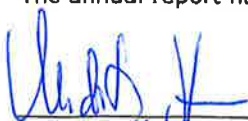


Seahorse Bioscience Europe ApS
Fruebjergvej 3, 2100 København Ø

Annual report
1 January - 31 October 2015

Company reg. no. 32 15 11 08

The annual report have been submitted and approved by the general meeting on the 18 May 2016.



Mads Reinhold Sørensen
Chairman of the meeting

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 %.

Contents

Page

Reports

- 1 Management's report
- 2 The Independent auditor's reports

Management's review

- 4 Company data
- 5 Management's review

Annual accounts 1 January - 31 October 2015

- 6 Accounting policies used
- 10 Profit and loss account
- 11 Balance sheet
- 13 Notes

Management's report

The executive board has today presented the annual report of Seahorse Bioscience Europe ApS for the financial year 1 January to 31 October 2015.

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

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

We are 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.

Copenhagen, 18 May 2016

Executive board



Hasse Hedeby



Richard Norman Larsen

The independent auditor's reports

To the shareholder of Seahorse Bioscience Europe ApS

Report on the annual accounts

We have audited the annual accounts of Seahorse Bioscience Europe ApS for the financial year 1 January to 31 October 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 considered 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 qualified opinion.

Qualified opinion

Basis for qualified opinion

During the financial year, the company has implemented a new accounting system, and all administrative duties have been insourced. During the implementation of the new system, differences have occurred in the opening balance as per 1 January 2015 amounting to a total deviation in equity of DKK +997,622. It has not been possible to subsequently 'dissolve' the difference, and therefore, in the annual report for 2015, the amount has been recognised directly in the equity. Due to the fact that we have not been able to achieve sufficient audit evidence for the items in the opening balance sheet, we shall have to express our qualified opinion on this.

The independent auditor's reports

Qualified opinion

Except for the effects of the matter described in the paragraph "Basis for qualified opinion", It is our opinion that the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 October 2015 and of the results of the company's operations for the financial year 1 January to 31 October 2015 in accordance with the Danish Financial Statements Act.

Reports on other legal and regulatory requirements

Emphasis of matter paragraph on other matters

Against the regulations of the Danish Financial Statements Act, the company has not prepared any annual report on time, and consequently the management may incur liability.

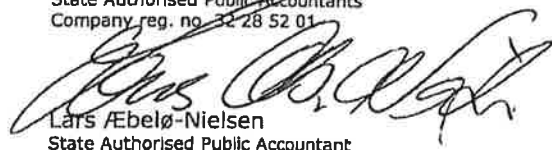
Statement on the management's review

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 performed 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.

Esbjerg, 18 May 2016

Martinsen

State Authorised Public Accountants
Company reg. no. 32 28 52 01



Lars Ebelø-Nielsen
State Authorised Public Accountant

Company data

The company

Seahorse Bioscience Europe ApS
Fruebjergvej 3
2100 København Ø

Company reg. no. 32 15 11 08

Financial year: 1 January - 31 October

Managing Director

Hasse Hedeby

Auditors

Martinsen
Statsautoriseret Revisionspartnerselskab
Edison Park 4
6715 Esbjerg N

Management's review

Principal activities

The Company's main activity is to function as a sales and marketing support organisation for the US based parent company.

The activity is primarily research and experimental development in the bioscience field.

Unusual matters

In connection with the preparation of the annual report for 2015, errors in the intercompany balance as per 31 December 2014 have been disclosed, as the intercompany balance for 2014 showed additional debts of DKK 644,000 compared to the amount recognised in the annual report for 2014. As this error is considered fundamental to the understanding of the comparative figure for 2014, the amount has been adjusted under intercompany balances and an equivalent adjustment has been made directly in the company equity.

In connection with the preparation of the annual report for 2015, discrepancies have been disclosed between the amounts stated in the opening balance sheet and the amounts used in the balance sheet as per 31 December 2014. During 2015, the company has insourced all administration of the company, and during this period, the company also implemented a new accounting system. In connection with the insourcing and the implementation of the new accounting system, differences occurred in the opening balance sheet and, therefore, the results brought forward have been adjusted by DKK +997,622. It has not been possible to identify the reason for the difference. It may be relating to previously disclosed errors in 2014 concerning intercompany balances - confer above. The amount has been adjusted in a separate item under the equity.

Development in activities and financial matters

The results from ordinary activities after tax are DKK 1.302.565 against DKK -9.888 last year. The management consider the results satisfactory.

The management considers the closing balance to give a true and fair view of the company's assets, liabilities and financial position at 31 October 2015.

Events subsequent to the financial year

The company has become part of the Agilent Technologies concern on 1 November 2015. No other events have occurred subsequent to the balance sheet date, which would have material impact on the financial position of the company.

