

Annual report 2016

Company reg. no. 35 80 21 85

Neurescue ApS

c/o Univate

Njalsgade 76

2300 København S

The annual report has been submitted and approved by the general meeting on 24 May 2017.

Nils Peter Jørgen Sebelius
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

	<u>Page</u>
Reports	
Management's report	1
Independent auditor's report	2
Management's review	
Company data	5
Financial highlights	6
Management's review	7
Annual accounts 1 January - 31 December 2016	
Accounting policies used	8
Profit and loss account	10
Balance sheet	11
Notes	13

Management's report

The board of directors and the managing director have today presented the annual report of Neurescue ApS for the financial year 1 January to 31 December 2016.

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 December 2016 and of the company's results of its activities in the financial year 1 January to 31 December 2016.

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.

København S, 24 May 2017

Managing Director

Habib Frost

Board of directors

Nils Peter Jørgen Sebelius

Ulrik Spork

Flemming Møller Jensen

Oliver Johansen

Bent Munk Johnsen

Independent auditor's report

To the shareholders of Neurescue ApS

Opinion

We have audited the annual accounts of Neurescue ApS for the financial year 1 January to 31 December 2016, 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.

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2016 and of the results of the company's operations for the financial year 1 January to 31 December 2016 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the below section "Auditor's responsibilities for the audit of the annual accounts". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

The management's responsibilities 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. The management is also responsible for such internal control as the management determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the management is responsible for evaluating the company's ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the annual accounts, unless the management either intends to liquidate the company or to cease operations, or if it has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements may arise due to fraud or error and may be considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions made by users on the basis of the annual accounts

Independent auditor's report

As part of an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark, we exercise professional evaluations and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the annual accounts, whether due to fraud or error, design and perform audit procedures in response to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used by the management and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's preparation of the annual accounts being based on the going concern principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubt about the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the annual accounts, including the disclosures in the notes, and whether the annual accounts reflect the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in the internal control that we identify during our audit.

Statement on the management's review

The management is responsible for the management's review.

Our opinion on the annual accounts does not cover the management's review, and we do not express any kind of assurance opinion on the management's review.

Independent auditor's report

In connection with our audit of the annual accounts, our responsibility is to read the management's review and in that connection consider whether the management's review is materially inconsistent with the annual accounts or our knowledge obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, it is our responsibility to consider whether the management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we believe that the management's review is in accordance with the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not find any material misstatement in the management's review.

Glostrup, 24 May 2017

PKF Munkebo Vindelev
State Authorised Public Accountants
Company reg. no. 14 11 92 99

Kasper Vindelev
State Authorised Public Accountant

Company data

The company	Neurescue ApS c/o Univate Njalsgade 76 2300 København S
	Company reg. no. 35 80 21 85 Established: 13 March 2014 Domicile: City of Copenhagen Financial year: 1 January - 31 December 3rd financial year
Board of directors	Nils Peter Jørgen Sebelius Ulrik Spork Flemming Møller Jensen Oliver Johansen Bent Munk Johnsen
Managing Director	Habib Frost
Auditors	PKF Munkebo Vindelev, Statsautoriseret Revisionsaktieselskab Hovedvejen 56 2600 Glostrup
Bankers	Danske Bank, Holmens Kanal 2-12, 1092 København K
Parent company	Neurescue Holding ApS

Financial highlights

DKK in thousands.	<u>2016</u>	<u>2015</u>	<u>2014</u>
Profit and loss account:			
Gross loss	-2.868	-2.131	-594
Results from operating activities	-3.388	-2.629	-1.041
Net financials	-239	-5	-1
Results for the year	-3.041	-2.160	-920
Balance sheet:			
Balance sheet sum	9.100	1.988	1.412
Equity	-1.508	1.533	1.114
Employees:			
Average number of full time employees	1	1	1

The financial highlights for 2014 only comprise the period 13 March 2014 - 31 December 2014.

Management's review

The principal activities of the company

The company's principal activity is to develop a new class of medical devices for the treatment of cardiac arrest.

Development in activities and financial matters

The results from ordinary activities after tax are DKK -3.040.812 against DKK -2.160.041 last year. The management considers the results satisfactory.

The company has lost more than half of the share capital. The share capital is reestablished in March 2017 through capital increases.

