Financial Statements Release
January 1–December 31, 2016

Leading science from Finland in first-in-the-world clinical studies

Highlights in January-December 2016:

- The research and innovation program of the European Union, Horizon 2020, awarded in December a grant of approximately €6.0 million for Herantis' Phase 1-2 clinical study with CDNF for the treatment of Parkinson's disease.
- The company announced in October a collaboration with the UK based device manufacturer Renishaw plc related to the clinical study in Parkinson's disease
- Patient recruitment was initiated in May in the company's clinical study with its investigational medicinal product Lymfactin® for the treatment of breast cancer associated lymphedema. Lymfactin® is the world's first clinical stage gene therapy designed for repairing damages of the lymphatic system.
- The European Medicines Agency EMA and the US Food and Drug Administration FDA both granted Orphan Designation for Herantis' CDNF for the treatment of Amyotrophic Lateral Sclerosis (ALS).
- In January, the company expanded on the outlook of its development programs
- Earnings per share were €-1.07 (1-12/2015: -3.94)
- Cash flow from operations during the review period was €-2.8 million (-7.4 million)
- Cash and cash equivalents on December 31, 2016 amounted to €2.8 million (5.5 million)
- The company's financial position in the last half-year period are as expected and there have not been any exceptional events.

Key figures

€ thousands	**7-12/2016**	**7-12/2015**	**1-12/2016**	**1-12/2015**
	consolidated	consolidated	consolidated	consolidated
Revenue	0.0	0.8	25.3	2.0
Personnel expenses	397.2	565.3	942.1	1,332.1
Depreciation and amortization	604.0	1,393.2	1,202.9	9,421.1
Other expenses for business operations	846.1	1,042.5	2,273.3	5,415.0
Profit for the period	-1,827.0	-2,459.5	-4,424.5	-16,044.7
Cash flow from operations	-922.6	-2,230.4	-3,035.7	-7,397.7

	7-12/2016	7-12/2015	1-12/2016	1-12/2015
	consolidated	consolidated	consolidated	consolidated
Equity ratio %	15.4	42.6	15.4	42.6
Earnings per share €	-0.44	-0.60	-1.07	-3.94
Number of shares at end of period	4,118,305	4,085,994	4,118,305	4,085,994
Average number of shares	4,118,305	4,077,586	4,117,331	4,070,468

€ thousands	31 Dec 2016	31 Dec 2015
	consolidated	consolidated
Cash and cash equivalents	2,829.5	5,540.6
Equity	1,574.9	5,999.4
Balance sheet total	10,205.5	14,088.6

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 2017

The company does not expect essential revenues in 2017. The company continues to invest in its ongoing development programs in Secondary Lymphedema and Parkinson's disease, and expects to be cash positive at the end of the year.

Outlook for 2017

Herantis' long-term goal is to significantly increase its business through commercialization agreements for its drug candidates. The company continues discussing collaboration possibilities with potential development partners for its development programs. Thanks to the significant grant awarded by the European Union's the company can continue its drug development further than previously estimated before signing any collaboration agreements to optimize shareholder value in Herantis.

The main objectives for 2017 are recruiting and safely treating patients in the clinical trials with Lymfactin® and CDNF. Both of these drug candidates aim at a breakthrough in unmet clinical needs and are based on leading science in their fields.

Pekka Simula, CEO:

The hard work of our team was rewarded in 2016 with two internationally significant achievements. We were the first in the world to treat patients with a gene therapy intended for repairing damages of the lymphatic system. We were awarded a highly competitive EU grant for a clinical study aiming at a breakthrough in the treatment of Parkinson's disease. These milestones are even more remarkable as they are independent of each other and they are both based on leading scientific research in their fields.

Some people have asked me why develop a drug for the treatment of Parkinson's disease since such drugs already exit and sell for billions of euro annually. I answer: Please join me to the next Parkinson's patient association meeting, when they again invite us to share our development updates. Yes, the currently available drugs help patients live with their disease - for a while. I don't think any patient considers those drugs sufficient.

