Financial Statements Release
January 1–December 31, 2015

With confidence toward launching new clinical studies

HERANTIS PHARMA

Highlights in January-December 2015:

- In November, Finnish Medicines Agency Fimea authorized Herantis' first-in-man clinical study of the Lymfactin® for the treatment of breast cancer associated lymphedema.
- In June, Tekes, the Finnish Funding Agency for Innovation, granted a R&D loan of €2.903 million to Herantis to support its clinical study of CDNF for the treatment of Parkinson's disease. A Clinical Trial Application was submitted in December 2015.
- Results of the Phase 2 study of cis-UCA eye drops did not meet expectations. Cis-UCA eye drop was statistically significantly better than placebo only in certain secondary endpoints. The company wrote off the remaining activated development expenses, approx. €7.4 million, related to cis-UCA while continuing partnership negotiations aiming at product development collaboration.
- Earnings per share were €-3.94 (-3.21)
- Cash flow from operations during the review period was €-7.4 million (-4.3 million)
- Cash and cash equivalents on December 31, 2015 amounted to €5.5 million (11.4 million)

Key figures

€ thousands	**1-12/2015**	**1-12/2014**
	Consolidated	Consolidated
Revenue	2.0	0.8
Personnel expenses	1,332.1	1,115.0
Depreciation and amortization	9,421.1	1,884.9
Other expenses for business operations	5,415.0	4,662.6
Profit for the period	-16,044.7	-8,356.4
Cash flow from operations	-7,397.7	-4,346.4

€ thousands	**Dec 31, 2015**	**Dec 31, 2014**
	Consolidated	Consolidated
Cash and cash equivalents	5,540.6	11,416.4
Equity	5,999.4	21,721.0
Balance sheet total	14,088.6	29,494.9

	1-12/2015	**1-12/2014**
	Consolidated	Consolidated

Equity ratio %	42.6	72.3
Earnings per share €	-3.94	-3.21
Number of shares at end of period	4,085,994	4,062,214
Average number of shares	4,070,468	2,606,773

Formulae used in calculating key figures

Equity ratio = Equity / balance sheet total

Earnings per share = Profit for period / average number of shares

Average number of shares = Weighted average number of shares. The number of shares is weighted by the number of days each share has been outstanding during the review period.

Guidance for 2016

In pharmaceutical development, the speed of research defines the expenses incurred. The faster the research, the more quickly expenses are created. The company does not expect any revenues in 2016. The financial position is expected to be positive at the end of the period.

Outlook for 2016

After listing on the First North market, Herantis has focused on the clinical development of its three most important drug candidates, all of which are in a development phase. The company continues partnership negotiations aiming at product development collaboration for its cis-UCA eye drops.

Herantis' long-term goal is to significantly increase its business through commercialization agreements for its drug candidates and investing the received income in the development of new drug candidates.

Thus far, no commercialization agreements exist. The objective has been set to enter a commercialization agreement for at least one of the top priority drugs with a Finnish or international pharmaceutical company by the end of 2017.

The main objectives for 2016 are recruiting first patients in the clinical trials with Lymfactin® and CDNF. Both of these drug candidates are based on long-term top-class Finnish academic research and aim at better treatments for serious diseases.

No essential further funding will be allocated to the development of the cis-UCA eye drop. The company estimates that its funds will be sufficient for investments in the first clinical trials of its other drug candidates.

Pekka Simula, CEO:

"The year 2015 strengthened our belief that we are advancing in the right direction. The development of CDNF for the treatment of Parkinson's disease

and Lymfactin® for the treatment of breast cancer associated lymphedema has progressed as planned. Cis-UCA eye drop for the treatment of dry eye did not reach expected results.

