



SELVITA S.A.  
CONSOLIDATED SEMIANNUAL  
REPORT (SUMMARY)

**H1**  
**2015**

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13 August 2015

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## BASIC INFORMATION ON THE CAPITAL GROUP

### Parent Entity

<b>Business name of the Company</b>	Selvita Spółka Akcyjna
<b>Registered office</b>	ul. Bobrzyńskiego 14, 30-348 Kraków
<b>Company ID (REGON)</b>	120515330
<b>Tax ID (NIP)</b>	679-29-42-955
<b>Legal form</b>	Joint-Stock Company
<b>Website</b>	<a href="http://www.selvita.com">www.selvita.com</a>

### Related Entities as of 12 May 2015

<b>Business name of the Company</b>	BioCentrum spółka z ograniczoną odpowiedzialnością
<b>Registered office</b>	ul. Bobrzyńskiego 14, 30-348 Kraków
<b>Company ID (REGON)</b>	356815670
<b>Tax ID (NIP)</b>	676-226-47-81
<b>Legal form</b>	Limited Liability Company
<b>Website</b>	<a href="http://www.biocentrum.com.pl">www.biocentrum.com.pl</a>
<b>Shareholders</b>	100% shares held by Selvita S.A.

<b>Business name of the Company</b>	Selvita Services spółka z ograniczoną odpowiedzialnością
<b>Registered office</b>	ul. Bobrzyńskiego 14, 30-348 Kraków
<b>Company ID (REGON)</b>	122456205
<b>Tax ID (NIP)</b>	676-245-16-49
<b>Legal form</b>	Limited Liability Company
<b>Shareholders</b>	100% shares held by Selvita S.A.

<b>Business name of the Company</b>	Selvita Inc.
<b>Registered office</b>	Wilmington, Delaware, USA
<b>Company File No.</b>	5700516
<b>Legal form</b>	Corporation
<b>Shareholders</b>	100% shares held by Selvita S.A.

<b>Business name of the Company</b>	Selvita Ltd
<b>Registered office</b>	Cambridge, Great Britain
<b>Company No.</b>	9553918
<b>Legal form</b>	Limited Liability Company
<b>Shareholders</b>	100% shares held by Selvita S.A.

All entities within the Selvita Group are consolidated.

## The Core Business of the Capital Group

The activities of the Capital Group cover two main business segments:

- **Innovative segment** – research and development activities implemented through in-house research projects on innovative drugs,
- **Service segment** – R&D services provided to external clients, in particular to pharmaceutical and biotechnology industry and implementation of bioinformatics systems.

## FINANCIAL HIGHLIGHTS

Selvita S.A. Capital Group – consolidated data	in PLN thousand		in EUR thousand	
	From 01.01.2015 to 30.06.2015	From 01.01.2014 to 30.06.2014	From 01.01.2015 to 30.06.2015	From 01.01.2014 to 30.06.2014
Currency	PLN	PLN	EUR	EUR
Net revenues from sales of products, goods and materials	17 244	12 586	4 186	3 020
Revenues from subsidiaries	7 298	5 749	1 772	1 380
<b>Total revenues from sales and subsidiaries</b>	<b>24 542</b>	<b>18 335</b>	<b>5 958</b>	<b>4 400</b>
Operating expenses	21 699	16 110	5 268	3 866
Depreciation	-1 650	-975	-400	-234
<b>Profit/loss on operating activities (EBIT)</b>	<b>3 000</b>	<b>2 317</b>	<b>728</b>	<b>556</b>
<b>Profit/loss before income tax</b>	<b>3 332</b>	<b>2 308</b>	<b>809</b>	<b>554</b>
<b>Net profit/loss</b>	<b>3 332</b>	<b>2 308</b>	<b>809</b>	<b>554</b>
EBITDA	4 650	3 292	1 129	790
Net cash flow from operating activities	-5 429	-2 123	-1 318	-509
Net cash flows from investing activities	-1 122	-1 343	-272	-322
Net cash flows from financing activities	38 942	4 976	9 453	1 194
<b>Total net cash flow</b>	<b>32 390</b>	<b>1 509</b>	<b>7 863</b>	<b>362</b>
Number of shares	13 115 457	10 463 566	13 115 457	10 463 566
Profit (loss) per share (in PLN/EUR)	0.25	0.22	0.06	0.05
Diluted profit (loss) per share (in PLN/EUR)	0.25	0.22	0.06	0.05
Book value per share (PLN/EUR)	2.97	0.88	0.71	0.21
Diluted book value per share (PLN/EUR)	2.97	0.88	0.71	0.21
Declared or paid dividend per share (PLN/EUR)	-	-	-	-