The telegraph was a revolutionary invention at its time. So why did we need telephones? Or mobile phones? The development of biological drugs aims at the same order of magnitude in medical breakthroughs. We want to modify the disease instead of just alleviating its symptoms like many current drugs do. And we want to function via several biologically relevant mechanisms. Professor Mart Saarma and his research group have for years continued their tireless scientific research thanks to which our drug candidate CDNF offers a new promise to patients with Parkinson's disease.

It is even easier to understand the importance of drug development for the treatment of lymphedema: There are no approved therapeutics. Many patients don't even know that this disease, which severely affects their quality-of-life has a name. Too many are ashamed of their symptoms and suffer in silence. Fortunately there are brave women like Hollywood-actress Kathy Bates thanks to whom lymphedema awareness has significantly increased and patients have started to demand new treatments more actively. Herantis' Lymfactin® is a gene therapy aiming at curing lymphedema by repairing damages of the lymphatic system. Based on the leading research by professor Kari Alitalo, Lymfactin® is the first clinical stage gene therapy in the world designed to repair the lymphatic system.

CDNF and Lymfactin® are both modern, biological drug candidates. The challenges in their development are much greater than of conventional small molecule drugs. The biological drug substances are clearly more complicated by nature; their regulatory requirements and guidelines tend to have much more room for interpretation and demand scientific background work. Development of this kind of drug candidates is practically continuous problem solving. On the other hand they typically hold a much bigger promise than small molecule drugs. For instance CDNF impacts simultaneously several mechanisms of Parkinson's disease.

In addition, small molecule drugs are usually foreign compounds to our bodies, which can lead to adverse effects. Herantis' CDNF is a protein, which is naturally present in the human brains and blood. Also the active substance of Lymfactin®, VEGF-C, is such an endogenous protein. Our drug candidates aim at leveraging the natural repair mechanisms of the human body based on the latest scientific data.

2016 was a very successful year for us as our hard work and high-class science lead to the first patient treatments with Lymfactin® and a significant, highly competitive EU grant for patient treatments with CDNF. Either achievement alone is a significant, internationally renowned recognition of the academic research of Finland, a nation celebrating 100 years of independency this year. These achievements are also exactly what we are aiming at: Translating top science to clinical work so this leading science could eventually help patients everywhere in the world.

Herantis' public release practice has sometimes been criticized as sparse. My humble opinion is that some drug development companies appear too anxious or greedy as their public disclosures generate excess hype in this field of high development risks. Herantis discloses achievements that actually matter, such as those mentioned above. There are even hundreds of scientific experiments and dozens of applications behind a single clinical study authorization. Would it be reasonable investor relations to disclose each of them? Would it be honest publicity to selectively report the most promising?

Despite our Spartan release practice we are an open, approachable and patient centric drug developer who takes pride in responding to each patient enquiry. The patient viewpoint was considered for instance in my blogging last September.

2016 was a tough year at Herantis full of hard work; eventually it was also a very rewarding year for the entire team. Our warm thanks especially to all you patients who have contacted us and whose support motivates us from day to day.

REVIEW OF OPERATIONS JANUARY 1–DECEMBER 31, 2016

Herantis' drug development

Herantis develops innovative drug based on leading scientific research in their fields and aiming at breakthrough in unmet clinical needs. The company's objective is to establish the safety of its drug candidates in early-stage clinical studies, show signals of their efficacy, and then close commercialization agreements with larger pharmaceutical companies. In 2016 the drug development of Herantis proceeded favorably with the first clinical study with Lymfactin® launched and the first clinical study with CDNF awarded a significant EU grant.

Lymfactin® for breast cancer associated lymphedema

Breast cancer treatments can cause damage to lymph nodes, which may lead into secondary lymphedema. The common symptoms of secondary lymphedema 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.

Herantis' Lymfactin® is a gene therapy drug that produces a growth factor called VEGF-C, which is highly selective to the growth of lymphatic vessels. Based on preclinical results Lymfactin® is expected to promote the regeneration of lymphatic vessels and thus repair damages of the lymphatic system. Lymfactin® is based on research at an Academy of Finland Centre of Excellence led by Professor Kari Alitalo at the University of Helsinki.

In 2016 Herantis started a Phase 1 clinical study with Lymfactin®. The primary objective of the study is to evaluate the safety and tolerability of Lymfactin®. Signals of efficacy of Lymfactin® will also be assessed. The study is conducted at three university hospitals in Finland aiming to complete patient recruitment in 2017.

