intangible assets

(NOK '000)	**Fixtures and office machines**
Acquisition cost	
Accumulated 1 January 2012	720
Additions of the year	-
Disposals of the year	(3)
Accumulated 31 December 2012	717
Additions of the year	-
Disposals of the year	-
Currency effects	2
Accumulated 31 December 2013	719
Depreciation	
Accumulated 1 January 2012	655
Disposals of ordinary depreciation	-
This year's ordinary depreciation	30
Accumulated 31 December 2012	685
Disposals of ordinary depreciation	-
This year's ordinary depreciation	31
Accumulated 31 December 2013	716
Book value	
Book value at 31 December 2012	31
Book value at 31 December 2013	2

Fixtures and office machines:

Economic life	3 years
Depreciation method	linear

Note 8 - Intangible assets and Goodwill

(NOK '000)	Patents	Web design	Other Intangible assets	Total	Goodwill
Acquisition cost					
Accumulated 31 December 2012	852	387	34 551	**35 790**	2 588
Additions of the year	-	-	-	-	-
Disposals of the year	-	-	-	-	-
Currency effects	-	-	(340)	**(340)**	(147)
Accumulated 31 December 2012	852	387	34 211	**35 450**	2 441
Additions of the year	-	-	59	**59**	
Disposals of the year	-	-	-	-	-
Currency effects	-	-	488	**488**	347
Accumulated 31 December 2013	852	387	34 758	**35 997**	2 788
Amortisation					
Accumulated 1 January 2012	216	193	9 441	**9 850**	-
Disposals of ordinary amortisation	-	-	-	-	-
This year's ordinary amortisation	146	130	6 804	**7 080**	-
Accumulated 31 December 2012	362	323	16 245	**16 929**	-
					-
Disposals of ordinary amortisation	-	-	-	-	-
This year's ordinary amortisation	146	64	6 882	**7 092**	-
Accumulated 31 December 2013	508	387	23 127	**24 021**	-
Book value					
Book value at 31 December 2012	491	64	17 967	**18 520**	2 441
Book value at 31 December 2013	345	0	11 631	**11 977**	2 788
Economic life	5 years	5 years	5 years		
Depreciation method	linear	linear	linear		

Intangible assets

The intangible assets became available for use late in 2010, and started its amortisation from that time. Grants received from "Skattefunn" are recognised as reduction of operating expenses. Expenses in 2013 regarding reseach and developement has been expensed. See note 4.

Impairment testing of goodwill and intangible assets

Goodwill is subject to impairment testing each year. Other intangible assets are tested for impairment if there is any indication that the assets may be impaired. CellCura's goodwill arose solely due to the initial recognition of deferred tax liability from the acquisition of CellCura Software Solutions A/S and consequently represents an accounting technical goodwill. For the purpose of impairment testing the goodwill is included in the CGU with the acquired assets, and all of the intangible assets recognise above has been subject to impairment testing. At year end 2013 all of the Company's intangible assets, including goodwill, has been subject to impairment testing.

The impairment test has been calculated for two CGUs, CGU-Workstations and CGU-Software, and the recoverable amount is assessed to be higher than the carrying amount, and thus no impairment has been recognised. Recoverable amount is the higher of fair value less costs to sell and value in use. The recoverable amount is based on discounted cash flows for a two year explicit budget period, in addition to a continuing value beyond the budget period. The budget period is only two years based on previous experience which has demonstrated that budgeting for this CGU has been difficult. The budget figures are based on budgets considered by the Board, but are subject to adjustments by the management. Budgeted and applied gross margins are 34-39% for workstations, and 73% for software. The budget figures are based on the assumption that the Company is able to take a further step in commercializing its product and that the Company is able to act as a sales organization going forward. However, based on previous experiences it is not certain that the Company will be able to reach this phase as fast as desired, which will cause delay in revenue. For the continuing value a nominal annual growth rate of 3,5% has been used. The discount rate (calculated as the weighted average cost of capital) applied to the cash flow projections is 14.2%. This has been computed using the value weighted average cost of capital based on weighted average cost of debt and market value of equity times a required equity return (which in turn is based on a risk-free rate plus equity market premium times beta plus an applicable addition for liquidity and company specific risk).

Sensitivity analysis

The difference between calculated value in use and carrying amount is defined as headroom in the impairment testing. Negative headroom indicates that assets subject to impairment test are impaired. As at 31 December 2013 the impairment test gives a positive headroom of MNOK 26.8 for CGU-Workstations and a positive headroom of MNOK 13.5 for CGU-Software. Sensitivity analysis with a WACC-range of 11 % to 17 % gives a positive headroom and indicates that no impairment will occur with a reasonable change in discount rate.

Note 9 - Inventories

Inventories include:

(NOK '000)	**2013**	**2012**
Cost of materials and work in progress	1 116	2 038
Finished goods	2 066	4 622
Total inventories at the lower of cost and net realisable value	3 182	6 660

No impairment of inventory has been recognised in the financial statement.

Note 10 - Trade receivables

(NOK '000)	2013	2012
Gross trade receivables	797	660
Provision for bad debt	(143)	(130)
Net trade receivables	655	530

Trade receivables are non-interest bearing and are generally on 30-90 day terms.