During 2015, Herantis has been acknowledged both in Finland and internationally. In June, the Finnish Funding Agency for Innovation, Tekes, granted a significantly important R&D loan for our clinical trial in Parkinson's disease, ensuring an optimal study design both in terms of the number of patients and the duration of the treatment period. During the review period, a scientific article suggested Herantis' CDNF improves long-term memory in a disease model of Alzheimer's disease. Both Parkinson's and Alzheimer's are in dire need of new, better treatments, at present causing a huge economic and human burden to mankind. In case the efficacy of CDNF is validated, it will improve the lives of large numbers of people.

Development of our Lymfactin® for breast cancer associated lymphedema is also very important for us. Even though only some dozens of thousands of cases are diagnosed annually, lymphedema is a serious impediment to the patient's quality of life and has no effective treatment. That is why I am particularly satisfied with the authorization of the Finnish Medicines Agency Fimea for our first-in-man clinical study with Lymfactin®. Patient recruitment is expected to start in Finland during the first half of 2016.

Both CDNF and Lymfactin® represent regenerative medicine, a new, promising field of medicine, which aims at restoring the normal functions of cells or tissues. Our aim for the next two years is to verify the preliminary efficacy and safety of our drug candidates in early-stage clinical studies. We still also aim at entering at least one commercialization agreement by the end of 2017. In practice, this could mean collaboration with a Finnish or international pharmaceutical company covering the later-stage clinical development of the drug candidate, as well as sales and marketing, plus milestone payments to Herantis.

The most important goal for 2015 was to conclude the Phase 2 clinical studies of the cis-UCA eye drop in the United States, initiated toward the end of 2014. Unfortunately, the study results did not meet our expectations. Dry eye is an extremely challenging indication, not only for the patient, but also from the viewpoint of drug development. We will continue to explore possibilities of continuing the development of the cis-UCA eye drop in collaboration with partners. I am satisfied that the study was conducted professionally and within the planned budget and schedule. Although the results did not meet expectations, the clinical studies showed the effectiveness of Herantis' drug development process. This provides us with a strong foundation for advancing our other drug candidates to clinical studies as planned. Our competencies give us an excellent opportunity to go forward with our other drug candidates according to plans.

For investors, Herantis Pharma provides a long-term opportunity to participate in the development of totally new kinds of drugs, such as CDNF for the treatment of Parkinson's disease. I am satisfied with the interest shown toward us at several investor events during the past year. We intend to continue being actively available, in particular at events for private investors.

I must also extend the warmest thanks to our competent, expert personnel. Together, we have reached important milestones on the journey toward our goal: Producing treatments for unmet clinical needs."

REVIEW OF OPERATIONS JANUARY 1–DECEMBER 31, 2015

Herantis' drug development

Finding innovative, novel drug candidates and making breakthroughs in the development of treatments for diseases requires persistent research and product development work spanning many years. Our drug development competencies, based on internationally acknowledged Finnish academic research, have produced strong drug candidates.

Herantis' objective is to prove the preliminary efficacy and safety of our most important drug candidates in early-stage clinical studies within the next few years. If the studies progress as planned, the next aim is to conclude commercialization agreements for the drug candidates with either Finnish or international pharmaceutical companies, covering the later-stage product development, as well as sales and marketing. We aim at commercializing at least one drug candidate by the end of 2017. Herantis has funding for its active development programs: CDNF for the treatment of Parkinson's disease, and Lymfactin for the treatment of lymphedema, until the end of 2017.

CDNF neuroprotective and neurotrophic factor for Parkinson's disease

Herantis develops CDNF for the treatment of Parkinson's disease. At the moment, commercially available treatments alleviate the motor symptoms of the disease but have no effect on its progress. In addition, the effect of the treatments may be reduced over time.

Discovered in long-term academic research led by Professor Mart Saarma, CDNF, a naturally present protein in humans, may both alleviate the motor symptoms of Parkinson's disease and slow down its progress. Moreover, CDNF may alleviate the non-motor symptoms of the disease.

In June, the Finnish Funding Agency for Innovation, Tekes, granted a R&D loan of €2.9 million for our clinical trial in Parkinson's disease. Patient recruitment is intended to start during 2016. In the first clinical CDNF study, the aim is to treat 18 patients with Parkinson's disease.

