

NB FP Investment General Partner ApS
Central Business Registration No
34897824
Østergade 24A, 1
1100 Copenhagen

Annual report 2015

The Annual General Meeting adopted the annual report on

10 May 2016

Chairman of the General Meeting



Name: *Martin Rudebæk Nielsen*

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Entity details

Entity

NB FP Investment General Partner ApS
Østergade 24A, 1
1100 Copenhagen

Central Business Registration No: 34897824
Registered in: Copenhagen
Financial year: 01.01.2015 - 31.12.2015

Executive Board

Florian Schönharting

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
Postboks 1600
0900 Copenhagen C

Statement by Management on the annual report

The Executive Board have today considered and approved the annual report of NB FP Investment General Partner 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, 15.02.2016

Executive Board


Florian Schönharting

Independent auditor's reports

To the owners of NB FP Investment General Partner ApS

Report on the financial statements

We have audited the financial statements of NB FP Investment General Partner 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, 15.02.2016

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 by the company are consistent with those of 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

Revenue

Revenue comprises fee from NB FP Investment K/S for its services as general partner and related activities.

Other external expenses

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

Other financial income

Other financial income comprises interest from the Danish Customs and Tax Administration.

Other financial expenses

Other financial expenses comprise bank fees.

Accounting policies

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 its parent company. 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

Receivables

Receivables are measured at amortised cost, usually equaling 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.

Cash

Cash comprises cash in 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>
Revenue		1.040.000	1.242.143
Other external expenses		-1.029.047	-1.241.127
Operating profit/loss		10.953	1.016
Other financial income		0	13
Other financial expenses		-122	-120
Profit/loss from ordinary activities before tax		10.831	909
Tax on profit/loss from ordinary activities	1	-26.915	-223
Profit/loss for the year		-16.084	686
Proposed distribution of profit/loss			
Retained earnings		-16.084	686
		-16.084	686

Balance sheet at 31.12.2015

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014 DKK</u>
Deferred tax assets		88.235	0
Other short-term receivables		939	566
Receivables		<u>89.174</u>	<u>566</u>
Cash		<u>332.851</u>	<u>676.721</u>
Current assets		<u>422.025</u>	<u>677.287</u>
Assets		<u>422.025</u>	<u>677.287</u>

Balance sheet at 31.12.2015

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014 DKK</u>
Contributed capital		80.000	80.000
Retained earnings		59.518	75.602
Equity		<u>139.518</u>	<u>155.602</u>
Income tax payable		0	25.196
Other payables		282.507	496.489
Current liabilities other than provisions		<u>282.507</u>	<u>521.685</u>
Liabilities other than provisions		<u>282.507</u>	<u>521.685</u>
Equity and liabilities		<u><u>422.025</u></u>	<u><u>677.287</u></u>
Contingent liabilities	2		
Ownership	3		
Main activity	4		

Statement of changes in equity for 2015

	Contributed capital DKK	Retained ear- nings DKK	Total DKK
Equity beginning of year	80.000	75.602	155.602
Profit/loss for the year	0	-16.084	-16.084
Equity end of year	80.000	59.518	139.518

Notes

	<u>2015</u> <u>DKK</u>	<u>2014</u> <u>DKK</u>
1. Tax on ordinary profit/loss for the year		
Current tax	0	223
Change in deferred tax for the year	2.545	0
Adjustment relating to previous years	<u>24.370</u>	<u>0</u>
	<u>26.915</u>	<u>223</u>

2. Contingent liabilities

The Company participates in a Danish joint taxation. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable from 3 January 2013 for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed companies.

3. Ownership

The Entity has the following shareholders with more than 5 % of the voting rights:

Florian Schönharting, (75 %)

BVF/NexGen Biotech L.P., (25 %)

4. Main activity

NB FP Investment General Partner ApS is general partner and manager of NB FP Investment K/S and NB FP Investment II K/S.