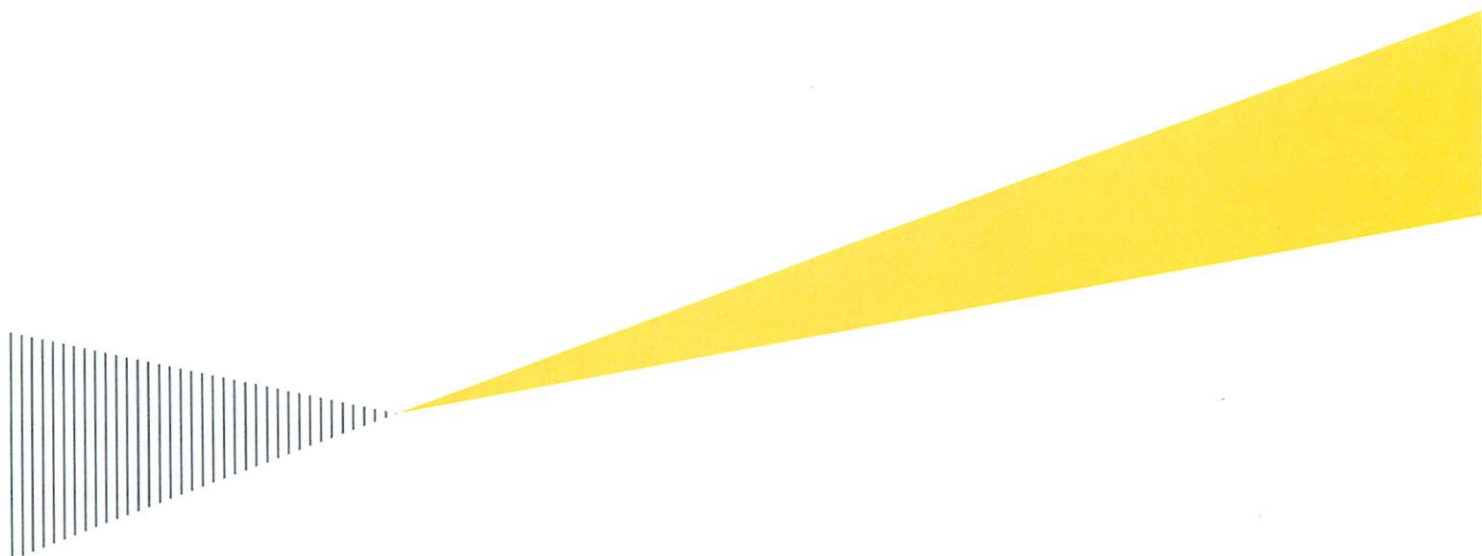


Qmed Consulting ApS

Ørnevej 2, 1. th., 4600 Køge

CVR no. 30 56 42 78



Annual report

for the year 1 January - 31 December 2015

Approved at the annual general meeting of shareholders on 23 May 2016

Chairman:

.....
Helene Quie Hansen



Contents

Statement by the Executive Board	2
Independent auditors' report	3
Management's review	5
Company details	5
Operating review	5
Financial statements for the period 1 January - 31 December	6
Income statement	6
Balance sheet	7
Statement of changes in equity	9
Notes to the financial statements	10

Statement by the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Qmed Consulting ApS for the financial year 1 January - 31 December 2015.

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

In my opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2015 and of the results of the Company's operations for the financial year 1 January - 31 December 2015.

Further, in my opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

I recommend the adoption of the annual report at the annual general meeting.

Køge, 23 May 2016
Executive Board:

A handwritten signature in blue ink, appearing to read 'Helene', written over a dotted horizontal line.

Helene Quie Hansen

Independent auditors' report

To the shareholder of Qmed Consulting ApS

Independent auditors' report on the financial statements

We have audited the financial statements of Qmed Consulting ApS for the financial year 1 January - 31 December 2015, which comprise an income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. 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 that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' 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 regulations. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to 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 auditors' judgement, 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 auditors consider internal control relevant to the Company'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 Company'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 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 December 2015 and of the results of its operations for the financial year 1 January - 31 December 2015 in accordance with the Danish Financial Statements Act.

Report on other legal and regulatory requirements

Emphasis-of-matter paragraph concerning other matters

In contravention of section 210(1) of the Danish Companies Act, the Company granted in 2014 a loan to the Company's shareholder, and Management may incur liability in this respect. Furthermore, owing to the nature of the matter, the Company has not correctly reported and withheld due salary taxes and labour market contributions, which is in contravention of the Danish Withholding Tax Act. The loan, including interest, has been repaid in 2015.