Movements in the provision for impairment of receivables:

(NOK '000)	Individually impaired
At 1 January 2012	-
Charge for the year	130
Utilised	-
Unused amounts reversed	-
At 31 December 2012	130
Charge for the year	13
Utilised	-
Unused amounts reversed	-
At 31 December 2013	143

As of 31 December, the ageing analysis of trade receivables is as follows:

			Past due but not impaired			
(NOK '000)	Total	Neither past due nor impaired	<30 days	30-60 days	61-90 days	> 90 days
31. Dec 2013	797	129	446	67	0	155
31. Dec 2012	530	378	100	-	-	52

Note 11 - Other short-term receivables

(NOK '000)	2013	2012
VAT- receivables	281	399
Government grants	642	1 100
Prepaid expenses	-	209
Deposits	36	143
Total other short-term	**958**	**1 851**

Note 12 - Cash and cash equivalents

(NOK '000)	2013	2012
Cash in hand and at bank - unrestricted funds	190	273
Employee withheld taxes - restricted funds	-	61
Cash and cash equivalents in the balance sheet	**190**	**334**

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Note 13 - Share capital, shareholder information

	Number of shares	Share capital (NOK '000)
At 1 January 2012	36 239 580	3 624
Capital increase in 2012 (partially registered in 2013)	29 525 356	2 953
At 31 December 2012	65 764 936	6 576
Capital increase in 2013	64 643 875	6 464
At 31 December 2013	130 408 811	13 041

Ordinary shares, nominal value NOK 0,10. See note 21, regarding reversed split of outstanding share in February 2014.

All shares in the company have equal voting rights and are equally entitled to dividend.

The 20 main shareholders at 31.12.2013 are:

Shareholder	Number of shares	Ownership interest
DAG DVERGSTEN AS	29 563 861	22,67 %
SCORPIO KAPITAL AS	16 973 326	13,02 %
MP PENSJON PK	9 321 092	7,15 %
HOLBERG NORGE	9 103 654	6,98 %
BUSKERUD TELEMARK VESTFOLD INVESTERINGSFC	7 474 586	5,73 %
SINGLE HOLDING AS	6 659 218	5,11 %
CONCITO AS	5 469 700	4,19 %
UBS AG	5 350 000	4,10 %
KURT JÅSUND INVEST AS	3 000 000	2,30 %
SYLTE EIENDOM KAPITAL AS	2 156 961	1,65 %
ITZA AS	2 104 586	1,61 %
TEIR, MAGED ELABD SOLIMAN ABU	2 000 000	1,53 %
BJØRN NORLIE AS	1 664 000	1,28 %
BEMANNINGSBYRAAET TELEMARK AS	1 153 670	0,88 %
ANDREASSEN, VIDAR	1 000 000	0,77 %
NORDNET BANK AB	977 043	0,75 %
SLETTEN, OLAV BIRGER	950 000	0,73 %
TERRA MARKETS AS	875 000	0,67 %
FLATI, EDVIN	835 000	0,64 %
BIRGER HOLDING AS	814 308	0,62 %
Total for 20 main shareholders	107 446 005	82,39 %
Other shareholders	22 962 806	17,61 %
Total number of shares	**130 408 811**	**100,00 %**

Shared owned directly or indirectly by the management and the board at 31.12.2013

Name	Role	Number of shares
Dag Dvergsten [1]	Chairman	29 563 861
Cornelia Horn [2]	Board member	16 973 326
Bent Nordbø	COO	12 000

[1] Dag Dvergsten owns 100% of Dag Dvergsten AS.

[2] Cornelia Horn owns 100% of Scorpio Kapital AS.

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Note 14 - Other short-term liabilities

(NOK '000)	2013	2012
Accrued expenses	780	1 781
Salary and other liabilities to employees	1 255	1 444
Public duties payable	12	232
Accrued revenue	-	252
Other short-term debt	86	51
Total	**2 133**	**3 760**

Note 15 - Interest bearning borrowings

Loans from Innovasjon Norge:

(NOK '000)	2013	2012
Loan from Innovasjon Norge, long term	9 990	12 400
Loan from Innovasjon Norge, short term	4 667	1 800
Accrued interest and amortisation effects, Innovasjon Norge	290	427
Total loan from Innovasjon Norge	14 947	14 627

The Company has currently two loans from Innovasjon Norge. Remaining nominal amount outstanding under the first loan, issued in 2009, is TNOK 4.200 which shall be repaid in installments of TNOK 600 each six month period. As at 31 December 2013 the nominell interest is 5.75%.

The second loan from Innovasjon Norge was granted in 2012, and amounts to TNOK 10.000. Commencing from 2014, the loan shall be repaid in instalments of TNOK 1.667 each six month period. As at 31 December 2013 the nominell interest is 5.75%. Effective interest over the loan period is calculated to be 4.6%, due to an interest free period of 18 months.

The Company has not been able to repay the principal amounts in accordance with original loan terms for the first loan, where remaining amount is TNOK 4.200. The Company has through a dialogue with Innvasjon Norge been granted a repayment deferral with a corresponding extension to the maturities of each loan facility. See note 21 for further information.

Loans from shareholders - short term

(NOK '000)	2013	2012
Loan from Dag Dvergsten AS	1 892	-
Loan from Scorpio Capital AS	2 338	-
Total loan from shareholders	4 229	-

The loans are provided on a short term basis, however one may chose to convert whole or part of the amounts in subsequent share issues. Interest terms are 12-15% p.a.

Assets pledged as security
The loan from Innovasjon Norge has a first priority pledge in equipment, receivables (factoring) and inventory in CellCura ASA. The carrying amount of these assets are:

(NOK '000)	2013	2012
Equipment	-	-
Inventory	3 065	6 237
Trade receivables	54	54
	3 119	6 291

Guarantee
For the TNOK 10 000 loan Dag Dvergsten AS has provided a guarantee for the least preferential 50% of the loan, including all interest over the loan period. See note 18, regarding fees for this guarantee.

