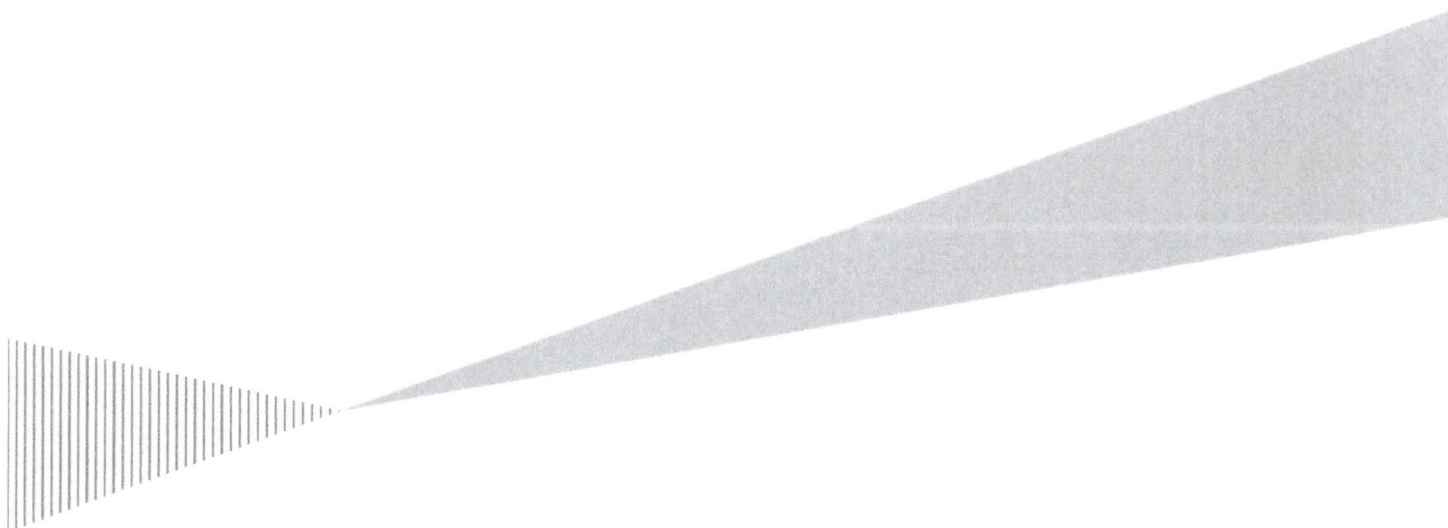


NB Public Equity K/S

Østergade 24 A, 1. tv., 1100 Copenhagen

CVR no. 31 76 17 86



Annual report 2015

Approved at the limited partnership's annual general meeting on *10 May 2016*

Chairman:

[Signature]
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Statement by the General Partner

The General Partner has today discussed and approved the annual report of NB Public Equity K/S for the financial year 1 January - 31 December 2015.

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

It is our opinion that the financial statements give a true and fair view of the limited partnership's financial position at 31 December 2015 and of the results of the limited partnership's operations for the financial year 1 January - 31 December 2015.

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

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 14 April 2016

On behalf of the general partner, NB Public Equity Komplementar ApS

Cora Louise Madsen

Independent auditors' report

To the limited partners and the general partner of NB Public Equity K/S

Independent auditors' report on the financial statements

We have audited the financial statements of NB Public Equity K/S for the financial year 1 January - 31 December 2015, which comprise income statement, balance sheet, statement of changes in equity and notes, including 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. Management is also responsible 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 regulation. 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 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 limited partnership'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 limited partnership'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.

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, 14 April 2016
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28


Christian Schwenn Johansen
State Authorised Public Accountant

Management's review

Limited partnership details

Name	NB Public Equity K/S
Address, zip code, city	Østergade 24 A, 1. tv., 1100 Copenhagen K
CVR no.	31 76 17 86
Registered office	Copenhagen
Financial year	1 January - 31 December
Limited partners	NB Public Equity Invest ApS Arbejdsmarkedets Tillægspension (ATP)
General Partner	NB Public Equity Komplementar ApS
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Osvald Helmuths Vej 4, P O Box 250, 2000 Frederiksberg, Denmark
Bankers	SEB Bank
Lawyer	Mazanti-Andersen Korsø Jensen Amaliegade 10, 1256 Copenhagen, Denmark

Management's review

Operating review

Principal activities

NB Public Equity K/S (a limited partnership) was established on 4 September 2008 with the purpose of investing in publicly listed biotech companies that are involved in the development and/or sale of drugs or receive royalties or other payments related to such sales.

Financial review

The income statement for 2015 shows a profit of DKK 20,053,111 against a loss of DKK 21,751,404 last year, and the balance sheet at 31 December 2015 shows equity of DKK 867,569,617.

NB Public Equity's primary source of income is realised and unrealised gains on its investments.

Operations

NB Public Equity Komplementar ApS participates in the limited partnership as a general partner and is also the manager of the limited partnership.

Investments

The limited partnership has traded shares in a number of publicly listed companies.

Events after the balance sheet date

No events have occurred after the financial year end which could significantly affect the limited partnership's financial position.

Outlook

The limited partnership is focused on identifying rare investment opportunities that promise a return with limited loss potential. In 2015, the portfolio was increased by a number of companies that are believed to continue to match this profile. Returns are expected over the course of 2-4 years; hence it is too early to comment on recent additions. However, the long-term experience of this strategy has paid off with very limited losses realised over the period from inception of 2008 to date, and returns far in excess of the risk adjusted alternatives. The general partner is optimistic on the prospect of the current returns, despite high volatility on the stock market in the first quarter of 2016.

