

Jusmedico Advokatanpartselskab

Kongevejen 371, 2840 Holte

Company reg. no. DK 3072 8106

Annual report

1 January - 31 December 2015

The annual report has been submitted and approved by the general meeting on the 26 April 2016.

Jan Bjerrum Bach
Chairman of the meeting

Contents

| | <u>Page</u> |
|---|-------------|
| Reports | |
| Management's report | 1 |
| The independent auditor's reports | 2 |
| Management's review | |
| Company data | 4 |
| Management's review | 5 |
| Annual accounts 1 January - 31 December 2015 | |
| Accounting policies used | 7 |
| Profit and loss account | 10 |
| Balance sheet | 11 |
| Notes | 13 |

Notes:

- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's report

The managing director has today presented the annual report of Jusmedico Advokatanpartselskab for the financial year 1 January to 31 December 2015.

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

I consider the accounting policies used appropriate, and in my opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position as on 31 December 2015 and of the company's results of its activities in the financial year 1 January to 31 December 2015.

I am of the opinion that the management's review includes a fair description of the issues dealt with.

The annual report is recommended for approval by the general meeting.

Holte, 21 April 2016

Managing Director

Jan Bjerrum Bach

The independent auditor's reports

To the shareholders of Jusmedico Advokatanpartselskab

Report on the annual accounts

We have audited the annual accounts of Jusmedico Advokatanpartselskab for the financial year 1 January to 31 December 2015, which comprise accounting policies used, profit and loss account, balance sheet and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

The management's responsibility for the annual accounts

The management is responsible for the preparation of annual accounts that give a true and fair view in accordance with the Danish Financial Statements Act. Furthermore, the management is responsible for such internal control as it determines necessary in order to prepare annual accounts that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the annual accounts 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 annual accounts are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements in the annual accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of annual accounts 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 the management, as well as the overall presentation of the annual accounts.

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

The audit has not resulted in any qualification.

The independent auditor's reports

Opinion

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2015 and of the results of the company's operations for the financial year 1 January to 31 December 2015 in accordance with the Danish Financial Statements Act.

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 further procedures in addition to the audit of the annual accounts. On this basis, it is our opinion that the information provided in the management's review is consistent with the annual accounts.

Copenhagen, 21 April 2016

AP | Statsautoriserede Revisorer P/S

CVR-nr. 34 88 49 35

Mads Myrtue Thomsen
State Authorised Public Accountant

Company data

The company

Jusmedico Advokatanpartselskab
Kongevejen 371
2840 Holte

Company reg. no.: DK 3072 8106

Established: 29 June 2007

Domicile:

Financial year: 1 January - 31 December

Managing Director

Jan Bjerrum Bach

Auditors

AP | Statsautoriserede Revisorer P/S
Nørre Farimagsgade 11
1364 København K

Management's review

Jusmedico Law Firm Ltd. Advokatanpartsselskab (Jusmedico Advokatanpartsselskab), "Jusmedico", is a specialist law firm providing legal services to the biotech, pharmaceutical, medical device and dentistry industries, life science investors and to suppliers and service providers thereto. The working areas of Jusmedico include research & development, pre-clinical test and clinical trial, data protection, production & supply, labeling & packaging, licensing, co-promotion & co-marketing agreements, agent and distribution agreements, as well as advertising & promotion advice.

In addition Jusmedico renders legal advice to both foreign and locally domiciled insurance companies. Also life science clients are advised on placement and renewal of third party liability insurance programs for clinical trials and other activities.

The office address of Jusmedico is Kongevejen 371, DK-2840 Holte. Internationally Jusmedico is a founding member of the BioLawEurope Alliance comprising a network of independent European law firms and individual attorneys licensed in EU and/or EFTA jurisdictions providing legal services focusing on the same legal disciplines as Jusmedico. Further Jusmedico operates a representative office in New York, USA.

Jusmedico, which was established in May 2004, was transformed into a private limited company on 1 January 2007. Notwithstanding the transformation each attorney employed remained and remains personally liable for legal advice rendered under contract.

During 2014 Jusmedico has continued co-operating closely with the members of its Advisory Board established in 2007. The Advisory Board comprises 8 professionals, including 6 specialists within the fields of research, patenting, clinical development, insurance, regulatory service and quality management. These areas of expertise are especially relevant to Jusmedico's client portfolio, which comprises clients operating on a private commercial basis as well as on a non-profit public basis. The BioLawEurope Alliance and the Advisory Board initiative enable co-operation across the boundaries of individual professions and enable Jusmedico involving all relevant professionals in larger and/or long term client projects.