Note 16 - Financial risk management, objectives and policies

(a) Categories of financial instruments

(NOK '000)	Category	2013	2012
Financial assets:			
Trade receivables	Loans and receivables	655	530
Other receivables [1]	Loans and receivables	677	1 243
Cash and cash equivalents	Loans and receivables	190	334
Total financial assets		**1 522**	**2 108**
Financial liabilities:			
Borrowings	Financial liabilities measured at amortised cost	14 947	14 627
Shareholder loans	Financial liabilities measured at amortised cost	4 229	-
Trade payables	Financial liabilities measured at amortised cost	8 001	9 239
Other current liabilities [2]	Financial liabilities measured at amortised cost	1 342	1 495
Total financial liabilities		**28 519**	**25 361**

[1] VAT receivable and prepaid expenses is not included.
[2] Accruals for incurred costs and Public duties payable is not included.

(b) Financial risk management
The company's principal financial liabilities consist of non-current and current borrowings and trade payables. The main purpose of these financial liabilities is to finance the company's operations. The company's financial assets mainly comprise trade receivables, receivables on government grants and cash.

The company is exposed to market risk, credit risk and liquidity risk. The company's senior management oversees the management of these risks.

Market risk
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: interest rate risk, currency risk, commodity price risk and other price risk.

a) Interest rate risk:
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The loan from Innovasjon Norge has a floating rate, and thus gives exposure to interest rate risk. If the interest rate increases with 50 basis points, the profit before tax in 2013 would be TNOK 71 lower (2012 TNOK 71).

b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. At year end 2013 the Company had trade receivables and trade payables in EUR and USD. A 10% strengthening of both currencies against NOK at 31 December 2013 would decrease profit or loss by TNOK 407 (2012 TNOK 92). Other currencies only represents minor exposures.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. The company is exposed to credit risk primarily through deposits with banks and receivables on government and trade receivables. The carrying amount of financial assets represents the maximum credit exposure.

The maximum exposure to credit risk at the reporting dates was:

	2013	2012
Cash and cash equivalents	190	334
Trade receivables	655	530
Other receivables	677	1 243
Maximum credit exposure	**1 522**	**2 108**

Liquidity

The company monitors its risk to a shortage of funds by continuously monitoring maturity of financial assets and liabilities and projected cash flows from operations. The current liquidity situation is demanding and further financing is required to settle the liabilities presented below. See note 20 for further information.

The following are contractual maturities of financial liabilities, including estimated interest payments on an undiscounted basis:

Year ended December 31, 2013

(NOK '000)	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
Other long term borrowing	(3 545)	(1 746)	(9 166)	(1 739)	(16 196)
Shareholder loans	(4 229)	-	-	-	(4 229)
Trade payables [1]	(8 001)	-	-	-	(8 001)
Total	**(15 776)**	**(1 746)**	**(9 166)**	**(1 739)**	**(28 427)**

[1] See note 20 for information about agreements with creditors regarding deferral and settlemet of liabilities.

Year ended December 31, 2012

(NOK '000)	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
Other long term borrowing	(1 634)	(707)	(10 753)	(5 084)	(18 178)
Trade payables 1)	(9 239)	-	-	-	(9 239)
Total	**(10 873)**	**(707)**	**(10 753)**	**(5 084)**	**(27 417)**

1) The amount is calculated based on the assumption that the conversion right is not exercised.

Capital management

A key objective in relation to capital management is to ensure that the company obtains a strong capital structure in order to support its business development. The company evaluates its capital structure in light of current and projected cash flow, new business opportunities and the company's financial commitments. Currently the Group has not being able to fulfill the capital management objectives. The Group liquidity situation is demanding, and there is a need for further financing either through share issues or loans. See note 20 for further Information.

The carrying amount of cash and cash equivalents, short term financial receivables and trade debtors is approximately equal to fair value due to a short term to maturity. For other long term borrowing, the interest rate is a floating rate, and it is assessed that the carrying amount reflects the fair value.

The fair value of derivative liabilities, which are settled as at 31 December 2012, was calculated with Black & Scholes option pricing model. Input to the model is subject to substantial judgement. Input used for calculating fair value of the derivatives is similar to those used for calculating fair value of the share options (refer to note 3). Several of the inputs are derived from other than quoted prices such as interest rate and volatility, and consequently the calculated fair value correspond to level 2 in the fair value hierarchy as defined in IFRS 7.

Note 17 - Leases

Operating leases

The group has entered into several different operating leases for vehicles and office machines.
The agreements related to office machines contain an option to extend.

The lease costs included:

(NOK '000)	**2013**	**2012**
Ordinary lease payments	331	616

Future payments related to non-cancellable leases fall due for payment as follows:
Remaining rental agreements are renewed for 6 months periods.

	2013	**2012**
Within 1 year	106	312
1 to 5 years	-	-
More than 5 years	-	-
Future lease commitment[1)]	**106**	**312**

[1)]Lease commitments related to office machinery are not included above.

Note 18 - Related parties transactions

To provide the company with access to important knowledge, the company has entered into agreements with related parties:

(a) Purchases from related parties

Related party	Time of contract	Service
Dag Dvergsten AS	2007	Business Service Agreement[1)]
Dag Dvergsten AS	2012	Guarantee for loan [2)]

[1)] The agreement includes business development, strategically advising, Chief Operating Officer, project management, IT and administrational services. The appointment can be cancelled subject to a 12 month notice. Fees are disclosed in note 4.

[2)] Dag Dversten AS has provided guarantee regarding a loan from Innovasjon Norge. For this service Dag Dvergsten AS has invoiced TNOK 750 in 2013 (TNOK 719 in 2012). See note 15 for further information.