Commercial and financial risks

The limited partnership is exposed to general capital market fluctuations that affect the biopharmaceutical sector. Individual portfolio companies are furthermore subject to risks in the form of failure of key clinical development programs, disappointing product sales, disappointing royalties or other income streams, expiry of patents and generic competition, dilution of ownership by refinancing in poor capital markets, failure of management to be diligent while prudent and other general sector risks.

There is also a foreign exchange risk as the investments are in foreign currencies and as such subject to currency fluctuations.

Financial statements for the period 1 January - 31 December

Income statement

Note	DKK	2015	2014
	Fair value adjustment of other securities and investments	20,372,016	-21,751,194
	Operating profit/loss	20,372,016	-21,751,194
2	Financial expenses	-318,905	-210
	Profit/loss for the year	20,053,111	-21,751,404
	Proposed profit appropriation/distribution of loss		
	Retained earnings/accumulated loss	20,053,111	-21,751,404
		20,053,111	-21,751,404

Financial statements for the period 1 January - 31 December

Balance sheet

Note	DKK	2015	2014
	ASSETS		
	Current assets		
	Receivables		
4	Receivable cash call	69,633,508	0
	Receivable from NB Public Equity Komplementar ApS	10,463	0
		<u>69,643,971</u>	<u>0</u>
	Securities		
	Other securities and investments	800,432,922	159,105,189
		<u>800,432,922</u>	<u>159,105,189</u>
	Cash in bank	502,812	4,423,807
	Total current assets	<u>870,579,705</u>	<u>163,528,996</u>
	TOTAL ASSETS	<u>870,579,705</u>	<u>163,528,996</u>
	EQUITY AND LIABILITIES		
3	Equity		
	Called capital	2,190,000,000	1,370,000,000
	Distributions	-1,320,732,090	-1,184,719,985
	Retained earnings	-1,698,293	-21,751,404
	Total equity	<u>867,569,617</u>	<u>163,528,611</u>
	Liabilities		
	Current liabilities		
	Other payables	3,010,088	385
		<u>3,010,088</u>	<u>385</u>
	Total liabilities	<u>3,010,088</u>	<u>385</u>
	TOTAL EQUITY AND LIABILITIES	<u>870,579,705</u>	<u>163,528,996</u>

1 Accounting policies

Financial statements for the period 1 January - 31 December

Statement of changes in equity

DKK	Called capital	Distributions	Retained earnings	Total
Balance at 1 January 2014	1,370,000,000	-614,936,827	0	755,063,173
Distributions during the year	0	-569,783,158	0	-569,783,158
Loss for the year	0	0	-21,751,404	-21,751,404
Balance at 1 January 2015	1,370,000,000	-1,184,719,985	-21,751,404	163,528,611
Paid through cash calls	820,000,000	0	0	820,000,000
Distributions during the year	0	-136,012,105	0	-136,012,105
Profit for the year	0	0	20,053,111	20,053,111
Balance at 31 December 2015	2,190,000,000	-1,320,732,090	-1,698,293	867,569,617

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of NB Public Equity K/S for 2015 has been prepared in accordance with the provisions applying to reporting class B enterprises under the Danish Financial Statements Act.

Changes in accounting policies

In the financial statements, the presentation and classification of fair value adjustment of other securities and investments have been revised. Previously, fair value adjustment of other securities and investments were included in the gross margin. Fair value adjustment of other securities and investments are now presented separately.

Furthermore, the presentation of the equity has been changed. The limited partnership capital is now presented as respectively called capital and distributions paid out.

In the General Partner's opinion, these changes result in a more true and fair view of the limited partnership's activities and financial position.

The changes have not affected the results of operations, equity or balance sheet total.

Except as mentioned above, the accounting policies are consistent with those applied last year. Comparative figures have been restated to reflect the policy change.

Reporting currency

The financial statements are presented in Danish kroner.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Fair value adjustment of other securities and investments

The item includes the year's fair value adjustment of other securities and investments.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial reporting period. The items comprise realised and unrealised gains and losses on receivables, payables and transactions denominated in foreign currencies and interest income and expenses.

Tax

As the individual limited partners include their profit or loss from the limited partnership in their respective income statements, the financial statements do not include taxes.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Balance sheet

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses when there is objective evidence that a receivable has been impaired.

Other securities and investments

On initial recognition, securities and investments are measured at cost. Securities and investments are subsequently measured at fair value. The fair value is made up at the market value at the balance sheet date if the securities are listed and at a value made up using generally recognised valuation principles if the securities are unlisted.

Cash in bank

Cash comprises bank balances.

Other payables

Other payables are measured at net realisable value.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

DKK	2015	2014
2 Financial expenses		
Interest expense, banks	89,374	210
Foreign exchange adjustments	229,531	0
	<u>318,905</u>	<u>210</u>

3 Limited partnership called capital

Changes in the limited partnership's called capital over the past 5 years:

DKK'000	2015	2014	2013	2012	2011
Balance at 1 January	1,370,000	1,370,000	1,200,000	865,000	665,000
Paid through cash calls	820,000	0	170,000	335,000	200,000
	<u>2,190,000</u>	<u>1,370,000</u>	<u>1,370,000</u>	<u>1,200,000</u>	<u>865,000</u>

4 Receivable cash call

The cash call was received on 4 January 2016.