CDNF neuroprotective and neurotrophic factor for ALS

ALS (Amyotrophic Lateral Sclerosis) is a fatal motor neuron disease. Its first symptom is usually weakness of the limb muscles. As the disease progresses the patient loses control of her muscles, which leads to difficulties in motion, speech, swallowing, and breathing. The estimated average survival from symptom onset is from two to five years. There is no known cure for ALS, and present treatments can only alleviate its symptoms. An estimated 140,000 people contract ALS annually.

Herantis has preliminary preclinical research results on the possible efficacy of CDNF in the treatment of ALS. The company is exploring possibilities to start a clinical study related to ALS treatment.

Lymfactin® for breast cancer associated lymphedema

Approximately one in five breast cancer patients who undergo axillary lymph node dissection develop secondary lymphedema. Its general symptoms are persistent swelling of the affected limb, thickening and hardening of skin, limited limb mobility, pain, and increased sensitivity to inflammations. Secondary lymphedema is a chronic, progressive disease that severely decreases the patient's quality of life. Current treatments, such as compression garments, special massage, and exercise may relieve symptoms but do not cure the condition, which is caused by damage to the lymphatic system. No drugs exist to treat breast cancer associated lymphedema.

Lymfactin® is a gene therapy drug that produces a growth factor called VEGF-C, which is highly selective to lymphatic vessel growth. It is expected to promote the regeneration of lymphatic vessels and thus repair damage to the lymphatic system. Lymfactin® is based on research at one of Finland's prestigious Academy of Finland Centres of Excellence, led by Professor Kari Alitalo, at the University of Helsinki.

In November, Finnish Medicines Agency Fimea authorized the first-in-man clinical study of Lymfactin® for treatment of breast cancer associated lymphedema. Patient recruitment is intended to begin in Finland in the first half of 2016.

Cis-UCA eye drops for dry eye

Dry eye syndrome (Keratoconjunctivitis sicca) is the most common cause of irritation in the eye. Its typical symptoms include dryness of the eye, a burning sensation, pain, redness and the sensation of a foreign body in the eye. Severe or prolonged dry eye syndrome may damage the surface of the eye and reduce eyesight.

Herantis' Phase 2 randomized clinical study of the cis-UCA eye drop for the treatment of dry eye was completed in 2015 as announced in the company release of June 3, 2015. The study did not show statistically significant

improvements in the primary endpoints in comparison with placebo. Herantis will, however, continue partnership negotiations in 2016 for product development collaboration.

FINANCIAL REVIEW JANUARY 1–DECEMBER 31, 2015

Income from business operations, R&D expenses

Herantis Group did not have essential revenues in 2015, nor in the corresponding period in the previous year.

The R&D expenses for the review period were €4.9 million, recorded in the profit and loss statement as an expense for the period. The R&D expenses for the review period mainly comprised the expenses for the clinical trial of the cis-UCA eye drops for the treatment of dry eye, as well as the preparation expenses for the clinical trials of CDNF for the treatment of Parkinson's disease and Lymfactin® for the treatment of breast cancer associated lymphedema.

The Group's R&D expenses for the corresponding period in the previous year, €3.8 million, were recorded as the review period's expenses in the profit and loss statement.

The profit for the review period was €-16.0 million. The consolidated profit for the comparison period was €-8.4 million.

Financing and capital expenditure

The company's cash and cash equivalents on December 31, 2015 amounted to €5.5 (€11.4) million.

The consolidated cash flow from operations in the review period was €-7.4 (€-4.3) million. During the review period, Herantis received payments of about €1.2 million from Tekes from granted R&D loans.

Acquisitions and directed share issues

In accordance with the authorization by the company's annual meeting of shareholders, the Board of Directors of Herantis Pharma Plc on December 1, 2015 decided on a directed share issue to Broadview Ventures I, LLC according to a subscription agreement between the parties. Broadview Ventures I, LLC fully subscribed to this share issue, a total of 32,311 new shares for a subscription price of €10.00 per share. As a result of the share issue, the total number of shares of the company increased to 4,118,305 shares after the review period on January 12, 2016.