## MANAGEMENT BOARD'S NOTES ON FINANCIAL RESULTS

The first half-year of 2015 is the third consecutive six-month period in which the Selvita Group achieved an operational profit. This positive result is the effect of the continued profitable operations in both innovations and services. In H1 2015 Selvita Group recorded a net profit of PLN 3.332m compared with PLN 2.308m of net profit in H1 2014. This translates into a 13.6% net return (calculated as a net profit to the overall revenue ratio, the latter comprising sales and grants revenue). It is noteworthy that no one-off events occurred in H1 2015, and the generated result was the effect of a dynamic business development: EBIT y/y growth was 28.3% and the net profit y/y grew by 44.8%. Of particular note is that the Group's revenue in Q2 2014 included PLN 0.793m for achieving a milestone in the project completed in collaboration with H3 Biomedicine. In the reported period, Selvita Group consistently carried out intensive research work within the programs commenced in the previous years, most of which, in accordance with the accepted accounting policies, is directly included in the costs.

In H1 2015 the Selvita Group recorded PLN 24,699m in revenues, a 34% growth compared with PLN 18.428m in H1 2014. Net sales revenue (exclusive of grants) was up to PLN 17.244m, reflecting 37.0% dynamics compared to H1 2014, when net sales were PLN 12.586m.

The revenue generated by the innovation segment from external customers of Selvita Group was PLN 7.140m, which means 21% dynamics compared to H1 2014 (revenue PLN 5.914m). This significant revenue dynamics for the segment is the effect of widening the scope of co-operation within the agreements commenced previously with H3 Biomedicine and Merck Serono, as well as the agreement with FeliciteX Therapeutics signed in Q4 2014.

In the service segment, in 2015 Selvita Group consistently adheres to its strategy of focusing on service projects of a higher added value, and with higher returns. The profitable and dynamically developing service segment provides a solid foundation for the growth of the Group – service revenue in H1 2015 from external clients was up to PLN 10.104m indicating a 51% increase compared with the corresponding period of the previous year when the revenue was PLN 6.672m.

In recent months, Selvita Group has signed further agreements with international pharmaceutical companies for advanced research work comprising high added-value and high margin services. Since early 2015 the Group has been implementing a plan of setting up foreign branches. In the first quarter of 2015, a US-subsi-diary was opened. Selvita Inc. is located within the world's largest area of concentration for biotechnological companies, in the Greater Boston area. Its scope of responsibility includes supporting ongoing projects carried out for US clients, acquiring further partners for research & development projects in oncology and the provision of services. In April 2015 a sister company, Selvita Ltd., was set up in Cambridge, UK. The British market is the third biggest in the world in terms of pharma and biotech R&D expenditures (after the US and Japan).

In H1 2015, revenue from grants was up by 27% compared to the same period of the previous year – from PLN 5.749m to PLN 7.298m. The value of revenue from grants in H1 2015 does not include PLN 0.240m. This item has been recorded in the balance sheet liabilities, together with the activated cost of development work. The growth in revenue from grants is primarily due to the previously planned increased expenditure towards the implementation of the SEL300 project, as well as the continuous write-off as revenues of the received infrastructure grants, included in the deferred income.

The value of the 2015 order book including commercial contracts signed as of the publication date of this report and grants (backlog) totals PLN 37.634m, including:

- Services PLN 20.116m
- Innovations PLN 10.576m
- Grants PLN 13.860m

and has increased compared to the backlog announced in August 2014 by 20.4%. Particularly noteworthy is the 52.0% growth of order book value in services. The grants backlog is exclusive of PLN 4.195m, the amount representing revenue from grants to be included in the balance sheet alongside the capitalized costs of development activity.

As at 30 June 2015 capitalized development costs amounted to PLN 1.372m. The corresponding portion of deferred revenue from grants amounted to PLN 0.960m. These amounts together form an intangible asset "Unfinished development works" with a value of PLN 0.412m.

## Current and Foreseen Financial Situation

The financial situation of the Group as of the publication date of this report is very good.