Jusmedico is represented at the board of BioLawEurope, and has, for 2015, designated the secretary and the treasurer of the BioLawEurope Alliance. Chairman of the Jusmedico Advisory Board is counsel at law Ira Shale Nordlicht, Esq., New York, who is also in charge of Jusmedico's representative office in the U.S.A.

In addition to activities via the BioLawEurope Alliance and referrals from the representative office in New York, Jusmedico has established co-operations with a number of Danish law firms, which on an ad hoc basis may be involved in assignments falling outside Jusmedico's core competence areas, e.g. M&A, IPO's, banking and finance.

The mitigation of the implications of the global credit crisis incurred in late 2007, has continued in 2014 and Jusmedico's client portfolio has been increased by a number of new start-ups as well as foreign clients. In addition, existing clients have increased their clinical trial activity level both in- and outside of Denmark. Nevertheless Jusmedico has continued allocating extraordinary resources on participating in

Management's review

both international and domestic conferences and training as well as on drafting articles to international periodicals. In light hereof the 2015 turnover is satisfactory, not at least because it could be increased were Jusmedico to prioritize that. Both in 2014, 2015 and 2016 Jusmedico has been granted the INTL Global award as Biotech Lawfirm of the Year in Denmark. These awards continue to produce enquiries from potential international clients, who primarily used to be from China, but who now tend to be from the USA.

As it was the case in 2015, 2016 is expected to become a year in which Jusmedico is so privileged that Jusmedico for all practical purposes has the ability to pursue and obtain such turnover numbers that Jusmedico may deem appropriate. Maintaining the 2015 numbers will be the goal, as Jusmedico has undertaken a number of non-profit activities and is more heavily involved in advising on and – due to the nil interest level environment prevailing - to a limited extent investing in client's commercial activities than what used to be the case.

Jusmedico's marketing activities primarily comprise participation in the BioLawEurope Alliance, publications in international periodicals, homepage maintenance and lecturing domestically and international-ly. In 2015 participation in professional training programs was maintained at the high 2014 level, simultaneously with time and resources being invested in international co-operations through BioLawEurope and the US representative office.

Considering Jusmedico's strategic choices, management is satisfied with the results achieved for the financial year of 2015 and proposes to the general meeting to dividend out DKK 50,600 per shareholder and per share class.

Accounting policies used

The annual report for Jusmedico Advokatanpartselskab is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises.

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).

Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

The profit and loss account

Revenue

Revenue related to sales of goods for resale is recognised in the Profit and Loss account if delivery and transfer of risk have taken place before the end of the year. Revenue is recognised less VAT and discounts granted in connection with the sale.

Other external costs

Other external costs comprise costs for distribution, sales, advertisement, administration, premises, loss on debtors, and operational leasing costs.

Staff costs

Staff costs include salaries and wages including holiday allowances, pensions and other costs for social security etc. for staff members. Staff costs are less public reimbursements.

Depreciation, amortisation and writedown

Depreciation, amortisation and writedown comprise depreciation on, amortisation of and writedown relating to intangible and tangible fixed assets respectively.

Accounting policies used

Net financials

Net financials include interest income, interest expenses, and realised and unrealised capital gains and losses on financial assets and liabilities. Net financials are recognised in the profit and loss account with the amounts concerning the financial year.

Results from equity investments in associated enterprises

After full elimination of intercompany profit or loss and deduction of amortisation of consolidated goodwill, the equity investment in the individual associated enterprises are recognised in the profit and loss account at a proportional share of the associated enterprises' results after tax.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The balance sheet

Intangible fixed assets

Goodwill

Purchased goodwill is measured at cost with deduction of accumulated amortisation. Goodwill is amortised on a straight-line basis over the estimated financial life which is 5 years.

Financial fixed assets

Equity investments in associated enterprises

Equity investments in associated enterprises are recognised in the balance sheet at a proportional share under the equity method, the value being calculated on the basis of the accounting policies of the parent company by the deduction or addition of unrealised intercompany profits and losses, and with the addition or deduction of residual value of positive or negative goodwill measured by applying the acquisition method.

To the extent the equity exceeds the cost, the net revaluation of equity investments in associated enterprises are transferred to the reserves under the equity for net revaluation as per the equity method. The reserves are adjusted by other equity movements in associated enterprises.