Balance sheet

The consolidated balance sheet on December 31, 2015 stood at €14.1 million. At the end of the previous review period on December 31, 2014 the consolidated balance sheet stood at €29.5 million.

At the end of the review period on December 31, 2015, the consolidated balance sheet included short-term debt in the amount of €0.6 (1.5) million, long-term loans in the amount of €7.4 (6.2) million, and capital loans in the amount of €0.1 (0.1) million. Financing earnings totaled €0.1 million (financing expenses in 2014: €0.7 million).

No R&D expenses were capitalized during the review period.

Equity

Consolidated equity on December 31, 2015 was €6.0 million. At the end of the previous review period on December 31, 2014, consolidated equity amounted to €21.7 million.

In June, Tekes, the Finnish Funding Agency for Innovation, granted a R&D loan of €2.9 million to Herantis to support its clinical study of the CDNF drug candidate for the treatment of Parkinson's disease.

Personnel, management, and administration

The number of personnel at the end of the review period on December 31, 2015 was 7 (7) persons.

In March, Herantis announced the formation of a Scientific Advisory Board with international credentials. Jonathan Knowles, a member of Herantis' Board of Directors, was elected its chairman. At the same time, Professor Knowles resigned his membership in the company's Board of Directors.

During the review period, the company's Board of Directors comprised Pekka Mattila (Chairman), Jim Phillips, Aki Prihti, Timo Veromaa and Frans Wuite, as well as Jonathan Knowles for the first quarter of the year.

The Management Team of Herantis comprises Pekka Simula, CEO, and Burkhard Blank, Chief Medical Officer.

Ordinary Annual General Meeting 2015

Herantis' ordinary Annual General Meeting 2015 was held on April 9, 2015.

In accordance with the proposal by the Board of Directors, the AGM resolved that no dividend be paid for the financial period January 1–December 31, 2014, and that the loss for the period be recorded on the profit and loss account.

The AGM resolved that the number of members of the Board of Directors shall be five (5). The AGM resolved that the current members of the Board

shall continue their tenure: Pekka Mattila, James Phillips, Aki Prihti, Timo Veromaa and Frans Wuite.

The AGM resolved that the remuneration for the members of the Board of Directors shall be €1,000 per month, with the exception of its Chairman, whose remuneration shall be €2,000 per month. It was further resolved that the Board members shall be eligible to subscribe to stock options of option program 2014 I, according to the rules of which the Board members can be granted stock options for each full 12-month period as a Board member.

The AGM decided that the Auditor will be paid reasonable remuneration in accordance with its invoice approved by the company.

The firm of authorized public accountants PricewaterhouseCoopers Oy was appointed Herantis Pharma Plc's Auditor for the term ending at the closing of the next Annual General Meeting of shareholders, with Mr. Martin Grandell, APA, as the responsible auditor.

In addition, the AGM decided that the current paragraph 4 regarding the Board of Directors and paragraph 7 regarding the book-entry system of the Articles of Association be amended as follows:

"4 § The Board of Directors of the company shall consist of four (4) to six (6) ordinary members. The term of office of the members of the Board of Directors shall continue for the time being. A deputy member may be elected for each member of the Board of Directors personally."

"7 § The shares in the company are held in the book-entry system."

In addition, the General Meeting of Shareholders decided that a new paragraph 5 regarding the General Meeting of shareholders and paragraph 6 regarding the notice to the General Meeting of shareholders and the advance registration be added to the Articles of Association with the following content, and the numbering of the Articles of Association be changed to sequential:

"5 § The Annual General Meeting of Shareholders shall be held annually within six (6) months of the end of the financial period on a date set by the Board of Directors in the domicile of the company.