Independent auditors' report

Statement on the Management's review

Pursuant to the Danish Financial Statements Act, we have read the Management's review. We have not performed any other procedures in addition to the audit of the financial statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the financial statements.

Copenhagen, 23 May 2016
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR No. 30 70 02 28



Lisa Hagedorn
state authorised public accountant



Management's review

Company details

Name	Qmed Consulting ApS
Address, Postal code, City	Ørnevej 2, 1. th., 4600 Køge
CVR No.	30 56 42 78
Established	10 June 2008
Registered office	Køge
Financial year	1 January - 31 December
Website	http://www.qmed-consulting.com/
E-mail	info@qmed-consulting.com
Executive Board	Helene Quie Hansen
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Osvold Helmuhs Vej 4, P O Box 250, 2000 Frederiksberg, Denmark

Operating review

The Company's business review

The Company offers strategic consulting services based on best-in class knowledge, experience and competences from a result-oriented and highly motivated team of international medical device strategic advisors, CRO specialists and commercial healthcare experts.

Financial review

The income statement for 2015 shows a profit of DKK 963,513 against a profit of DKK 519,047 last year, and the balance sheet at 31 December 2015 shows equity of DKK 1,720,645.

Post balance sheet events

No significant events have occurred subsequent to the financial year.

Financial statements for the period 1 January - 31 December

Income statement

Note	DKK	2015	2014
	Gross profit	8,282,230	6,332,636
2	Staff costs	-6,982,755	-5,568,682
	Amortisation of goodwill and depreciation on leasehold improvements	-15,386	-57,986
	Operating profit	1,284,089	705,968
	Financial income	192	459
3	Financial expenses	-10,207	-12,317
	Profit before tax	1,274,074	694,110
4	Tax for the year	-310,561	-175,063
	Profit for the year	963,513	519,047
	Proposed profit appropriation		
	Retained earnings	963,513	519,047
		963,513	519,047

Financial statements for the period 1 January - 31 December

Balance sheet

Notes	DKK	2015	2014
ASSETS			
Non-current assets			
5	Intangible assets		
	Goodwill	0	0
		<u>0</u>	<u>0</u>
6	Property, plant and equipment		
	Leasehold improvements	31,958	47,344
		<u>31,958</u>	<u>47,344</u>
	Total non-current assets	<u>31,958</u>	<u>47,344</u>
Current assets			
Receivables			
	Trade receivables	2,683,342	2,003,560
	Deferred tax assets	41,580	21,506
	Other receivables	128,050	132,389
	Receivables from owners and management	0	9,597
	Deferred income	54,872	223,412
		<u>2,907,844</u>	<u>2,390,464</u>
	Cash	<u>1,420,715</u>	<u>824,568</u>
	Total current assets	<u>4,328,559</u>	<u>3,215,032</u>
	TOTAL ASSETS	<u>4,360,517</u>	<u>3,262,376</u>

Financial statements for the period 1 January - 31 December

Balance sheet

Notes	DKK	<u>2015</u>	<u>2014</u>
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	125,000	125,000
	Retained earnings	<u>1,595,645</u>	<u>632,132</u>
	Total equity	<u>1,720,645</u>	<u>757,132</u>
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Bank debt	43,525	38,948
	Trade payables	567,964	387,630
	Payables to group entities	846,990	1,128,852
	Income taxes payable	330,635	105,772
	Other payables	<u>850,758</u>	<u>844,042</u>
		<u>2,639,872</u>	<u>2,505,244</u>
	Total liabilities other than provisions	<u>2,639,872</u>	<u>2,505,244</u>
	TOTAL EQUITY AND LIABILITIES	<u><u>4,360,517</u></u>	<u><u>3,262,376</u></u>

1 Accounting policies

7 Contractual obligations and contingencies, etc.

Financial statements for the period 1 January - 31 December

Statement of changes in equity

DKK	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2014	125,000	113,085	238,085
Profit/loss for the year	0	519,047	519,047
Equity at 1 January 2015	125,000	632,132	757,132
Profit/loss for the year	0	963,513	963,513
Equity at 31 December 2015	<u>125,000</u>	<u>1,595,645</u>	<u>1,720,645</u>

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Qmed Consulting ApS for 2015 has been presented in accordance with the provisions of the Danish Financial Statements Act as regards reporting class B enterprises.

The accounting policies applied by the Company are consistent with those of last year.

Income statement

Revenue

Income from the rendering of services is recognised as revenue as the services are rendered, implying that revenue corresponds to the market value of the services rendered in the year (production method).