Newly taken over or newly established companies are recognised in the annual accounts as of the time of acquisition. Sold or liquidated companies are recognised at the time of cession.

Profit or loss in connection with the sale of associated enterprises are measured as the difference between the sales amount and the book value of net assets at the time of the sale, inclusive of remaining consolidated goodwill and expected costs for sale and cession. Profit and loss are recognised in the profit and loss account under net financials.

Accounting policies used

Receivables

Receivables are measured at amortised cost which usually equals nominal value. Provisions made for bad debts reduce the value.

Accrued income and deferred expenses

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

Securities and equity investments

Securities and equity investments recognised as current assets are measured at fair value on the balance sheet date.

Available funds

Available funds comprise cash at bank and in hand.

Equity - dividend

Dividend expected to be distributed for the year is recognised as a separate item under the equity. Proposed dividend is recognised as a liability at the time of approval by the general meeting.

Corporate tax and deferred tax

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax. In the period 2014 to 2016, the corporate tax rate will be reduced gradually from 25 % to 22 %, which will affect the deferred tax liabilities and deferred tax assets. Unless a recognition with a different tax rate than 22 % will result in a significant material deviation in the estimated deferred tax liability or tax asset, deferred tax liabilities and assets are recognised by 22 %.

Liabilities

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

Profit and loss account 1 January - 31 December

All amounts in DKK.

| <u>Note</u> | <u>2015</u> | <u>2014</u> |
|--|------------------|------------------|
| Revenue | 1.765.763 | 1.686.318 |
| Other external costs | <u>-552.812</u> | <u>-581.346</u> |
| Gross results | 1.212.951 | 1.104.972 |
| 1 Staff costs | -672.615 | -995.110 |
| Amortisation and writedown relating to intangible fixed assets | <u>-236.000</u> | <u>-236.000</u> |
| Operating profit | 304.336 | -126.138 |
| Income from equity investments in associated enterprises | 62.486 | -47.450 |
| Other financial income | 148.053 | 294.780 |
| Writedown relating to financial assets | -71.000 | 0 |
| Other financial costs | <u>-599</u> | <u>-503</u> |
| Results before tax | 443.276 | 120.689 |
| 2 Tax on ordinary results | <u>-159.307</u> | <u>-114.374</u> |
| Results for the year | 283.969 | 6.315 |
| Proposed distribution of the results: | | |
| Dividend for the financial year | 101.200 | 98.400 |
| Allocated to results brought forward | 182.769 | 0 |
| Allocated from results brought forward | <u>0</u> | <u>-92.085</u> |
| Distribution in total | 283.969 | 6.315 |

Balance sheet 31 December

All amounts in DKK.

| <u>Note</u> | <u>2015</u> | <u>2014</u> |
|--|-------------------------|-------------------------|
| Assets | | |
| Fixed assets | | |
| 3 Goodwill | 235.998 | 471.998 |
| Intangible fixed assets in total | <u>235.998</u> | <u>471.998</u> |
| 4 Equity investments in associated enterprises | 0 | 36.550 |
| 5 Deposits | 14.708 | 14.708 |
| Financial fixed assets in total | <u>14.708</u> | <u>51.258</u> |
| Fixed assets in total | <u>250.706</u> | <u>523.256</u> |
| Current assets | | |
| Trade debtors | 828.364 | 846.699 |
| Amounts owed by associated enterprises | 518.000 | 510.000 |
| Deferred tax assets | 0 | 78.467 |
| Receivable corporate tax | 0 | 96.000 |
| Other debtors | 356.718 | 5.547 |
| Accrued income and deferred expenses | 76.990 | 71.847 |
| Debtors in total | <u>1.780.072</u> | <u>1.608.560</u> |
| Other securities and equity investments | 1.889.210 | 1.836.000 |
| Securities in total | <u>1.889.210</u> | <u>1.836.000</u> |
| Cash funds | 310.725 | 232.744 |
| Current assets in total | <u>3.980.007</u> | <u>3.677.304</u> |
| Assets in total | <u>4.230.713</u> | <u>4.200.560</u> |

Balance sheet 31 December

All amounts in DKK.