As at 10 August 2015 Selvita Group's cash balance totalled PLN 41.475m. The significant cash increase compared with 30 June 2014 was the result of raising funds through the issue of shares.

Both in innovations and services the Group activity recorded profitability. R&D is financed with revenue from customers, supplemented by research grants and funds raised through share issue. A further growth in services and R&D segments is expected in the coming quarters.

The Company is up to date in meeting its obligations and maintains a sustainable cash flow ensuring its liquidity. Incoming funds from share issue and cash generated from operations allow the Company to go ahead with planned investment, in particular the development of innovative projects, laboratory infrastructure and setting up foreign subsidiaries to support business growth.

## Position of the Board regarding the feasibility of implementing previously announced forecasts

Selvita Group has not announced result forecasts for the first half of 2015.

## INFORMATION ON GROUP ACTIVITIES IN THE 1ST HALF OF 2015

### R&D Activities (Innovative Segment)

In H1 2015, the Selvita Group successfully continued all research projects, both from the internal project pipeline, performed entirely from own financial resources, as well as projects performed in cooperation with external partners i.e.: the Kinase Platform in cooperation with H3 Biomedicine, the Cancer Cell Metabolism Platform in cooperation with Merck Serono, and the Cancer Quiescence Platform in cooperation with Felicite Therapeutics.

#### SEL24

The aim of SEL24 project is development of the innovative anti-cancer therapy based on selective destruction of cancer cells – especially acute myeloid leukemia (AML), but also other hematological malignancies such as non-Hodgkin lymphoma and multiple myeloma. In the second quarter of 2015 Selvita initiated pre-clinical IND package for SEL24-B89 which is carried out by Aptuit. The scope of work include synthesis of SEL24-B489 on a large scale what allows us to conduct toxicology tests and synthesis of API in GMP. The development of SEL24-B489 is proceeding so far according to established schedule.

In addition Selvita started the selection of Contract Research Organization (CRO) which will be responsible for performance of Phase I clinical trials. Selvita received proposals from several CROs among which 4 were shortlisted for the final call for tender process. The finalization of the contract is planned for Q3 2015. Due to the nature of the research and development processes shifts in initial timelines and individual tasks of SEL24-B489 preclinical development can take place.

#### SEL120

SEL120 project is focused on development of CDK8 kinase inhibitors and aims at introducing the clinical candidate SEL120-34 into the clinical development. Currently candidate compound SEL120-34A undergoes a

series of preclinical tests including pharmacokinetic and toxicology studies in rodent and non-rodent species. Non-GLP mice toxicology studies for the candidate compound has been completed and analysis of the data is in progress. Dog studies proved to be not feasible due to technical issues preventing prolonged administration and the company plans to perform selection of alternative non-rodent species in Q3. In parallel to preclinical development of the SEL120-34 candidate molecule, there is an ongoing work on the selection of biomarkers supporting clinical responder hypothesis.

### **SEL201**

SEL201 program is focused on development of selective MNK1/2 inhibitors. So far we have identified a lead molecule which selectively and potently inhibits both MNK1/2 kinases both in vitro and in pharmacodynamics in vivo models. Current major focus is on analysis of mechanism of action of a lead molecule identified in the project in both oncology and other possible therapeutic indications. Ongoing studies are also involving positioning of the compound against competitive programs, such as the first clinical MNK1/2 compound which that has been revealed by Bayer and registered for Phase I clinical studies in oncology (<https://clinicaltrials.gov/ct2/show/NCT02439346>) in Q2.

### **KINASE INHIBITORS PLATFORM**

A strategic partnership with H3 Biomedicine, focused on development of selective kinase inhibitors, aims to develop novel anticancer therapy modulating new targets associated with the oncogenic kinase signaling.

The efforts in H1 2015 were focused on optimization of physicochemical and pharmacokinetic parameters of the identified lead series. Considerable improvement made in H1 allows for oral administration and achievement of the desired therapeutic levels in *in vivo* models for representatives of the chemical series. Additionally, good *in vitro* safety parameters of the lead series allows administration in combination with other standard treatment options. Importantly, the most promising representatives confirmed their efficacy in *in vivo* models. The collaboration is progressing according to the plan however further details cannot be disclosed due to confidentiality restrictions.