Trade payable with contingent settlement
Due to limited liquidity and the fact that Dag Dvergsten AS is a significant shareholder and guarantor for some of the Company's borrowings, CellCura and Dag Dvergsten AS has entered into an agreement in which Dag Dvergsten AS has invoiced CellCura less than what has been agreed in the Business Service Agreement referred to above. Both parties have further agreed to potential further invoicing of this amount being conditional on a signifikant improvement in The Company's financial standing and that the Board and significant shareholders will have to approve that such conditions have been met.

The trade payable with contingent settlement has a nominal amout of NOK 1.8 million. This is financial liability under IAS 39 and is measured at fair value at initial recognition. Fair value is calculated based on present value of expected future cash flows. It is management's assessment that the fair value of this financial liability at date of recognition, calculated as the probability weighted future cashflow from CellCura ASA to Dag Dvergsten arising from this contingent settlement, being zero. This is based on the fact that any future claim is dependent on significant further equity being invested in the business and that a claim of such size most likely will have to be waived in order to attract new investments from other investors.

(b) Balance with related parties:

(NOK '000)	2013	2012
Liabilities:		
Trade payables to Dag Dvergsten AS	750	890
Short term borrowing from Dag Dvergsten AS	1 892	-
Short term borrowing from Scorpio Capital AS	2 338	-
Total liabilities to related parties	**4 979**	**890**

Note 19 - Overview of subsidiaries

The following subsidiaries are included in the consolidated accounts:

Company	Country	Stake	Voting share
CellCura Inc	USA, 505 South Rosa Road, Suite 115, Madison, WI 53719	100 %	100 %
CellCura Software Solution A/S	Denmark, Fruebjergvej 3, 2100 København	100 %	100 %

Note 20 - Going concern and financing situation

These financial statements have been prepared based on the going concern basis as the management has no intention to end this business. However, management is aware that the situation discussed below may cast doubt upon the entity's ability to continue as a going concern.

CellCura is currently in need of further financing for being able to continue its business, completing its intended plans for its products and settle its current liabilities. In 2013, and from the balance sheet date up until the issue of this financial statement, the liquidity situation has been very demanding. As a part of being able to operate in this period the company has entered into agreements with some of its creditors both with regards to delay in payments and conversion of debt to equity.

The following is the status regarding the Company's debt situation:
The total borrowing at the balance sheet date, NOK 14.9 million, is all debt to Innovasjon Norge. After the balance sheet date the Company has reached an agreement with Innovasjon Norge for a repayment deferral with a corresponding extension to tenors of each loan facility.

Shareholder loans of NOK 4.2 million are formally due as at the balance sheet date, however, the shareholders have agreed to a temporary exemption from repayment. Conversion to equity may also be an applicable alternative for this debt.

Regarding trade payables creditor agreements have been made for circa additional NOK 6 million. These creditor agreements do wary, however, in general it has been agreed to repay outstanding in equal monthly instalments over periods of up to 1 year following the start of each agreement.

The Board of Directors is currently working on raising further financing both related to existing and potential new investors. Due to the demanding situation, all alternative financing alternatives are being considered.

The management and the Board of Directors assume that approximately NOK 10 million in new financing is required for being able to operate for at least twelve months after the issue of this financial statement. This capital requirement is based on a budgeted sales growth of 45% from 2013 to 2014. Delays in sales during this period or failure to cut costs according to plan may create a need for additional financing in order to secure the operation of the company.

Note 21 - Events after the balance sheet date

Changes in management
Tore Kvam resigned as his position as interim CEO effective from 17 January 2014. Tore Viana-Rønningen has been hired as new interim CEO with effect from 20 January 2014. Viana-Rønningen is presently employed in Dag Dvergsten AS as Vice President Projects with special focus on investments in the healthcare sector.

The Research Council of Norway grants CellCura NOK 6 million
The Company has been awarded a research grant of NOK 6 million from the Research Council of Norway ("the Research Council") to support its research project "Computer Aided Sperm Analysis and Recognition" (CASPAR). The grant is awarded through the Research Council's programme for "User-driven Research based Innovation" ("BIA"). BIA aims at supporting Norwegian businesses' ability to develop and commercialise user-driven innovation of the highest international standards.

Reverse share split
On the 21 February the general meeting resolved to conduct a reverse share split in the ratio 20:1 and to issue a few additional shares for technical reasons. Following the reverse share split, CellCura ASA's share capital will be NOK 13,041,000 divided into 6,520,500 shares, each with a par value of NOK 2.

Grant of repayment deferral, Innovasjon Norge credit facilities
22 April CellCura received approval from Innovasjon Norge to defer repayment on principal on both outstanding loans with a corresponding extension of tenor to each facility. The repayment deferral has been granted under certain conditions related to the Company's shareholder loans.

PARENT COMPANY STATEMENT OF CASH FLOWS

(NOK '000)	Note	2013	2012
Cash flow from operating activities			
Ordinary profit/ (loss) before tax		(21 207)	(34 095)
Depreciation and amortisation	6	5 206	5 272
Impairment of investment in subsidiary	16	-	3 000
Impairment of trade receivables and inventory		13	234
Accrued interest income		(987)	(910)
Accrued interest expenses		270	1 277
Changes in accounts receivable, creditors and inventory		8 757	5 895
Changes in other accruals		(2 083)	2 029
Net cash flow from operating activities		**(10 031)**	**(17 297)**
Cash flows from investing activities			
Loans to group companies	17	(884)	(2 149)
Investment in intangible assets	6	-	-
Net cash flow from investing activities		**(884)**	**(2 149)**
Cash flows from financing activities			
Proceeds from borrowing		4 322	10 000
Repayment of loans	13	(500)	(600)
Proceeds from issue of share capital	11	7 057	5 669
Net cash flow from financing activities		**10 879**	**15 069**
Net changes in cash and cash equivalents		**(37)**	**(4 378)**
Cash and cash equivalents at the beginning of the period		226	4 604
Cash and cash equivalents at the end of the period	10	**189**	**226**
Interest paid		303	320