Accounting policies used

The annual report for Seahorse Bioscience Europe ApS 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.

Certain fixed asset investments and liabilities are measured at amortised cost, by which method a fixed, effective interest is recognised during the useful life of the asset or the liability. Amortised cost is recognised as the original cost with deduction of any payments and additions/deductions of the accrued amortisation of the difference between cost and nominal amount. In this way capital losses and capital profits are spread over the useful life.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

Translation of foreign currency

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials.

Debtors, creditors, and other monetary items in foreign currency, which are not settled at the date of the balance sheet, are translated by using the closing rate. The difference between the closing rate and the rate at the time of establishment of the receivable or the payable is recognised in the profit and loss account under financial income and financial costs.

Accounting policies used

Fixed assets and other non-monetary assets acquired in foreign currency and which are not considered to be investment assets purchased in foreign currencies are measured at the exchange rate on the transaction date.

The profit and loss account

Gross profit

The gross profit comprises the net turnover, changes in inventories of finished goods and work in progress, work performed for own purposes and capitalised, other operating income, and external costs.

The net turnover is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received. The net turnover is recognised exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.

Cost of sales include costs for the purchase of raw materials and consumables less discounts and changes in inventories.

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.

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.

Interest and other costs concerning loans for financing the production of intangible and tangible fixed assets and concerning the production period are not recognised in the cost of the fixed asset.

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.

Accounting policies used

The balance sheet

Tangible fixed assets

Tangible fixed assets are measured at cost with deduction of accrued depreciation and writedown.

The basis of depreciation is cost with deduction of any expected residual value after the end of the useful life of the asset.

The cost comprises the acquisition cost and costs directly attached to the acquisition until the time when the asset is ready for use.

Depreciation takes place on a straight line basis and based on an evaluation of the expected useful life:

| | |
|--|---------|
| Other plants, operating assets, fixtures and furniture | 3 years |
|--|---------|

Minor assets with an expected useful life of less than 1 year are recognised as costs in the profit and loss account in the year of acquisition.

Profit or loss deriving from the sales of tangible fixed assets is measured as the difference between the sales price reduced by the selling costs and the book value at the time of the sale. Profit or losses are recognised in the profit and loss account as other operating income or other operating expenses.

Inventories

Inventories are measured at cost on basis of measured average prices. In case the net realisable value is lower than the cost, writedown takes place at this lower value.

The net realisable value for inventories is recognised as the market price with deduction of completion costs and selling costs. The net realisable value is determined taking into consideration the negotiability, obsolescence, and development of the expected market price.

Debtors

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

Accrued income and deferred expenses

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

Available funds

Available funds comprise cash at bank and in hand.

Accounting policies used

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.

Accrued expenses and deferred income

Received payments concerning income during the following years are recognised under accrued expenses and deferred income.

Profit and loss account

All amounts in DKK.

| <u>Note</u> | <u>2015</u> | <u>2014</u> |
|--|-------------------|-------------------|
| Gross profit | 12.588.747 | 11.382.874 |
| 1 Staff costs | -10.616.224 | -11.178.358 |
| Depreciation and amortisation of tangible fixed assets | -110.073 | -78.148 |
| Results before net financials | 1.862.450 | 126.368 |
| 2 Other financial costs | -146.893 | -37.804 |
| Results before tax | 1.715.557 | 88.564 |
| 3 Tax of the results for the year | -412.992 | -98.452 |
| Results for the year | 1.302.565 | -9.888 |
| Proposed distribution of the results: | | |
| Allocated to results brought forward | 1.302.565 | 0 |
| Allocated from results brought forward | 0 | -9.888 |
| Distribution in total | 1.302.565 | -9.888 |

Balance sheet

All amounts in DKK.

| Assets | | |
|--|-------------------------|-------------------------|
| <u>Note</u> | <u>31/10 2015</u> | <u>31/12 2014</u> |
| Fixed assets | | |
| 4 Other plants, operating assets, and fixtures and furniture | 196.541 | 283.986 |
| Tangible fixed assets in total | <u>196.541</u> | <u>283.986</u> |
| Deposites | 168.818 | 220.931 |
| Financial fixed assets in total | <u>168.818</u> | <u>220.931</u> |
| Fixed assets in total | <u>365.359</u> | <u>504.917</u> |
| Current assets | | |
| Inventories | 1.985.721 | 759.589 |
| Inventories in total | <u>1.985.721</u> | <u>759.589</u> |
| Trade debtors | 1.583.030 | 968.680 |
| Amounts owed by group enterprises | 1.919.362 | 0 |
| Deferred tax assets | 42.000 | 36.000 |
| Other receivables | 179.126 | 0 |
| Accrued income and deferred expenses | 19.167 | 114.103 |
| Debtors in total | <u>3.742.685</u> | <u>1.118.783</u> |
| Cash funds | 584.769 | 2.260.441 |
| Current assets in total | <u>6.313.175</u> | <u>4.138.813</u> |
| Assets in total | <u>6.678.534</u> | <u>4.643.730</u> |

