

**Nordic Biotech Advisors ApS
Central Business Registration No
26123925
Østergade 24A, 1. tv.
1100 Copenhagen K, Denmark**

Annual report 2015

The Annual General Meeting adopted the annual report on

7/6-2016

Chairman of the General Meeting



Name: Lars Møller Andersen

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Entity details

Entity

Nordic Biotech Advisors ApS
Østergade 24A, 1. tv.
1100 Copenhagen K, Denmark

Central Business Registration No: 26123925
Registered in: Copenhagen K, Denmark
Financial year: 01.01.2015 - 31.12.2015

Board of Directors

Jakob Mosegaard Larsen
Matthew Daniel Perry
Florian Schönharting

Executive Board

Florian Schönharting

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
Postboks 1600
0900 Copenhagen C, Denmark

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Nordic Biotech Advisors ApS for the financial year 01.01.2015 - 31.12.2015.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2015 and of the results of its operations for the financial year 01.01.2015 - 31.12.2015.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 31.05.2016

Executive Board



Florian Schönharting

Board of Directors



Jakob Mosegaard Larsen

Matthew Daniel Perry



Florian Schönharting

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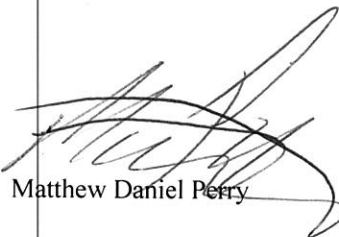
Copenhagen, 31.05.2016

Executive Board

Florian Schönharting

Board of Directors

Jakob Mosegaard Larsen



Matthew Daniel Perry

Florian Schönharting

Independent auditor's reports

To the owners of Nordic Biotech Advisors ApS

Report on the financial statements

We have audited the financial statements of Nordic Biotech Advisors ApS for the financial year 01.01.2015 - 31.12.2015, which comprise the accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines 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 the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires 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 misstatements 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 of financial statements that give a true and fair view 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 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.

Our audit has not resulted in any qualification.

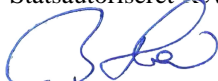
Opinion

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31.12.2015 and of the results of its operations for the financial year 01.01.2015 - 31.12.2015 in accordance with the Danish Financial Statements Act.

Copenhagen, 31.05.2016

Deloitte

Statsautoriseret Revisionspartnerselskab



Bill Haudal Pedersen

State-Authorised Public Accountant

CVR-nr. 33963556

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises.

The accounting policies applied for these financial statements are consistent with those applied last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, other operating income and external expenses.

Revenue

Revenue from the sale of advisory services is recognised as revenue at the time of delivery and when the risk passes to the buyer, provided that the income can be made up reliably. VAT and indirect taxes are excluded from the revenue.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

Accounting policies

Amortisation, depreciation and impairment losses

Amortisation and depreciation relating to property, plant and equipment comprise amortisation and depreciation for the financial year, calculated on the basis of the residual values and useful lives of the individual assets.

Income from investments in group enterprises

The item includes dividend received from subsidiaries in so far as the dividend does not exceed the accumulated earnings in the subsidiary in the period of ownership.

Other financial income

Other financial income comprises interest income and allowances under the Danish Tax Prepayment Scheme, etc.

Other financial expenses

Other financial expenses comprise interest expenses, bank charges and allowances under the Danish Tax Prepayment Scheme etc.

Income taxes

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all Danish subsidiaries. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Property, plant and equipment

Property, plant and equipment comprise IT equipment and office equipment. Property, plant and equipment are measured at cost less accumulated depreciation and write-downs.

Cost comprises the acquisition price, costs directly attributable to the acquisition, and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment

3 years

Accounting policies

Property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Profits and losses from the sale of property, plant and equipment are calculated as the difference between selling price less selling costs and carrying amount at the time of sale. Profits or losses are recognised in the income statement as adjustment to depreciation and impairment losses, or under other operating income if the selling price exceeds original cost.