### **CANCER METABOLISM PLATFORM**

In the cancer metabolism platform partnered with Merck Serono, Selvita has been continuing the discovery of small molecular entities targeting tumor metabolism. All the project quarterly milestones have been met. Currently the work has been focusing on optimization of several lead series and conducting proof-of-concept animal studies. In H1 2015 Selvita also continued the work on second group of novel cancer metabolism molecular targets defined in Q1 2015. For the first of those targets in H1 2015 the phenotypic screening campaign has been finalized and hit validation has been successfully performed. Validated hits will now be expanded into chemical series. All the research work is conducted according to the plan. Further details of the project cannot be disclosed due to confidentiality restrictions.

### **CANCER QUIESCENCE PLATFORM**

The project is performed in collaboration with Felicite Therapeutics, Boston (USA). The aim of the project is to develop innovative anticancer drugs. In H1 2015, our work focused on expansion of the chemical lead series in order to establish a structure-activity relationship. As the identified lead compounds show very high potency on target (from nanomolar to picomolar) the main optimization parameters were selectivity and selected physicochemical properties.

## OTHER PROJECTS

Apart from the aforementioned projects, Selvita Group also carries out other research and development projects, however their details and the current progress of work is confidential.

## Service Segment

### BIOLOGY DIVISION

In H1 2015, Selvita Biology Division recorded an increase in commercial revenues resulting from the completion of new projects in the analytical, protein chemistry and molecular biology laboratories. This was the effect of the agreements signed with new pharmaceutical customers from Switzerland. These agreements related to services in the production of highly purified recombinant proteins as well as validation and development of analytical methods. The new agreements enhance Selvita's strategically important position in the market. They also offer the prospect of extending this co-operation into the later quarters of 2015, including FTE projects.

In the first half of 2015 the Protein Chemistry Laboratory extended its co-operation regarding the production of recombinant proteins for regular customers in the pharmaceutical sector from France and Germany. The continued co-operation and signature of new agreements confirm the satisfaction of customers with the quality of services offered by the Protein Chemistry Laboratory. Pilot projects carried out by the laboratory for new pharmaceutical customers in the second quarter of this year, have paved the way towards more commercial assignments. It should also be mentioned that the intensification of sales activities in the UK has helped to win new customers for services in proteomics (including analysis of protein sequences) offered by the Protein Chemistry Laboratory.

The Analytical Laboratory has handled commercial projects for both regular and newly acquired customers from the pharmaceutical sector. In Q2 2015 new contractual agreements were signed with new key customers. They relate to four large-scale analytical projects which, upon completion, are to be replaced by a long-term FTE co-operation. At the same time, the Analytical Laboratory has widened the scope of its services and became involved in extensive work in the area of development and validation of analytical methods on behalf of national and foreign pharmaceutical companies. With a growing number of projects and a considerable widening of its customer portfolio, the Laboratory has extended its equipment base. This, together with the expansion of project teams, has enabled the Laboratory to increase the scale of its activities.

Also, the Molecular and Cell Biology Laboratory has won further projects from a key agriculture and agribusiness customer. The recently commissioned analyses relate to the *in vitro* genotoxicity testing of substances used in plant cultivation. The purpose of these tests, referred to as safety testing, is the identification of its potential for causing dangerous changes in the genetic material. At the same time, a team of laboratory researchers continued its work on two complex, long-term projects on the analysis of ophthalmic and biosimilar drugs, successfully completing the subsequent stages.

On May 11 – 13, 2015 Selvita's service division took part in "BioTrinity", one of the most important conferences in the UK. This event is a leading European biopartnering event, bringing together investors and biotechnological companies presenting their own innovation programs in new drug development. The conference offered an excellent opportunity to meet potential clients, in particular representing the "Big Pharma" sector, including event sponsors: Shire, Astra-Zeneca, Bristol-Myers Squibb and Johnson & Johnson. An efficient partnering system and a large number of discussion panels gave Selvita representatives a chance to build relationships with new partners and gain a broad insight into current trends and hot topics in the biotech-pharma industry.

## CHEMISTRY DIVISION

The first half-year of 2015 turned out to be extremely fruitful for the Contract Chemistry Division, which signed new agreements with some global players in the pharmaceutical, biotechnological and chemical sectors, leading to an increase of its total revenue from chemistry research services.