CONSOLIDATED STATEMENT OF CASH FLOWS

(NOK '000)	Note	2013	2012
Cash flow from operating activities			
Ordinary profit/ (loss) before tax		(25 353)	(32 262)
Accrued interest expense		727	3 894
Depreciation and amortisation	7,8	7 123	7 112
Derivative liability	15	-	(4 633)
Impairment of trade receivables and inventory		13	334
Changes in accounts receivable, creditors and inventory		6 803	4 513
Changes in other accruals		(277)	1 581
Net cash flow from operating activities		**(10 964)**	**(19 462)**
Cash flows from investing activities			
Investment in intangible assets	8	(59)	-
Net cash flow from investing activities		**(59)**	**-**
Cash flows from financing activities			
Proceeds from borrowing		4 322	10 000
Repayment of loans	15	(500)	(600)
Proceeds from issue of share capital	13	7 057	5 669
Net cash flow from financing activities		**10 879**	**15 069**
Net changes in cash and cash equivalents		**(144)**	**(4 393)**
Cash and cash equivalents at the beginning of the period		334	4 727
Non restricted cash		190	273
Restricted cash		-	61
Cash and cash equivalents at the end of the period	12	**190**	**334**
Interest paid		144	381

Brønnøysundregistrene – Regnskapsregisteret

VEDLEGG TIL ÅRSREGNSKAP 2013

CELLCURA ASA Postboks 1320 Vika 0112 OSLO	Organisasjonsnr. 980 040 461	ASA

Registrerte opplysninger per 29.07.2014		Eventuelle endringer dette regnskapsåret	
Startdato 01.01.2013	Avslutningsdato 31.12.2013	Startdato	Avslutningsdato
Konsernforhold Foreninger som følger regler for frivillig virksomhet, kan ikke være morselskap	Morselskap JA	Endret konsernforhold ☐ Morselskap	☐ Ikke morselskap

Kun for aksjeselskap som har meldt fravalg av revisjon

Selskapet har besluttet at årsregnskapet ikke skal revideres ☐ Ja

Årsregnskapet er utarbeidet av ekstern autorisert regnskapsfører ☐ Ja

Ekstern autorisert regnskapsfører har i løpet av regnskapsåret bistått ved den løpende regnskapsføringen eller utført andre tjenester for selskapet enn å utarbeide årsregnskapet ☐ Ja

Årsregnskapet er satt opp etter reglene for frivillig virksomhet ☐ Avkrysning er kun aktuelt for foreninger (FLI) som er registrert i Frivillighetsregisteret

Hvis enheten ikke følger norsk regnskapslov eller frivillighetsregisterloven, kryss av ☐ IFRS selskap ☒ IFRS konsern

Hvis enheten velger å avvike fra regnskapsloven § 6-1, kryss av ☐ Funksjon selskap ☐ Funksjon konsern

Følges regnskapsreglene for små foretak? ☐ Ja ☒ Nei

Jeg bekrefter at vedlagte årsregnskap er fastsatt av kompetent organ den Dato 27.06.2014

Sted/dato, Underskrift av representant for enheten Oslo 29.07.2014 Kjell Arild Hagen

Bare til bruk for Regnskapsregisteret

G ☐ NYVE ☐ Admr ☐ Kregn Ja ☐ Nei ☐ Aktiv. regn ☐

M ☐ Rets ☐ Ant.s

ov.b årsb res bal e.bal gj.bal rev i-rev k-res k-bal k-n k-rev i-k-rev n

k-regn kto d.k ik-fv konsf ifrs fr-rev funk u.off brev

BR-1001-11

Skattedirektoratet

Saksbehandler	Deres dato	Vår dato
Jan Hoelstad	20.01.2011	26.01.2011
Telefon	Deres referanse	Vår referanse
22077325	Jørgen Markved	2011/99749

CellCura ASA
Unionsgata 18
3732 SKIEN

Dispensasjon fra kravet om utarbeidelse av årsregnskap og årsberetning på norsk språk for CellCura ASA, org. nr: 980 040 461

Det vises til deres brev av 20. januar 2011 samt e-post av 26. januar 2011 med supplerende opplysninger i sakens anledning. Det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for CellCura ASA.

Bakgrunn
CellCura ASA utvikler og tilbyr tjenester og infrastrukturelle produkter innen assistert befruktning og cellebehandling. Selskapet satser globalt og retter primært sin virksomhet inn mot fertilitets- og stamcelleindustrien. Selskapet er lokalisert i Norge samt har datterselskap i USA og Danmark. Selskapet fremhever at det jobber inne en bransje som benytter engelsk språk, og dette er også arbeidsspråk internt. I selskapets styre og ledelse for øvrig, er det enkelte personer med utenlandsk bakgrunn og med begrenset norsk kunnskaper. Årsregnskap og årsberetning må derfor utarbeides på engelsk. Selskapet er notert på Oslo Axess, men har fått dispensasjon fra språkkravet i verdipapirhandelloven § 5-13. Selskapet har per i dag en klar overvekt av norske aksjonærer, men fire profesjonelle norske investorer som i dag har styrerepresentasjon, eier noe over 60 % av selskapet.

Da selskapet trenger en engelsk språklig versjon av årsregnskap og årsberetning, og det mener at ingen av selskapets regnskapsbrukere vil bli skadelidende dersom årsregnskapet ikke også foreligger på norsk, søkes det om dispensasjon.