At the Annual General Meeting of shareholders, the following shall be decided on:

the adoption of the financial statements and, if the company is a parent company, also the adoption of the consolidated financial statements;

the use of the profit shown on the balance sheet;

the discharge of the members of the Board of Directors and the possible CEO from liability;

the number of members of the Board of Directors and possible deputy members of the Board of Directors, as necessary;

the remuneration of the members of the Board of Directors and the auditors, and reimbursement of their travel expenses;

the following shall be appointed:

the members of the Board of Directors and possible deputy members of the Board of Directors, as necessary;

the auditor;

the following shall be dealt with:

any other issues referred to in the notice to the General Meeting of shareholders."

"6 § The notice to the General Meeting of shareholders shall be delivered to each shareholder to the address or email address notified to the company by the shareholder, published on the company's website, or published in a newspaper determined by the Board of Directors no earlier than three (3) months before the meeting and no later than nine (9) days before the record date for the General Meeting of shareholders.

In order to attend the General Meeting of shareholders, the shareholder shall give advance notice of participation to the company no later than the date stated in the notice to the General Meeting of shareholders, which may be no earlier than ten (10) days before the meeting."

To safeguard the capital structure and working capital needs of the company and, if needed, the use of funds in connection with the company's incentive programs, the AGM authorized the Board of Directors to decide on a share issue and the granting of option rights and other special rights entitling to shares pursuant to section 10 of the Limited Liability Companies Act as follows:

The shares issued under the authorization are new shares of the company. Under the authorization, a maximum of 400,000 shares can be issued, corresponding to slightly less than 10 percent of all of the shares of the company. The shares or other special rights entitling to shares can be issued in one or more issues.

Under the authorization, the Board of Directors may decide to issue new shares to the company itself. However, the company, together with its subsidiaries, cannot at any time hold more than 10 percent of all its registered shares.

The Board of Directors was authorized to decide on all terms of the share issue and the granting of the special rights entitling to shares. The Board of Directors was authorized to decide on a directed share issue and an issue of

the special rights entitling to shares in deviation from the shareholders' pre-emptive right, provided that there is an important financial reason to do so.

The authorization invalidated the authorization decided by the Annual General Meeting of shareholders on April 29, 2014 and registered on May 1, 2014 on the basis of which the Board of Directors was entitled to decide on a share issue of a maximum of 3,000,000 shares. The new authorization, however, did not invalidate the authorization decided by the AGM on April 29, 2014 and registered on May 1, 2014, for a share issue for a specific purpose, on the basis of which the Board of Directors has been entitled to decide on a share issue of a maximum of 32,311 shares, or the authorization decided by the Annual General Meeting of shareholders on April 29, 2014 and registered on May 13, 2014 on the issuance of option rights.

The authorization is valid for five (5) years from the decision of the AGM.

Risks and uncertainties

The significant risks and uncertainties in Herantis' business operations are detailed in the IPO prospectus dated May 12, 2014 that is available on the company's website at www.herantis.com.

The medical risk related to the cis-UCA eye drop is partly realizing as the efficacy of the drug candidate proved weaker in the Phase 2 clinical studies than expected on the basis of preclinical studies.

The company announced on March 9, 2015 that Finvector Vision Therapies Ltd had initiated arbitration proceedings against Herantis Pharma Plc's subsidiary Laurantis Pharma Ltd and a number of its former shareholders, claiming joint-liability damages of approximately €1 million with interest and costs. Herantis continues to maintain that the alleged breach of the shareholders' agreement has not taken place, and that the claim is unfounded. The arbitration has taken place in Finland in early 2016 and its award is estimated to be disclosed in the first quarter of 2016.

Shares and shareholders

The market capitalization of Herantis Pharma Plc at the end of the review period on December 31, 2015 was €3.6 million. The closing price of the company's share on December 31, 2015 was €0.87. The highest share price during the review period was €7.54, lowest €0.85, and average €2.47.

Herantis Pharma Plc's option programs 2010 and 2014 were used to subscribe to a total of 23,780 shares during the review period. The subscriptions made with options did not increase equity; instead, the entire subscription price, €12.76, was recorded in the invested non-restricted equity fund. As a result of the subscriptions, the total number of Herantis Pharma Plc shares increased to 4,085,994 shares.