Events subsequent to the financial year

No 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 Neurescue ApS is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises. Furthermore, the company has chosen to comply with some of the rules applying for class C 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.

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.

THE PROFIT AND LOSS ACCOUNT

Gross loss

The gross loss comprises costs for development and external costs.

Other external costs comprise costs for sales and administration.

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.

Net financials

Net financials comprise interest. Financial income and expenses are recognised in the profit and loss account with the amounts that concern the financial year.

Accounting policies used

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 company is subject to the Danish legislation concerning compulsory joint taxation with the Danish group enterprises.

The current Danish corporate tax is allocated among the jointly taxed companies in proportion to their respective taxable income (full allocation with reimbursement of tax losses).

THE BALANCE SHEET

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.

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>2016</u>	<u>2015</u>
Gross loss	-2.868.134	-2.130.952
1 Staff costs	-519.539	-497.956
Operating profit	-3.387.673	-2.628.908
Other financial income from group enterprises	23.860	0
Other financial costs	-263.003	-5.167
Results before tax	-3.626.816	-2.634.075
2 Tax on ordinary results	586.004	474.034
Results for the year	-3.040.812	-2.160.041
Proposed distribution of the results:		
Allocated from results brought forward	-3.040.812	-2.160.041
Distribution in total	-3.040.812	-2.160.041

Balance sheet 31 December

All amounts in DKK.

Assets	2016	2015
Note	_____	_____
Current assets		
Amounts owed by group enterprises	1.206.358	596.494
Other debtors	128.161	31.739
Accrued income and deferred expenses	36.000	0
Debtors in total	<u>1.370.519</u>	<u>628.233</u>
Available funds	<u>7.729.448</u>	<u>1.360.050</u>
Current assets in total	<u>9.099.967</u>	<u>1.988.283</u>
Assets in total	<u>9.099.967</u>	<u>1.988.283</u>

Balance sheet 31 December

All amounts in DKK.

Equity and liabilities		2016	2015
Note		<u> </u>	<u> </u>
	Equity		
3	Contributed capital	80.834	80.834
4	Results brought forward	-1.588.630	1.452.182
	Equity in total	<u>-1.507.796</u>	<u>1.533.016</u>
	 Liabilities		
	Convertible loans	<u>9.761.806</u>	<u>0</u>
	Long-term liabilities in total	<u>9.761.806</u>	<u>0</u>
	Trade creditors	817.055	433.475
	Other debts	<u>28.902</u>	<u>21.792</u>
	Short-term liabilities in total	<u>845.957</u>	<u>455.267</u>
	Liabilities in total	<u>10.607.763</u>	<u>455.267</u>
	 Equity and liabilities in total	<u>9.099.967</u>	<u>1.988.283</u>

5 Contingencies

Notes

All amounts in DKK.

	<u>2016</u>	<u>2015</u>
1. Staff costs		
Salaries and wages	516.938	480.000
Other costs for social security	2.402	2.160
Other staff costs	199	15.796
	<u>519.539</u>	<u>497.956</u>
Average number of employees	<u>1</u>	<u>1</u>
2. Tax on ordinary results		
Tax of the results for the year	<u>-586.004</u>	<u>-474.034</u>
	<u>-586.004</u>	<u>-474.034</u>
	<u>31/12 2016</u>	<u>31/12 2015</u>
3. Contributed capital		
Contributed capital 1 January 2016	80.834	63.405
Cash capital increase	<u>0</u>	<u>17.429</u>
	<u>80.834</u>	<u>80.834</u>
4. Results brought forward		
Results brought forward 1 January 2016	1.452.182	1.050.160
Profit or loss for the year brought forward	-3.040.812	-2.160.041
Transferred from sharepremium account	<u>0</u>	<u>2.562.063</u>
	<u>-1.588.630</u>	<u>1.452.182</u>

Notes

All amounts in DKK.

5. Contingencies

Contingent assets

A deferred tax asset of TDKK 468 has not been recognized due to uncertainty regarding future usage.

Joint taxation

Neurescue Holding ApS, company reg. no 35 80 21 85 being the administration company, the company is subject to the Danish scheme of joint taxation and it is proportionally liable for tax claims within the joint taxation scheme.

The jointly taxed companies total known net liability to SKAT is shown in the annual report for the administration company.