In the first half of 2015 we continued the trends from the previous years, maintaining within our overall revenue a high proportion of FTE projects and co-operation based on a series of fixed-price projects commissioned by regular customers. This is a testimony to an ever increasing confidence of our customers in Selvita, and to the growing importance of Selvita's presence in the global markets of research services outsourcing. Moreover, we continue to widen the scope of co-operation, winning fixed-price and FTE contracts from new customers.

Both the division's long-term projects for regular customers and new contracts cover mainly: synthetic support of R&D projects aiming at developing new therapies, feasibility and effectiveness studies for synthetic processes applied in chemical production; development of efficient and cost-effective synthesis processes; scaling of chemical processes for production applications; synthesis of new and known chemical compounds; and technical business consulting.

The Group has recently invested in specialist equipment aiding R&D work, synthetic processes conducted under high-pressure and in scale >100g, what resulted in improving work efficiency and widening the scope of research capabilities, thereby also broadening the base of projects handled.

In the first half of 2015 we engaged in intensive sales activities in the United States, Europe and in Israel, aiming at winning new customers in those markets. Alongside standard sales activity, customer visits to Selvita and Selvita's representative visits to customers, in the 2nd quarter of 2015 we took part in the following prestigious industry conferences:

- Drug Discovery Chemistry, 21-23 April 2015, San Diego, USA;
- Biomed Israel Innovation Conference, 12-15 May 2015, Tel Aviv, Israel;
- Annual Drug Discovery Leaders' Summit, 8-9 June 2015, Berlin, Germany;
- Biotech Outsourcing Strategies cmc 2015, 10-11 June 2015, Munich, Germany;
- ChemSpec, 24-25 June 2015, Cologne, Germany.

Participation in these conferences not only offered an opportunity to meet existing business partners, but also resulted in new commercially interesting contacts. We intend to maintain similar levels of activity and efficiency in winning contracts in the second half-year period of 2015 and the following years. This will allow us to expect a further stable increase of revenue and consistent growth of our business.

## BIOINFORMATICS DIVISION

The first half-year of 2015 was very successful for our Bioinformatics division. In this area, the Company entered a number of agreements for the sale of licenses for STARLIMS, laboratory information management software; maintenance and service agreements with current customers; agreements for supply of solutions for sequencing of nucleic acids and proteins. We also increased co-operation in software development on foreign markets.

In May 2015, Selvita entered into an agreement for the supply, installation and implementation of LIMS software for the leader in the Polish market for herbal products and syrups and a major player in the tea and energizer sector. They offer a broad range of food and pharmaceutical products and are active both in the national and foreign markets. The most recent version of the STARLIMS system provided by Selvita will assist

quality control laboratories in their everyday work in at least two different sites and will ensure seamless exchange of information with their financial and accounting system.

The Company has intensified co-operation in the supply of IT services for a foreign client operating across the European Union, United States etc. Our employees are involved in international projects for the implementation of LIMS systems and provide support in the development of laboratory information management systems. This work is carried out in international teams of software developers. The Company is planning further broadening of activities in this area and the sales of IT and bioinformatics services to more EU countries.

In June 2015, Selvita intensified its existing co-operation with the leading public sector forensic laboratory in Poland, entering into a three-year servicing agreement for the LIMS system it had previously installed. The value of the signed agreement places it among the first three of its highest value servicing agreements entered into by the Bioinformatics division. This customer focuses on research and scientific work contributing to the development of forensic technologies in Poland.

Selvita has signed an agreement and begun the implementation of the STARLIMS system for a market leader and renowned manufacturer of cosmetic products in Poland. They carry out research in various areas, and their cosmetics are based on their own original formulas. Their products are sold with success in more than ten countries worldwide. Ultimately, the LIMS system will replace some functionalities of the current ERP system used in finance, accounts and production. It is expected that offering and implementing laboratory information management systems STARLIMS, for example to the Polish cosmetics industry, will in the coming years become for the Bioinformatics division one of the main goals in its sales of LIMS systems in Poland.

In the second quarter of 2015 the Company also entered into agreements for the supply of innovative bioinformatic product for sequencing of nucleic acids and proteins. The list of new Selvita customers for the specialist CLC bio software now includes two more Polish academic establishments.

### Employment details

Thanks to a dynamic development in the reported period, the Group has significantly increased its employment, in particular in R&D and Chemistry Division. The number of employees was up from 200 in August 2014 to 264 in August 2015 (262.2 equivalent full-time positions).