CDNF neuroprotective and neurotrophic factor for Parkinson's disease

Herantis develops its drug candidate CDNF for the treatment of Parkinson's disease. Parkinson's disease is a slowly progressing neurodegenerative disease that cannot be cured. Estimated 7 million people worldwide have Parkinson's disease. Known treatments only 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. Herantis aims at significant improvement to current treatments.

CDNF, a naturally present protein in humans that was discovered in long-term academic research led by Professor Mart Saarma, has in preclinical studies alleviated both motor and non-motor symptoms of Parkinson's disease and also slowed down its progress.

Herantis has completed the toxicology studies on CDNF required by the regulatory authorities. Owing to the promising scientific results and strong development work the European Union awarded a grant of approximately €6 million for the Phase 1-2 clinical study with CDNF in Parkinson's disease. The grant period starts formally Jan 1st, 2017 and patient recruitment is intended to begin in the first half of 2017. The objectives of the clinical study are evaluating safety and signals of efficacy in 18 patients with Parkinson's disease at three university hospitals in Finland and Sweden.

CDNF neuroprotective and neurotrophic factor for ALS

ALS (Amyotrophic Lateral Sclerosis) is a fatal motor neuron disease. 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; present treatments can only alleviate the symptoms of ALS. An estimated 140,000 people contract ALS annually.

The European Medicines Agency EMA and the US Food and Drug Administration FDA both granted Orphan Designation for Herantis' CDNF for the treatment of ALS in 2016 based on the preliminary preclinical results on its possible efficacy. The company is exploring possibilities to start a clinical development program in ALS. Decisions on starting such a program have not been made and no funding is allocated.

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. The study did not show statistically significant improvements in the primary endpoints in comparison with placebo. Herantis will however continue partnership negotiations in 2017 for product development collaboration.

FINANCIAL REVIEW JANUARY 1–DECEMBER 31, 2016

Income from business operations, R&D expenses

Herantis Group did not have essential revenues in 2016 or in the corresponding period in the previous year.

The R&D expenses for the review period were €1.8 million, recorded in the profit and loss statement as an expense for the period. The R&D expenses for the review period mainly comprised for 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, €4.9 million, were recorded as the review period's expenses in the profit and loss statement.

The profit for the review period was €-4.4 million. The consolidated profit for the comparison period was €-16.0 million.

Financing and capital expenditure

The company's cash and cash equivalents on December 31, 2016 amounted to €2.8 (at the end of the previous reporting period on December 31, 2015: €5.5) million.

In addition the company has R&D loans previously granted by the Finnish Funding Agency for Innovation, Tekes, to be drawn in the amount of €1.9 million. During the review period Herantis draw about €0.4 (1.2) million in Tekes loans.

In addition the European Union has awarded a grant of about €6.0 million for the project TreatER. The TreatER project is essentially the Phase 1-2 clinical study of Herantis with CDNF for the treatment of Parkinson's disease.

The consolidated cash flow from operations in the review period was €-3.0 (€-7.4) million.

Acquisitions and directed share issues

Herantis reported on January 14, 2016 that in accordance with the authorization by the company's annual meeting of shareholders 2015, the Board of Directors decided on December 1, 2015 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 on January 12, 2016.

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 were subject to trading on the Nasdaq Helsinki Ltd's First North marketplace together with the old shares as of 14 January 2016.

In 2016, Herantis redeemed the entire share capital of its subsidiary Laurantis Pharma Ltd. Previously Herantis had held approximately 99% of the shares in Laurantis Pharma Ltd.

Balance sheet

The consolidated balance sheet on December 31, 2016 stood at €10.2 million. At the end of the previous review period on December 31, 2015 the consolidated balance sheet stood at €14.1 million.

At the end of the review period on December 31, 2016, the consolidated balance sheet included short-term debt in the amount of €0.7 (0.6) million, long-term loans in the amount of €7.9 (7.4) million, and capital loans in the amount of €0.1 (0.1) million. Financing earnings and expenses totaled €0.0 (0.1) million.

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

Equity

Consolidated equity on December 31, 2016 was €1.6 million. At the end of the previous review period on December 31, 2015, consolidated equity amounted to €6.0 million. The change is a result of the consolidated loss of the review period.