Investments in group enterprises

Investments in group enterprises are measured at cost and are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less write-downs for bad and doubtful debts.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Income tax receivable or payable

Current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

Income statement for 2015

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014 DKK</u>
Gross profit		3.618.211	2.807.599
Staff costs	1	(2.913.478)	(2.965.163)
Depreciation, amortisation and impairment losses		<u>(250.599)</u>	<u>(77.687)</u>
Operating profit/loss		454.134	(235.251)
Income from investments in group enterprises		7.193	27.556
Other financial income		1.067	56
Other financial expenses		<u>(16.870)</u>	<u>(15.017)</u>
Profit/loss from ordinary activities before tax		445.524	(222.656)
Tax on profit/loss from ordinary activities	2	<u>(171.822)</u>	<u>60.793</u>
Profit/loss for the year		<u>273.702</u>	<u>(161.863)</u>
Proposed distribution of profit/loss			
Retained earnings		<u>273.702</u>	<u>(161.863)</u>
		<u>273.702</u>	<u>(161.863)</u>

Balance sheet at 31.12.2015

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014 DKK</u>
Other fixtures and fittings, tools and equipment		140.678	76.314
Property, plant and equipment		140.678	76.314
Investments in group enterprises		178.761	178.760
Other receivables		299.530	289.847
Fixed asset investments	3	478.291	468.607
Fixed assets		618.969	544.921
Receivables from group enterprises		527.003	264.735
Deferred tax assets		24.479	24.000
Other short-term receivables		37.551	169.286
Income tax receivable		0	105.119
Prepayments		121.679	196.760
Receivables		710.712	759.900
Cash		739.027	603.363
Current assets		1.449.739	1.363.263
Assets		2.068.708	1.908.184

Balance sheet at 31.12.2015

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014 DKK</u>
Contributed capital		125.000	125.000
Retained earnings		<u>1.361.761</u>	<u>1.088.059</u>
Equity		<u>1.486.761</u>	<u>1.213.059</u>
Payables to shareholders and management		78.252	20.593
Income tax payable		67.070	0
Other payables		<u>436.625</u>	<u>674.532</u>
Current liabilities other than provisions		<u>581.947</u>	<u>695.125</u>
Liabilities other than provisions		<u>581.947</u>	<u>695.125</u>
Equity and liabilities		<u><u>2.068.708</u></u>	<u><u>1.908.184</u></u>
Contingent liabilities	4		
Assets charged and collateral	5		
Main activity	6		

Statement of changes in equity for 2015

	Contributed capital DKK	Retained ear- nings DKK	Total DKK
Equity beginning of year	125.000	1.088.059	1.213.059
Profit/loss for the year	0	273.702	273.702
Equity end of year	125.000	1.361.761	1.486.761

The company's share capital has remained at DKK 125,000 in the past five financial years.

Notes

	2015 DKK	2014 DKK
1. Staff costs		
Wages and salaries	2.781.424	2.900.050
Other social security costs	1.611	2.836
Other staff costs	130.443	62.277
	2.913.478	2.965.163

	2015 DKK	2014 DKK
2. Tax on ordinary profit/loss for the year		
Current tax	149.981	(60.793)
Change in deferred tax for the year	(479)	0
Adjustment relating to previous years	22.320	0
	171.822	(60.793)

3. Fixed asset investments

	Corpo- rate form	Equity interest %	Equity DKK	Profit/loss DKK
Subsidiaries:				
NB Public Equity Komplementar	ApS	100,00	1.018.382	3.871
NB Public Equity Invest	ApS	0,33	1.580.325	8.193.952

4. Contingent liabilities

As management company, the Company is jointly taxed with other Danish group entities and is jointly and severally liable with other jointly taxed group entities for payment of income taxed for the income 2015 onwards as well as withholding taxes on interest, royalties and dividends due for payment on or after 1 July 2013.

5. Assets charged and collateral

The company has not placed any assets or other security for loans at 31.12.2015.

Notes

6. Main activity

Nordic Biotech Advisors ApS was established on 29 June 2001 with the purpose of being an advisory and management company for one or more investment funds in connection with their investments in portfolio companies. Florian Schönharting, who is Partner of Nordic Biotech Advisors ApS, will assume an active role on the Boards of Directors of the portfolio companies, when relevant.

Nordic Biotech Advisors ApS has entered into agreements with a number of internationally known and highly reputed advisors with close contacts to academia, scientific communities and the biotech and pharmaceutical industry.