Skattedirektoratets vurdering og konklusjon
Etter regnskapsloven § 3-4 tredje ledd *skal "årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."*

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:
"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det

Postadresse	Besøksadresse	Sentralbord
Postboks 9200 Grønland	Se www.skatteetaten.no	800 80 000
0134 Oslo	Org. nr: 996250318	Telefaks
For elektronisk henvendelse se www.skatteetaten.no		22 17 08 60

vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon."

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til *"informative regnskaper for ulike grupper av regnskapsbrukere"*. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. Selskapet virksomhet er i en internasjonal bransje og arbeidsspråket er engelsk. Alle sentrale aktører innen den bransje selskapet jobber, antas å måtte beherske og benytte engelsk språk. Selskapet er innvilget dispensasjon fra Oslo Børs vedrørende språkkravet i verdipapirhandelloven § 5-13. En vesentlig andel av selskapet er eid av profesjonelle investorer.

Skattedirektoratet gir på bakgrunn av en helhetsvurdering CellCura ASA dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd.

Dispensasjonen forutsetter at engelsk språk benyttes i stedet ved utarbeidelsen, og at øvrige opplysninger som vedtaket baserer seg på, heller ikke endres vesentlig.

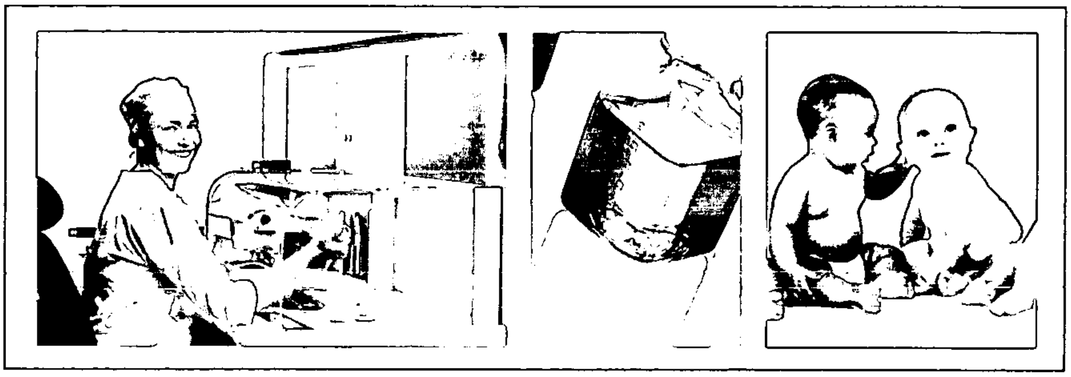
Vennligst oppgi vår referanse ved henvendelser i anledning saken.

Med hilsen

Torstein Kinden Helleland
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Jan Hoelstad

CellCura
pure Life science



Annual Report 2013

CellCura ASA

CONTENTS

BOARD OF DIRECTORS REPORT 2013

Company background

CellCura is dedicated to sell and develop cell technologies such as novel equipment and products for use in assisted reproductive technology (ART) and stem cell research. The technologies and products represent unprecedented levels of safety and efficiency.

CellCura is headquartered in Skien with branch office in Oslo and subsidiaries in the US and in Denmark. CellCura is listed on the Oslo Axess market at the Oslo Stock Exchange (ticker: CELL).

2013 highlights

- The first installation of the ART Lab Solution in our home market, Norway, has now been completed and the workstation is in operational use. This is a strategically important installation that we have good reasons to expect will contribute to a broader footprint in the local market, also in the short-term.
- In August 2013 CellCura delivered a full ART-lab to the prestigious Peking III Hospital in Beijing, one of the largest IVF clinics in the world with 10 000 cycles per year. This first installation was primarily for research purposes and represents a first step in a growing market where clinics are looking to expand its treatment capacity for the coming years, cutting down on increasing waiting lists in the region.
- A clinical evaluation of our Protein-Free IUI (Intra Uterine Insemination) media products was completed in Q4 with very good results. The purpose of the testing was to evaluate the potential of test materials to cause irritation on the exposed part of the body, and to evaluate the allergenic potential or sensitizing capacity of the test article. Our Protein-Free IUI media now meets the requirements of the ISO 10993-10 guidelines.
- For the first time in the field of assisted reproductive technologies (ART), the Muslim community has been offered a choice to use Halal products for their infertility treatment when CellCura received Halal certification for its range of protein free media in October 2013. Halal Certification requires a verified independent third party organization to audit the content and manufacture of products to be certified, confirming that these products conform to the rigorous requirements for ingredients and product preparation represented by Halal.
- CellCura Protein Free media won gold medal at the International Inventions and Innovations Exhibition (ITEX 2013) that took place in Kuala Lumpur, Malaysia in May. The PF PROTEIN FREE Media for use in assisted reproductive technology (ART) was also awarded the BEST INVENTION of 2013 in competition with other gold winners from universities worldwide.

Operational review

CellCura is dedicated to sell and develop technologies for use within ART worldwide. The core technology has been created through numerous of years of research and development with the objective to improve efficiency in both clinical and research environments.

CellCura is offering:

- A unique protein-free cell culture medium that eliminates risks of transmission of blood borne diseases.
  An integrated laboratory solution that secures a safe, ergonomic and controlled environment for cellular treatment.
  Software solutions specifically developed for use in ART laboratories to secure an optimization of workflow, tracking and documentation of environment as well as storage. The solution also offers extensive data management possibilities.

The CellCura ART lab solution

The CellCura ART lab solution is the first of its kind combining all the steps in the ART process into one integrated digital workplace. The laboratory solution combines technology in innovative ways and offers a more efficient and safe workflow. The solution improves ergonomics and requires less space than traditional laboratory layouts. It also optimizes the ART treatment cycle in the laboratory and creates a safer and regulatory compliant environment for all ART procedures, minimizing embryos exposure to external factors.