Personnel, management, and administration

The number of personnel at the end of the review period on December 31, 2016 was 7 persons (at the end of the previous reporting period on December 31, 2015: 7).

During the review period, the company's Board of Directors comprised Pekka Mattila (Chairman), Jim Phillips, Aki Prihti, Timo Veromaa and Frans Wuite, The Managing Director for the company was Pekka Simula.

Ordinary Annual General Meeting 2016

Herantis' ordinary Annual General Meeting (AGM) was held on April 11, 2016.

The AGM adopted the annual accounts for financial year 2015 and resolved to discharge the members of the Board of Directors and the Managing Director from liability. 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, 2015, and that the loss for the period be recorded on the profit and loss account.

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.

Share based incentive program

Herantis has five stock option programs: Stock option program 2010, Stock option program 2014 I, Stock option program 2014 II, Stock option program 2014 III, and Stock option program 2016 I, whereby stock options have been offered to senior employees of the company to increase their commitment toward long-term contribution to growing shareholder value. The essential details of the stock option programs are listed in the table below. More

detailed information is provided on the company's web site at www.herantis.com .

Stock option program	Number of shares at most[1]	Share subscription price	Decision on the stock option program made by
2010	37,600	€ 0.00005	General Meeting 26.8.2010
2014 I	50,800	€ 0.00005	General Meeting 20.3.2014
2014 II A	24,027	€ 7.32	General Meeting 29.4.2014
2014 II B	0	€ 20.73	General Meeting 29.4.2014
2014 II C	0	€ 0.02	General Meeting 29.4.2014
2014 II D	22,349	€ 8.78	General Meeting 29.4.2014
2014 II E	16,342	€ 10.00	General Meeting 29.4.2014
2014 II F	10,253	€ 10.00	General Meeting 29.4.2014
2014 III G	10,232	€ 10.00	General Meeting 29.4.2014
2014 III H	10,232	€ 10.00	General Meeting 29.4.2014
2016 I	70,000	€ 2.92	General Meeting 9.4.2015, Board Meeting 19.5.2016
TOTAL	**251,835**	**-**	**-**

[1] The maximum number of shares to be subscribed by stock options. However the share subscription periods of Stock option programs 2014 II and 2014 III have expired by 31 Dec 2016 and their subscriptions will no longer be accepted.

Risks and uncertainties

Herantis is a drug development company and the general risks and uncertainties present in drug development also apply to its operations. Further, Herantis develops novel biological drugs based on novel scientific research and with mechanisms different from currently approved drugs. Therefore the risks and uncertainties can be considered larger than in conventional drug development.

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.

Shares and shareholders

The market capitalization of Herantis Pharma Plc at the end of the review period on December 31, 2016 was €11.7 million. The closing price of the company's share on December 31, 2016 was €2.85. The highest share price

during the review period was €4.50, lowest €0.77, and average €1.25.

According to Herantis' shareholder register dated on December 31, 2016, the company had 633 registered shareholders.

The members of Herantis' Board of Directors and the CEO held in aggregate 53,366 (Dec 31, 2015: 39,761) shares including shares held through their controlled companies, or 1.3 (0.9) percent of the company's total stock. Information on insider trading with the company's shares is published on the company's website.

Events after the review period

No essential updates have taken place after the review period.

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 €6.9 million according to balance sheet 31 December 2016. Herantis Pharma Plc had no essential revenue in 2016. The financial result of the parent company for 2016 was €-2.7 million.

The Board of Directors proposes to the Annual General Meeting convening on April 11, 2017 that no dividend be paid for the financial period January 1–December 31, 2016.

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 2017

This financial statements release and its appendices is published in Finnish and in English on February 28, 2017 on the company's website at www.herantis.com. In case of any discrepancies between the language versions, the Finnish version shall prevail.

The company's annual report will be released on the company's website latest by March 17, 2017.

A half-year interim report for January–June 2017 will be published on Tuesday, August 29, 2017. The ordinary Annual General Meeting of shareholders is scheduled for Tuesday, April 11, 2017.