### Information on Selvita S.A. Shareholding Structure

As at the date of publication of the Report, the shareholding structure of Selvita S.A. including shareholders holding at least 5 % of votes at the General Meeting is as follows:

Shareholder	Shares	% of shares	Votes	% of votes
Paweł Przewięźlikowski	5 446 385	41.53%	8 946 385	52.12%
Bogusław Sieczkowski	909 419	6.93%	1459419	8.50%
Privatech Holdings Limited	925 738	7.06%	925 738	5.39%
Other shareholders	5 833 915	44.48%	5 833 915	33.99%
<b>Total</b>	<b>13 115 457</b>	<b>100.00%</b>	<b>17 165 457</b>	<b>100%</b>

## FINANCIAL INFORMATION

### Consolidated Income Statement

FOR THE PERIOD FROM 1 JANUARY 2015 TO 30 JUNE 2015	01/01/2015 - 30/06/2015	01/01/2014 - 30/06/2014
	PLN	PLN
<b>Continued operations</b>		
Revenues from sales	17 243 701	12 585 803
Revenues from subsidies	7 297 880	5 749 180
Other operating revenues	157 143	92 600
<b>Revenues on operating activities</b>	<b>24 698 724</b>	<b>18 427 583</b>
Change in stock of goods	(3 393)	(210 609)
Amortisation and depreciation	(1 649 559)	(974 939)
Consumption of materials and energy	(5 155 967)	(3 332 526)
External services	(3 534 026)	(2 459 487)
Payroll	(9 461 134)	(8 009 187)
Taxes and charges	(163 683)	(104 765)
Other costs by type	(1 429 692)	(696 965)
Value of goods and materials sold	(288 785)	(313 272)
Other	(12 802)	(8 416)
<b>Operating expenses</b>	<b>(21 699 042)</b>	<b>(16 110 166)</b>
<b>Profit (loss) on operating activities</b>	<b>2 999 682</b>	<b>2 317 418</b>
Financial revenues	406 831	33 425
Financial expenses	(39 552)	(9 444)
Other		
<b>Profit (loss) before income tax</b>	<b>3 366 960</b>	<b>2 341 398</b>
Income tax expense	(34 982)	(33 320)
<b>Net profit (loss) on continued operations</b>	<b>3 331 978</b>	<b>2 308 078</b>
<b>Discontinued operations</b>		
Profit (loss) on discontinued operations	-	-
<b>Net profit (loss)</b>	<b>3 331 978</b>	<b>2 308 078</b>
Net profit loss attributed to	-	-
Majority shareholders	3 331 978	2 308 078
Minority shareholders		
	<b>3 331 978</b>	<b>2 308 078</b>
<b>Earnings per share</b> <b>(expressed in gr per share)</b>		
With continued and discontinued operations:		
Basic	0,25	0,22
Diluted	0,25	0,22
With continued operations:		
Basic	0,25	0,22
Diluted	0,25	0,22
	-	-
<b>Total income</b>	<b>3 331 978</b>	<b>2 308 078</b>
Total comprehensive income attributed to:	-	-
Majority shareholders	3 331 978	2 308 078
Minority shareholders	-	-
	<b>3 331 978</b>	<b>2 308 078</b>

## Consolidated Balance Sheet

AS OF 30 JUNE 2015	30/06/2015	31/12/2014
	PLN	PLN
<b>ASSETS</b>		
<b>Fixed assets</b>		
Tangible fixed assets	7 140 016	6 844 817
Investment in real-estate		
Goodwill	280 740	280 740
Other intangible assets	39 927	50 452
Investments in related parties	411 525	-
Deferred tax assets	2 104 131	2 128 090
Other financial assets	-	-
Other assets	189 878	189 645
<b>Total fixed assets</b>	<b>10 166 217</b>	<b>9 493 744</b>
<b>Current assets</b>		
Inventory	817 341	706 336
Short-term receivables	10 141 923	9 821 900
Receivables on long-term contracts	327 685	492 320
Other financial assets	-	120 000
Current tax related assets	-	0,00
Other assets	529 034	1 411 136
Cash and other monetary assets	37 148 328	4 757 817
	48 964 312	17 309 509
Non-current assets held for sale and discontinued operations	-	-
<b>Total current assets</b>	<b>48 964 312</b>	<b>17 309 509</b>
<b>Total assets</b>	<b>59 130 529</b>	<b>26 803 253</b>