According to Herantis' shareholder register dated on December 31, 2015, the company had 496 registered shareholders.

The members of Herantis' Board of Directors and the CEO held 21,889 (Dec 31, 2014: 36,606) shares, equivalent to 0.5 (0.9) percent of the company's total stock. In addition, Jonathan Knowles, who resigned from the company's Board of Directors from April 9, 2015 and became Chairman of the Company's Scientific Advisory Board, held 19,000 shares on December 31, 2015, equivalent to 0.5 percent of the company's total stock (Dec 31, 2014: 19,000). Further, the Chairman of the Board, Pekka Mattila, held 17,650 shares on December 31, 2015 through his controlled entity Musta Aukko Oy, equivalent to 0.4 percent of the company's total stock (Dec 31, 2014: 0).

Events after the review period

Herantis announced on January 4 to elaborate on its outlook for 2016 as follows:

Cis-UCA Eye Drops

Herantis completed a randomized Phase 2 clinical study in 2015 with its cis-UCA Eye Drops in patients with Dry Eye as disclosed by a company release 3 June 2015. The study failed to meet the primary endpoints. Herantis continues discussions for a potential co-development partnership in 2016.

CDNF

Herantis continues preparations of a first-in-human clinical study with CDNF in Parkinson's disease as planned. Phase 1 enabling toxicology studies have been completed and Herantis has submitted a Clinical Trial Application in December 2015. The clinical study is planned to recruit a total of 18 Parkinson's disease patients in Sweden and Finland.

Herantis evaluates possibilities on developing CDNF in other indications such as for the treatment of Amyotrophic Lateral Sclerosis (ALS). The company has by the date of the release not made any decisions regarding possible clinical development.

Lymfactin®

As disclosed by a company release 13 November 2015 the Finnish Medicines Agency Fimea has authorized the company's first-in-man clinical study with Lymfactin® in patients with breast cancer associated lymphedema. Herantis maintains its previously disclosed target to start patient recruitment in this Phase 1 clinical study in 1H/2016.

Partnering

Herantis maintains its previous target of announcing at least one commercialization agreement related to its drug candidates by the end of 2017.

Directed share issue and share subscription by Broadview Ventures I, LLC

Herantis announced on 14 January 2016 the Board decision on a directed share issue to Broadview Ventures I, LLC based on authorization by the company's annual meeting of shareholders and according to a subscription agreement between the parties. Broadview Ventures I, LLC has fully subscribed to this share issue, total of 32,311 new shares in Herantis Pharma Plc for a subscription price of EUR 10.00 per share.

The new shares were registered in the Trade Register on 12 January 2016, as of which date the new shares established shareholder rights.

The share capital did not increase with subscriptions. The entire subscription price of EUR 323,110.00 was entered in the invested unrestricted equity reserve of the company. As a result of the share subscriptions, the number of shares of Herantis Pharma Plc increased to 4,118,305 shares.

The new shares are traded on the NASDAQ Helsinki Ltd's First North marketplace together with the old shares as of 14 January 2016.

The Board's proposal for the use of distributable funds

The parent company of Herantis Pharma group is Herantis Pharma Plc whose distributable equity was €10.6 million according to balance sheet 31 December 2015. Herantis Pharma Plc had no essential revenue in 2015. The financial result of the parent company for 2015 was €-15.5 million.

The Board of Directors proposes to the Annual General Meeting convening on April 11, 2016 that no dividend be paid for the financial period January 1–December 31, 2015.

Accounting policies

These financial statements have been prepared according to good accounting practice, local legislation and the rules of the First North market. The figures in the financial statements are audited. The figures are individually rounded from exact figures.

Financial information 2016

This financial statements release and its appendices is published in Finnish and in English on the company's website at www.herantis.com. In case of any discrepancies between the language versions, the Finnish version shall prevail. A half-year interim report for January–June 2016 will be published on Thursday, August 25, 2016. The ordinary Annual General Meeting of shareholders is scheduled for Monday, April 11, 2016.