Herantis Pharma Plc

Board of Directors

APPENDICES

Profit and loss statement and Balance sheet January 1–December 31, 2016

Statement of cash flow January 1–December 31, 2016

Statement of changes in equity

Distribution: Nasdaq, principal media

More information:

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Herantis Pharma in brief:

Herantis Pharma Plc is an innovative drug development company focused on regenerative medicine and unmet clinical needs. Our first-in-class assets are based on globally leading scientific research in their fields: CDNF for disease modification in neurodegenerative diseases, primarily Parkinson's and ALS; and Lymfactin® for breast cancer associated lymphedema, with potential also in primary lymphedema. The shares of Herantis are listed on the First North Finland marketplace run by Nasdaq Helsinki Ltd.

Herantis Pharma Oyj
Viikinkaari 4
00790 Helsinki

CONSOLIDATED INCOME STATEMENT

Currency EUR	01/07/16 31/12/16	01/07/15 31/12/15	01/01/16 31/12/16	01/01/15 31/12/15
NET TURNOVER		800,00	25 291,91	1 955,00
Other operating income	29,28	0,00	29,28	16,47
Raw materials and services				
External Services			-27 088,64	0,00
Staff expenses				
Wages and salaries	-329 313,28	-464 872,08	-766 051,48	-1 121 083,87
Social security expenses				
Pension expenses	-54 147,42	-72 953,93	-129 008,71	-155 779,86
Other social security expenses	-13 765,71	-28 269,69	-47 085,48	-55 244,93
	-397 226,41	-565 295,70	-942 145,67	-1 332 108,66
Depreciation and reduction in value				
Depreciation according to plan	-495 520,20	-723 499,96	-990 092,88	-9 212 362,07
Depreciation from consolidation difference	-108 445,99	-104 381,99	-212 827,98	-208 763,98
	-603 966,19	-1 393 177,65	-1 202 920,86	-9 421 126,05
Other operating charges	-846 147,54	-1 042 498,56	-2 273 345,55	-5 414 990,10
OPERATING PROFIT (LOSS)	-1 847 310,86	-2 435 676,21	-4 420 179,53	-16 166 253,34
Financial income and expenses				
Other interest and financial income				
From others	45 241,23	6 358,11	78 199,47	205 814,03
Interest and other financial expenses				
For others	-24 955,61	-30 166,18	-82 528,51	-84 244,08
	20 285,62	-23 808,07	-4 329,04	121 569,95
PROFIT (LOSS) BEFORE APPROPRIATIONS AND TAXES	-1 827 025,24	-2 459 484,28	-4 424 508,57	-16 044 683,39
PROFIT (LOSS) FOR THE FINANCIAL YEAR	-1 827 025,24	-2 459 484,28	-4 424 508,57	-16 044 683,39
CONSOLIDATED PROFIT (LOSS)	-1 827 025,24	-2 459 484,28	-4 424 508,57	-16 044 683,39

Herantis Pharma Oyj
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CONSOLIDATED BALANCE SHEET

Currency EUR	31/12/16	31/12/15
A S S E T S		
NON-CURRENT ASSETS		
Intangible assets		
Development expenses	6 590 230,15	7 517 935,15
Intangible rights	166 655,52	226 126,96
Consolidation difference	544 011,25	695 879,23
	7 300 896,92	8 439 941,34
Tangible assets		
Machinery and equipment	8 749,23	1 287,06
	8 749,23	1 287,06
Investments		
Participating interests	1 162,50	1 162,50
	1 162,50	1 162,50
	7 310 808,65	8 442 390,90
CURRENT ASSETS		
Debtors		
Short-term		
Other debtors	41 606,58	87 203,63
Prepayments and accrued income	23 599,20	18 473,94
	65 205,78	105 677,57
Securities	2 047 288,94	5 000 000,00
Cash in hand and at banks	782 186,03	540 558,76
	2 894 680,75	5 646 236,33
	10 205 489,40	14 088 627,23