Our main focus in 2013 has been sales of complete ART stations to international and domestic customers and several new installations have been accomplished. CellCura has also focused on cost-cutting activities, including reducing G&A by outsourcing manufacturing of workstations to Labotect Gmbh, Germany, and improved functionality of its workstations. This work will continue in 2014 and our goal is to present an enhanced workstation with better functionality at a lower manufacturing cost. Furthermore, CellCura has been granted funding from the Research Council of Norway for a sperm selection project that could significantly improve sperm analysis methods and thus increase the probability for pregnancy.

CellCura Software Solutions
CellCura Software Solutions develops and commercializes software solutions for use in ART clinics and hospitals. The software solution offers a complete workflow environment including full audit trail that ensures maximum documentation, safety and integrity for the patient and the clinic, as well as extensive imaging capabilities. The imaging capability enables extensive possibilities for analysis of both embryos and sperm, improving the selection process and the success rates.

The system is compliant with the latest EU Cell & Tissue Directive and can be integrated to the Hospital Information System (HIS) or other systems when required. Software developed by the company is applied by CellCura in its integrated laboratory solutions and CellCura believes that the integration of software in the ART clinics will continue to grow in importance in the near future. There is also a strong demand in the market for stand-alone software solutions, which the company is in position to benefit from.

CellCura Protein Free Media
CellCura is the first player globally to launch a unique and complete range of protein-free media products. The media products have been developed through more than 15 years of research and an increasing number of children have been born, based on ART clinics using CellCura's medium.

The uniqueness of CellCura's media products is the absence of biological origin components in the formulation. All current culture media products in the market today depend on the presence of protein in the formulation. These products, with biological origin components, represent a potential risk of transmission of blood-borne diseases which is totally eliminated using the CellCura medium. The absence of protein further secures a superior product quality control, improved product stability and unrivalled product consistency.

During 2013 CellCura has received positive focus for the transparency of the media formulations where all components are completely defined and traceable. This has led to several prices in international competitions of which we are proud, but has also resulted in HALAL approval of the medium which represents a product advantage in important markets. CellCura has also completed, and passed several quality tests that have brought us closer to CE-marking of our product range.

Future Outlook

CellCura is experiencing an increasing demand for its products, but the growth has been slower than anticipated. However, with an increasing number of users we also see an increasing adaption of the CellCura technology going forward. Especially the unique integration of a physical digital workstation combined with an advanced software solution represents a significant advance. Current focus has been on transitioning prototype equipment into commercial solutions. For the future development we expect to reduce manufacturing costs and improve gross margins, as well as strengthening the software suite even more with more capabilities analysing the various stages in the ART process, taking full advantage of the digital capabilities of the workstation.

The ART market experiences a strengthening of the regulatory environment for ART clinics, and an increase in the demand for documentation and assurance of the ART process for each embryo handled by the clinics. CellCura offers a complete lab solution that meets all regulatory requirements and we expect to see an increasing demand for solutions that meet these standards. This attention is both on ART lab solutions as well as the Protein Free Medium. Several initiatives have been taken to provide this documentation.

Ongoing performance test of the PFM have shown a performance equal to the ones of our competitors, however, a far better stability between batches provides our customers with an enhanced predictability in performance. Our key focus is still on gaining CE approval for our products, and albeit the process has been slower than anticipated, we are well under way to completion.

Despite a slower progress than first anticipated in sales, we see a growing pipeline and interest for our products. Changes in management in 2013 and 2014 combined with the ongoing effort of building a commercial, customer oriented organisation, is expected to enhance CellCura's ability to grow sales in the future – modestly budgeted with a growth of 45% in 2014, but at a significantly reduced G&A level.

Corporate Governance

CellCura has adopted "The Norwegian Code of Practice for Corporate Governance" dated 21 October 2010. A detailed statement covering Corporate Governance is included as a separate section on page 49 of this annual report.

Corporate Social Responsibility

CellCura is working on adopting the Corporate Social Responsibility reporting requirements as set out in the Norwegian Accounting Act § 6-6c and expects to have this in place by the end of 2014.

Working environment and human resources

CellCura is conscious when it comes to expectations regarding equal opportunities and ensures that all applicants to positions are treated equally. At the end of the year 2013 two women are employed by the group of which one is employed by CellCura ASA the parent company.

The Board of CellCura ASA is made up of two men and two women and meets the requirements stated by asal § 6-6a.

The working environment in CellCura is considered good and no significant sick leave is reported. No working accidents or injuries occurred in 2013, and the company will continue to focus on HMS activities going forward.

Environment

CellCura does not pollute the environment more than what is normal in this kind of business which is not considered to be material. The main source of strain on the environment is related to transportation of components and finished goods as well as travel by air and road.

CellCura will strengthen its focus on environmental issues and ensure continued focus on this area in the future.

Financial review

Profit and Loss
The revenue for 2013 was NOK 4.4 million for the full year. Comparable figures for 2012 were NOK 2.9 million.

The Groups operating expenses for 2013 amounted to NOK 27.1 million for the full year, compared to NOK 34.7 million for 2012. The 2012 numbers reflect a reduction in operating expenses as part of the ongoing cost cutting program to make the organization leaner and more focused.

Net loss for the year was NOK 24.7 million compared to a net loss of NOK 31.6 million for 2012.

EBITDA for the group was minus NOK 15.7 million for the year 2013 compared to minus NOK 24.7 million in 2012. For the parent company the EBITDA was minus NOK 15.3 million for the year 2013 compared to minus NOK 24.5 million in 2012.