Herantis Pharma Plc

Board of Directors

APPENDICES

Profit and loss statement and Balance sheet January 1–December 31, 2015

Statement of cash flow January 1–December 31, 2015

Statement of changes in equity

Distribution: Nasdaq, principal media

More information:

Herantis Pharma Plc, Pekka Simula, CEO, telephone +358 40 7300 445

Company website: www.herantis.com

Certified Advisor: UB Securities Oy, telephone +358 9 25 380 246

Herantis Pharma in brief:

Herantis Pharma Plc is a drug development company specializing in introducing early-stage research results in clinical drug research, aiming at the development of new drugs. The company focuses on diseases with unmet clinical needs, for example, Parkinson’s disease and secondary lymphedema. The company’s shares are listed on the First North Finland market maintained by Nasdaq Helsinki stock exchange.

Herantis Pharma Oyj
Viikinkaari 4
00790 Helsinki

CONSOLIDATED INCOME STATEMENT

Currency EUR	1.1.2014 31/12/15	01/01/13 31/12/14
NET TURNOVER	1 955,00	800,00
Other operating income	16,47	5000,00
Staff expenses		
Wages and salaries	-1 121 083,87	-926 761,63
Social security expenses		
Pension expenses	-155 779,86	-136 144,66
Other social security expenses	-55 244,93	-52 050,31
	-1 332 108,66	-1 114 956,60
Depreciation and reduction in value		
Depreciation according to plan	-9 212 362,07	-1 745 701,83
Depreciation from consolidation difference	-208 763,98	-139 176,70
	-9 421 126,05	-1 884 878,53
Other operating charges	-5 414 990,10	-4 662 606,64
OPERATING PROFIT (LOSS)	-16 166 253,34	-7 656 641,77
Financial income and expenses		
Other interest and financial income		
From others	205 814,03	226 945,69
Interest and other financial expenses		
For others	-84 244,08	-926 747,41
	121 569,95	-699 801,72
PROFIT (LOSS) BEFORE EXTRAORDINARY ITEMS	-16 044 683,39	-8 356 443,49
PROFIT (LOSS) BEFORE APPROPRIATIONS AND TAXES	-16 044 683,39	-8 356 443,49
PROFIT (LOSS) FOR THE FINANCIAL YEAR	-16 044 683,39	-8 356 443,49
CONSOLIDATED PROFIT (LOSS)	-16 044 683,39	-8 356 443,49

Herantis Pharma Oyj
Viikinkaari 4
00790 Helsinki

CONSOLIDATED BALANCE SHEET

Currency EUR	31/12/15	31/12/14
A S S E T S		
NON-CURRENT ASSETS		
Intangible assets		
Development expenses	7 517 935,15	16 670 220,53
Intangible rights	226 126,96	279 637,74
Consolidation difference	695 879,23	904 643,21
	8 439 941,34	17 854 501,48
Tangible assets		
Machinery and equipment	1 287,06	1 701,46
	1 287,06	1 701,46
Investments		
Participating interests	1 162,50	1 162,50
	1 162,50	1 162,50
	8 442 390,90	17 857 365,44
CURRENT ASSETS		
Debtors		
Short-term		
Trade debtors	0,00	0,00
Other debtors	87 203,63	213 482,29
Prepayments and accrued income	18 473,94	7 714,03
	105 677,57	221 196,32
Securities	5 000 000,00	9 000 000,00
Cash in hand and at banks	540 558,76	2 416 402,41
	5 646 236,33	11 637 598,73
ASSETS TOTAL	14 088 627,23	29 494 964,17