Revenue is measured at fair value of the agreed consideration exclusive of VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Gross profit

With reference to section 32 of the Danish Financial Statements Act, the items 'Revenue' and 'Other external expenses' are consolidated into one item designated 'Gross profit'.

Other external expenses

Other external expenses include the year's expenses relating to the entity's core activities, including expenses relating to sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

Amortisation of goodwill and depreciation on leasehold improvements

The item comprises amortisation of goodwill and depreciation on leasehold improvements.

Goodwill is amortised over the expected economic life, measured by reference to an assessment of, among other factors, the nature, earnings and market position of the acquired entity as well as the stability of the industry and the dependence on key staff.

The basis of amortisation, which is calculated as cost less any residual value, is amortised on a straight-line basis over the expected useful life. The expected useful lives are as follows:

Goodwill	7 years
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The amortisation period for goodwill exceeds 5 years as the investment is considered a strategic one and as the acquired entity has a strong market position and long-term earnings profile.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight-line basis over the expected useful life. The expected useful lives are as follows:

Leasehold improvements	5 years
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Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The entity and its Danish group entities are taxed on a joint basis. The Danish income tax charge is allocated between profit-making and loss-making Danish entities in proportion to their taxable income (full allocation method).

Jointly taxed companies entitled to a tax refund are, as a minimum, reimbursed by the management company according to the current rates applicable to interest allowances, and jointly taxed companies having paid too little tax pay, as a maximum, a surcharge according to the current rates applicable to interest surcharges to the management company.

Balance sheet

Intangible assets

Goodwill is measured at cost less accumulated amortisation and impairment losses.

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Impairment of non-current assets

Every year, intangible assets and leasehold improvements are reviewed for impairment. Where there is indication of impairment, an impairment test is made for each individual asset or group of assets, respectively, generating independent cash flows. The assets are written down to the higher of the value in use and the net selling price of the asset or group of assets (recoverable amount) if it is lower than the carrying amount.

Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value. Provisions are made for bad debts on the basis of objective evidence that a receivable or a group of receivables are impaired. Provisions are made to the lower of the net realisable value and the carrying amount.

Prepayments

Prepayments recognised under 'Assets' comprise prepaid expenses regarding subsequent financial reporting years.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Equity

Proposed dividends

Dividends proposed for the financial year are presented as a separate item under 'Equity'.

Corporation tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Liabilities

Financial liabilities are recognised on the raising of the loan at the proceeds received net of transaction costs incurred. Interest-bearing debt is subsequently measured at amortised cost, using the effective interest rate method. Borrowing costs, including capital losses, are recognised as financing costs in the income statement over the term of the loan.

Other liabilities are measured at net realisable value.

DKK	2015	2014
2 Staff costs		
Wages/salaries	6,372,654	4,863,550
Pensions	468,019	509,574
Other social security costs	48,922	78,069
Other staff costs	93,160	117,489
	6,982,755	5,568,682
3 Financial expenses		
Interest expenses, group entities	10,204	12,234
Other financial expenses	3	83
	10,207	12,317

Financial statements for the period 1 January - 31 December

Notes to the financial statements

	2015	2014
DKK		
4 Tax for the year		
Estimated tax charge for the year	330,635	105,772
Deferred tax adjustments in the year	-20,074	69,291
	<u>310,561</u>	<u>175,063</u>
5 Intangible assets		
DKK		
		<u>Goodwill</u>
Cost at 1 January 2015		300,000
Cost at 31 December 2015		300,000
Impairment losses and amortisation at 1 January 2015		300,000
Impairment losses and amortisation at		300,000
Carrying amount at 31 December 2015		<u>0</u>
6 Property, plant and equipment		
DKK		
		<u>Leasehold improvements</u>
Cost at 1 January 2015		76,931
Cost at 31 December 2015		76,931
Impairment losses and depreciation at 1 January 2015		29,587
Depreciation in the year		15,386
Impairment losses and depreciation at 31 December 2015		44,973
Carrying amount at 31 December 2015		<u>31,958</u>
7 Contractual obligations and contingencies, etc.		
Other contingent liabilities		
<p>The Company is jointly taxed with its parent, HM Hansen Holding ApS, which acts as management company, and is jointly taxed for payment of income taxes for the income year 2013 onwards as well as withholding taxes on interest, royalties and dividends falling due for payment on or after 1 July 2012.</p>		
Other financial obligations		
<p>Rent and lease liabilities include a rent obligation totalling DKK 253 thousand in interminable rent agreements with remaining contract terms of 12 months. Furthermore, the Company has liabilities under operating leases for furnitures and IT equipment, totalling DKK 49 thousand, with remaining contract terms of 1-24 months.</p>		