Cash flow and balance sheet
CellCura's total consolidated financial position as of 31 December 2013 was NOK 20.1 million compared to NOK 30.4 million at year end 2012. Total intangible assets and goodwill as per 31 December 2013 amounted to NOK 14.8 million. Total intangible asset at year end 2012 was NOK 21 million.

Total loans as per 31 December 2013 were NOK 19.2 million compared to NOK 14.6 million at year end 2012. CellCura ASA also raised NOK 7.1 million in new equity as cash contribution (gross proceeds) during 2013.

Total equity as of 31 December 2013 was NOK -9.9 million compared to total equity of NOK 1.8 million at year end 2012. The registered share capital of CellCura ASA as of 31 December 2013 was NOK 13.040.881 divided into 130.408.811 shares, each with a nominal value of NOK 0.10. The cash balance at 31 December 2013 was NOK 0.2 million compared to NOK 0.3 million at year end 2012.

Going concern assumption
In accordance with the Norwegian accounting act section § 3-3a these financial statements are prepared based on the going concern assumption. However, CellCura has during the last year been suffering from insufficient and/or late cash inflows from ongoing financing activities. The Board of Directors is working together with management on a cost cutting program that together with contemplated improvements in gross margins should enable the Company to generate interest for further financing amongst existing and new shareholders. The largest shareholders continue to provide significant cash funding through shareholder loans which together with repayment deferral agreements with creditors have provided the company with some liquidity so far in 2014.

The company will however need to get a more significant and permanent level of financing in place. The Board of Directors is in that respect working on raising further financing both from existing and potential new investors. Due to the demanding situation, all alternative financing alternatives are being considered, including strategic options for each part of the business.

Financial risk
CellCura is exposed to financial risk in various areas. The long term goal is to reduce this exposure where possible. For the time being the company uses no financial derivatives as measures to control this risk.

Currency risk
CellCura deals in an international market with exposure to different currencies both when it comes to earnings and expenses. Most of the exposure is related to transactions in USD, Euro and Danish kroner. The expectation of both receiving earnings and incurring expenses in these currencies provides for an inherent hedge to some of this exposure.

Interest risk
CellCura has one long term loan from Innovasjon Norge with floating interest. The interest risk associated with this loan is not considered material at present and no measures have been made to mitigate this risk.

Liquidity risk
CellCura is exposed to significant liquidity risk through capital intensive development projects. The group will seek to minimize this risk by securing long term financing facilities that will enable the group to both grow and expand the current business as well as to expand into new projects within the limits of the current strategy. The listing at Oslo Axess provides possibilities for access to capital through regulated equity markets to ensure financing of further growth and business expansion. Over the past months the group has experienced liquidity constraints due to later financing of projects. However, the company has historically been able to resolve these types of issues and expects to do so again.

Market risk
CellCura operates in an international market and is exposed to market fluctuations across the world. The general economic situation may influence the demand in some markets but as the general need for ART treatment is increasing we do expect the overall impact on our total market to fluctuate less than the underlying economic trends.

Allocation of the net result for the year

The CellCura ASA group generated net loss for the year 2013 of minus NOK 24,723,080 after tax while the parent company's loss for the year was minus NOK 21,206,993. The parent company has no distributable reserves as of 31 December 2013. The Board proposes the following allocation of the result for CellCura ASA for the year:

Net profit/-loss	-21.206.993
Transferred to/-from Other Equity	-21.206.993
Total allocated	-21.206.993

Oslo, 9 May 2014

Board of Directors CellCura ASA

Dag Dvergsten Chairman	Cornelia Horn Board member	Christina Hugosson Board member
Lars Rønn Board member		Tore Viana-Rønningen CEO

7

BDO

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NO-0121 Oslo

To the Annual Shareholders' Meeting of CellCura ASA

INDEPENDENT AUDITOR'S REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of CellCura ASA, which comprise the financial statements of the Parent Company and the financial statements of the group. The financial statements of the Parent Company comprise the balance sheet as at 31 December 2013, the statements of income, and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information. The financial statements of the Group comprise the consolidated balance sheet as at 31 December 2013, the statements of income and comprehensive income, cash flow statement and changes in equity for the year then ended as well as a summary of significant accounting policies and other explanatory information.

The Board of Directors and the Chief Executive Officer's Responsibility for the Financial Statements

The Board of Directors and the Chief Executive Officer are responsible for the preparation and fair presentation of the parent company's financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway and for the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as the Board of Directors and the Chief Executive Officer determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

BDO

Opinion on the financial statements of the Parent Company

In our opinion, the financial statements give a true and fair view of the financial position of the CellCura ASA as of 31th December 2013 and of its financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Opinion on the financial statements of the Group

In our opinion, the financial statements give a true and fair view of the financial position of the CellCura ASA Group as of 31th December 2013 and of its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards.

Emphasis of matter

Without qualifying our opinion, we draw attention to Note 20 in the financial statements which states that the Company currently is in need of further financing to be able to continue its business, completing its intended plans for its products and settle current liabilities. These conditions, along with other matters as set forth in Note 20, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Report on Other Legal and Regulatory Requirements

Opinion on the Board of Directors' report and statement of corporate governance principles and practices

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors report and statement of corporate governance principles and practices concerning the financial statements and the going concern assumption, and the proposal for the allocation of the profit is consistent with the financial statements and complies with the law and regulations.

Opinion on Registration and Documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements ISAE 3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information", it is our opinion that management, has fulfilled its duty to produce a proper and clearly set out registration and documentation of the company's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Other matters

The annual financial report was not made public at latest four months after the end of the financial year in accordance with Act on Securities Trading section 5-5, (1).

Oslo, 9 May 2014
BDO AS

Børre Skisland

Børre Skisland
State Authorised Public Accountant (Norway)