Herantis Pharma Oyj
Viikinkaari 4
00790 Helsinki

CONSOLIDATED BALANCE SHEET

Currency EUR	31/12/15	31/12/14
L I A B I L I T I E S		
CAPITAL AND RESERVES		
Subscribed capital		
Subscribed capital	80 000,00	80 000,00
	80 000,00	80 000,00
Other reserves		
Free invested equity reserve	32 976 176,82	32 653 054,06
Retained earnings (loss)	-11 012 088,87	-2 655 645,38
Profit (loss) for the financial year	-16 044 683,39	-8 356 443,49
	5 999 404,55	21 720 965,19
CREDITORS		
Long-term		
Capital loans	98 300,00	98 300,00
Loans from credit institutions	7 413 259,65	6 181 339,65
	7 511 559,65	6 279 639,65
Short-term		
Loans from credit institutions	212 970,00	239 990,00
Trade creditors	188 759,88	987 844,25
Other creditors	29 824,10	125 342,94
Accruals and deferred income	146 109,04	141 182,13
	577 663,02	1 494 359,32
	8 089 222,67	7 773 998,97
LIABILITIES TOTAL	14 088 627,23	29 494 964,17

Herantis Pharma OyjÊ
Viikinkaari 4Ê
00790 HelsinkiÊ

FUNDS STATEMENT

Currency EUR	31/12/15	31/12/14
Cash flow from operating activities		
Profit (loss) before extraordinary items	-16 044 683,39	-8 356 443,49
Corrections:		
Depreciation According to plan and amortization	9 212 362,07	1 745 701,83
Depreciation from consolidation difference	208 763,98	139 176,70
Unrealized exchange rate profits and losses	-167 891,92	-225 033,72
Other financial income and expences	289 461,87	1 149 869,16
Cash flow before change in working capital	-6 334 095,47	-5 546 729,52
Change in working capital:		
Increase(-)/decr.(+) in short-term interest-free receivables	62 011,11	-221 183,23
Increase(+)/decr.(-) in short-term interest-free liabilities	-1 079 308,57	2 313 633,97
Cash flow from operations before financial items and taxes	-7 351 392,93	-3 454 278,78
Interest paid and pmts for other financ. exp. from operat.	-71 054,32	-893 985,40
Financial income received from operations	24 732,35	1 898,89
Cash flow before extraordinary items	-7 397 714,90	-4 346 365,29
Cash flow from operating activities (A)	-7 397 714,90	-4 346 365,29
Cash flow from investments:		
Investments in tangible and intangible assets	-6 151,51	-13 455,00
Capital expenditure on other investments	0,00	-1 162,50
Cash flow from investments (B)	-6 151,51	-14 617,50
Cash flow from financing:		
Share issue	323 122,76	15 464 085,20
Long-term loans	1 204 900,00	313 300,00
Cash flow from financing (C)	1 528 022,76	15 777 385,20
Change in cash and cash equivalents(A+B+C) incr.(+)/decr.(-)	-5 875 843,65	11 416 402,41
Cash and cash equivalents at beginning of period	11 416 402,41	0,00
Cash and cash equivalents at end of period	5 540 558,76	11 416 402,41

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STATEMENT OF CHANGES IN EQUITY

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	Share capital	Other funds	Retained earnings	Equity total
Equity on Dec 31, 2012	2 500	2 640 015	-2 645 889	-3 374
Profit/loss for the period			-780 629	
Issue of shares for cash		904 002		
Equity on Dec 31, 2013	2 500	3 544 016	-3 426 518	119 999

	Share capital	Other funds	Retained earnings	Equity total
Equity on Dec 31, 2013	2 500	3 544 016	-3 426 518	119 999
Profit/loss for the period			-3 484 053	
Issue of shares for cash		15 464 085		
IPO in connection with combination of business operations	77 500	13 644 952		
Equity on Dec 31, 2014	80 000	32 653 054	-6 910 570	25 822 484

	Share capital	Other funds	Retained earnings	Equity total
Equity on Dec 31, 2014	80 000	32 653 054	-6 910 570	25 822 484
Profit/loss for the period			-15 486 524	
Issue of shares for cash		323 123		
Equity on Dec 31, 2015	80 000	32 976 177	-22 397 094	10 659 083