	30/06/2015	31/12/2014
	PLN	PLN
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	5 246 183	4 185 426
Surplus from sale of shares above par value	25 284 072	
Revaluation reserve	-	-
Own shares	-	-
Supplementary capital	5 829 401	2 521 789
Other reserve capitals	1 883 442	1 883 442
Previous years profit (loss)	(2 644 655)	(5 187 170)
Net profit (loss)	3 331 978	5 850 126
	38 930 420,14	9 253 613,78
Provisions related to non-current assets held for sale and discontinued operations presented directly in equity		
Equity attributed to majority shareholders	38 930 420	9 253 614
Equity attributed to minority shareholders		
<b>Total equity</b>	<b>38 930 420</b>	<b>9 253 614</b>
<b>Long-term liabilities</b>		
Long-term credits and loans	-	-
Other financial liabilities	338 907	176 893
Liabilities for retirement	27 074	27 074
Provision for deferred income tax	75 149	64 126
Provisions for liabilities-long-term	-	-
Deferred income	1 972 562	2 010 246
Other liabilities		
<b>Total long-term liabilities</b>	<b>2 413 692</b>	<b>2 278 339</b>
<b>Short-term liabilities</b>		
Trade liabilities	4 264 284	6 055 224
Long-term liabilities	901 304	1 340 554
Short-term credits and loans	78 427	90 921
Other financial liabilities	362 837	367 131
Current tax liabilities	-	-
Provisions-short-term	2 692 148	2 800 593
Deferred income	9 487 417	4 616 877
Other liabilities		
	<b>17 786 417</b>	<b>15 271 300</b>
Liabilities related to non-current assets held for sale and discontinued operations	-	-
<b>Total short-term liabilities</b>	<b>17 786 417</b>	<b>15 271 300</b>
<b>Total long-term liabilities</b>	<b>20 200 109</b>	<b>17 549 639</b>
<b>Total liabilities</b>	<b>59 130 529</b>	<b>26 803 253</b>

## Consolidated Cash Flow

	30/06/2015	30/06/2014
	PLN	PLN
<b><i>Cash flows from operating activities</i></b>		
<b>Net profit (loss)</b>	<b>3 331 978</b>	<b>2 308 078</b>
<b>Adjustments</b>		
Amortisation and depreciation	1 649 559	974 939
Exchange gains (losses)	-	-
Interest and profit-sharing (dividends)	(213 287)	5 330
Profit (loss) on investing activities	-	-
Change in receivables	1 097 303	(2 340 082)
Change in inventory	(240 563)	(137 109)
Change in short-term liabilities and provision excluding credits and loans	(1 236 735)	1 237 248
Change in grants	(5 649 809)	(657 430)
Change in other assets	(4 091 471)	(4 352 797)
Change in provisions	(89 312)	767 276
Income tax paid	-	26 368
Other	13 207	45 091
<b>Cash flows from operating activities</b>	<b>(5 429 131)</b>	<b>(2 123 089)</b>
<b><i>Cash flows from investing activities</i></b>		
Proceeds from sale of property, plant and equipment	-	-
Purchase of tangible and intangible fixed assets	(1 287 089)	(1 236 763)
Purchase of tangible and intangible fixed assets partially financed with grant	(50 404)	(109 627)
Purchase of other financial assets	-	-
Interest	215 007	3 115
Loans granted	-	-
Other inflows from financial assets	-	-
Other	-	-
<b>Cash flows from investing activities</b>	<b>(1 122 487)</b>	<b>(1 343 275)</b>
<b><i>Cash flow from financing activities</i></b>		
Proceeds from shares issue	27 314 477	-
Payment of liabilities from finance lease agreements	(312 970)	(294 759)
Proceeds from credits and loans	78 427	897 147
Subsidies	12 924 784	5 193 321
Repayment of credits and loans	(90 921)	(811 481)
Dividends	-	-
Interest paid	(1 719)	(8 445)
Other	(969 949)	-
<b>Net cash flows from financing activities</b>	<b>38 942 129</b>	<b>4 975 783</b>
Increase of net cash	32 390 511	1 509 420
Cash opening balance	4 757 817	5 298 287
<b>Cash and cash equivalents - end of the period</b>	<b>37 148 328</b>	<b>6 807 707</b>

# CONTACT DETAILS

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