Balance sheet

All amounts in DKK.

| Equity and liabilities | | | |
|-------------------------------|--|-------------------|------------------|
| <u>Note</u> | <u>31/10 2015</u> | <u>31/12 2014</u> | |
| Equity | | | |
| 5 | Share capital | 125.000 | 125.000 |
| 6 | Results brought forward | 4.336.691 | 2.036.504 |
| | Equity in total | 4.461.691 | 2.161.504 |
| Liabilities | | | |
| | Prepayments received from customers | 0 | 24.605 |
| | Trade payables | 579.311 | 894.352 |
| | Debt to group enterprises | 0 | 588.797 |
| 7 | Payable corporate tax | 357.270 | 29.695 |
| | Other payables | 1.111.119 | 737.947 |
| | Accrued expenses and deferred income | 169.143 | 206.830 |
| | Short-term liabilities in total | 2.216.843 | 2.482.226 |
| | Liabilities in total | 2.216.843 | 2.482.226 |
| | Equity and liabilities in total | 6.678.534 | 4.643.730 |

8 Mortgage and securities

Notes

All amounts in DKK.

| | <u>1/1 - 31/10 2015</u> | <u>1/1 - 31/12 2014</u> |
|---|-----------------------------|-----------------------------|
| 1. Staff costs | | |
| Salaries and wages | 9.936.236 | 10.165.407 |
| Pension costs | 134.235 | 139.617 |
| Other costs for social security | 204.811 | 380.386 |
| Other staff costs | <u>340.942</u> | <u>492.948</u> |
| | <u>10.616.224</u> | <u>11.178.358</u> |
| | | |
| Average number of employees | <u>8</u> | <u>8</u> |
| | | |
| 2. Other financial costs | | |
| Other interest costs | <u>146.893</u> | <u>37.804</u> |
| | <u>146.893</u> | <u>37.804</u> |
| | | |
| 3. Tax of the results for the year | | |
| Tax on profit for the year | 381.774 | 73.329 |
| Adjustment for the year of deferred tax | -6.000 | -27.000 |
| Adjustment of tax for previous years | -11.275 | 19.757 |
| Other taxes | <u>48.493</u> | <u>32.366</u> |
| | <u>412.992</u> | <u>98.452</u> |

Notes

All amounts in DKK.

| | <u>31/10 2015</u> | <u>31/12 2014</u> |
|--|-------------------------|-------------------------|
| 4. Other plants, operating assets, and fixtures and furniture | | |
| Cost 1 January 2015 | 614.439 | 320.342 |
| Additions during the year | 32.118 | 294.097 |
| Disposals during the year | -71.299 | 0 |
| Cost 31 October 2015 | <u>575.258</u> | <u>614.439</u> |
| Depreciation 1 January 2015 | -330.453 | -252.089 |
| Depreciation for the year | -104.575 | -78.364 |
| Depreciation and writedown, assets disposed of | 56.311 | 0 |
| Depreciation 31 October 2015 | <u>-378.717</u> | <u>-330.453</u> |
| Book value 31 October 2015 | <u>196.541</u> | <u>283.986</u> |
| 5. Share capital | | |
| Share capital 1 January 2015 | 125.000 | 125.000 |
| | <u>125.000</u> | <u>125.000</u> |
| 6. Results brought forward | | |
| Results brought forward 1 January 2015 | 2.036.504 | 2.691.327 |
| Unidentified difference in opening balance | 997.622 | 0 |
| Profit or loss for the year carried forward | 1.302.565 | -9.888 |
| Fundamental error | 0 | -644.935 |
| | <u>4.336.691</u> | <u>2.036.504</u> |

Notes

All amounts in DKK.

| | <u>31/10 2015</u> | <u>31/12 2014</u> |
|--|-----------------------|----------------------|
| 7. Payable corporate tax | | |
| Receivable corporate tax 1 January 2015 | 29.695 | 487.032 |
| Adjustment of previous years' tax | -11.275 | 19.757 |
| Paid corporate tax concerning last year | <u>-18.420</u> | <u>-506.789</u> |
| Receivable corporate tax concerning previous years | 0 | 0 |
| Calculated corporate tax for the present year | 430.270 | 105.695 |
| Paid tax on account for the present year | <u>-73.000</u> | <u>-76.000</u> |
| | <u>357.270</u> | <u>29.695</u> |

8. Mortgage and securities

None.