Equity and liabilities

| <u>Note</u> | <u>2015</u> | <u>2014</u> |
|--|-------------------------|-------------------------|
| Equity | | |
| 6 Contributed capital | 507.500 | 507.500 |
| 7 Results brought forward | 3.354.987 | 3.172.218 |
| 8 Proposed dividend for the financial year | 101.200 | 98.400 |
| Equity in total | <u>3.963.687</u> | <u>3.778.118</u> |
| Liabilities | | |
| Short-term part of long-term liabilities | 0 | 81.276 |
| Trade creditors | 4.606 | 3.849 |
| Corporate tax | 40.840 | 0 |
| Other debts | 221.580 | 337.317 |
| Short-term liabilities in total | <u>267.026</u> | <u>422.442</u> |
| Liabilities in total | <u>267.026</u> | <u>422.442</u> |
| Equity and liabilities in total | <u>4.230.713</u> | <u>4.200.560</u> |

Notes

All amounts in DKK.

| | <u>2015</u> | <u>2014</u> |
|--|--------------------------|--------------------------|
| 1. Staff costs | | |
| Salaries and wages | 468.620 | 988.688 |
| Pension costs | 200.000 | 0 |
| Other costs for social security | 3.995 | 6.422 |
| | <u>672.615</u> | <u>995.110</u> |
| | | |
| 2. Tax on ordinary results | | |
| Tax of the results for the year, parent company | 80.840 | 0 |
| Change in deferred tax | 78.467 | 114.374 |
| | <u>159.307</u> | <u>114.374</u> |
| | | |
| 3. Goodwill | | |
| Cost 1 January 2015 | 2.360.000 | 2.360.000 |
| Cost 31 December 2015 | <u>2.360.000</u> | <u>2.360.000</u> |
| | | |
| Amortisation and writedown 1 January 2015 | -1.888.002 | -1.652.002 |
| Amortisation for the year | -236.000 | -236.000 |
| Amortisation and writedown 31 December 2015 | <u>-2.124.002</u> | <u>-1.888.002</u> |
| | | |
| Book value 31 December 2015 | <u>235.998</u> | <u>471.998</u> |

Notes

All amounts in DKK.

| | <u>31/12 2015</u> | <u>31/12 2014</u> |
|---|-------------------------|-------------------------|
| 4. Equity investments in associated enterprises | | |
| Acquisition sum, opening balance 1 January 2015 | 84.000 | 84.000 |
| Disposals during the year | <u>-84.000</u> | <u>0</u> |
| Cost 31 December 2015 | <u>0</u> | <u>84.000</u> |
| Revaluation, opening balance 1 January 2015 | -47.450 | 0 |
| Results for the year before goodwill amortisation | 0 | -47.450 |
| Reversal of prior revaluations | <u>47.450</u> | <u>0</u> |
| Revaluation 31 December 2015 | <u>0</u> | <u>-47.450</u> |
| Book value 31 December 2015 | <u>0</u> | <u>36.550</u> |
| <p>The shares are sold in 2015.</p> | | |
| 5. Deposits | | |
| Cost 1 January 2015 | <u>14.708</u> | <u>14.708</u> |
| Cost 31 December 2015 | <u>14.708</u> | <u>14.708</u> |
| Book value 31 December 2015 | <u>14.708</u> | <u>14.708</u> |
| 6. Contributed capital | | |
| Contributed capital 1 January 2015 | <u>507.500</u> | <u>507.500</u> |
| | <u>507.500</u> | <u>507.500</u> |
| <p>The share capital consists of 500.000 A-shares and 7.500 B-shares.</p> | | |
| 7. Results brought forward | | |
| Results brought forward 1 January 2015 | 3.172.218 | 3.264.303 |
| Profit or loss for the year brought forward | <u>182.769</u> | <u>-92.085</u> |
| | <u>3.354.987</u> | <u>3.172.218</u> |

Notes

All amounts in DKK.

| | <u>31/12 2015</u> | <u>31/12 2014</u> |
|--|-----------------------|----------------------|
| 8. Proposed dividend for the financial year | | |
| Dividend 1 January 2015 | 98.400 | 96.000 |
| Distributed dividend | -98.400 | -96.000 |
| Dividend for the financial year | <u>101.200</u> | <u>98.400</u> |
| | <u>101.200</u> | <u>98.400</u> |

9. Liabilities

| | <u>Instalments first year</u> | <u>Outstanding debt after 5 years</u> | <u>Debt in total 31 Dec 2015</u> | <u>Debt in total 31 Dec 2014</u> |
|--|-----------------------------------|---|--------------------------------------|--------------------------------------|
| Other debts obtained by the issuance of bonds | <u>0</u> | <u>0</u> | <u>0</u> | <u>81.276</u> |
| | <u>0</u> | <u>0</u> | <u>0</u> | <u>81.276</u> |