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CONSOLIDATED BALANCE SHEET

Currency EUR	31/12/16	31/12/15
ASSETS TOTAL		
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	32 976 176,82
Retained earnings (loss)	-27 056 772,27	-11 012 088,87
Profit (loss) for the financial year	-4 424 508,57	-16 044 683,39
	1 574 895,98	5 999 404,55
CAPITAL LOANS	98 300,00	98 300,00
CREDITORS		
Long-term		
Loans from credit institutions	7 919 291,65	7 413 259,65
	7 919 291,65	7 413 259,65
Short-term		
Loans from credit institutions	102 853,00	212 970,00
Trade creditors	186 074,28	188 759,88
Other creditors	177 757,93	29 824,10
Accruals and deferred income	146 316,55	146 109,04
	613 001,76	577 663,02
	8 532 293,41	7 990 922,67
LIABILITIES TOTAL	10 205 489,40	14 088 627,23

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FUNDS STATEMENT

Currency EUR	01/07/16 31/12/16	01/07/15 31/12/15	01/01/16 31/12/16	01/01/15 31/12/15
Cash flow from operating activities				
Profit (loss) before appropriatiosn and taxes	-1 827 025,24	-2 459 484,28	-4 424 508,57	-16 044 683,39
Corrections:				
Depreciation According to plan and amortization	495 520,20	723 499,96	990 092,88	9 212 362,07
Depreciation from consolidation difference	108 445,99	104 381,99	212 827,98	208 763,98
Unrealized exchange rate profits and losses	-1 600,28	7 654,01	-278,97	-167 891,92
Other financial income and expences	-18 685,34	251 639,95	4 608,01	289 461,87
Cash flow before change in working capital	-1 243 344,67	-1 372 308,37	-3 217 258,67	-6 334 095,47
Change in working capital:				
Increase(-)/decr.(+) in short-term interest-free receivables	32 509,62	-274 891,91	40 377,01	62 011,11
Increase(+)/decr.(-) in short-term interest-free liabilities	247 748,90	-566 998,96	125 372,66	-1 079 308,57
Cash flow from operations before financial items and taxes	-963 086,15	-2 214 199,24	-3 051 509,00	-7 351 392,93
Interest paid and pmts for other financ. exp. from operat.	-6 658,47	-16 976,42	-60 339,73	-71 054,32
Financial income received from operations	47 121,95	822,36	76 188,55	24 732,35
Cash flow from operations before appropriations and taxes	-922 622,67	-2 230 353,30	-3 035 660,18	-7 397 714,90
Cash flow from operating activities (A)	-922 622,67	-2 230 353,30	-3 035 660,18	-7 397 714,90
Cash flow from investments:				
Investments in tangible and intangible assets	-3 790,00	-6 151,51	-10 378,61	-6 151,51
Capital expenditure on other investments	-60 960,00	0,00	-60 960,00	0,00
Cash flow from investments (B)	-64 750,00	-6 151,51	-71 338,61	-6 151,51
Cash flow from financing:				
Share issue		323 110,91	0,00	323 122,76
Long-term loans	182 945,00	870 900,00	395 915,00	1 204 900,00
Cash flow from financing (C)	182 945,00	1 194 010,91	395 915,00	1 528 022,76
Change in cash and cash equivalents(A+B+C) incr.(+)/decr.(-)	-804 427,67	-1 042 493,90	-2 711 083,79	-5 875 843,65
Cash and cash equivalents at beginning of period	3 633 902,64	6 583 052,66	5 540 558,76	11 416 402,41
Cash and cash equivalents at end of period	2 829 474,97	5 540 558,76	2 829 474,97	5 540 558,76

Herantis Pharma Oyj
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STATEMENT OF CHANGES IN EQUITY

€

	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			-2 445 218	
Issue of shares for cash		15 464 085		
IPO in connection with combination of business operations	77 500	13 644 952		
Equity on Jun 30, 2014	80 000	32 653 054	-5 871 736	26 861 318

	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			-1 779 093	
Issue of shares for cash		12		
IPO in connection with combination of business operations				
Equity on Jun 30, 2015	80 000	32 653 066	-8 689 663	24 043 403

	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

	Share capital	Other funds	Retained earnings	Equity total
Equity on Dec 31, 2015	80 000	32 976 177	-22 397 094	10 659 083
Profit/loss for the period			-1 714 156	
Issue of shares for cash		0		
Equity on Jun 30, 2016	80 000	32 976 177	-24 111 250	8 944 927

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	Share capital	Other funds	Retained earnings	Equity total
Equity on Dec 31, 2015	80 000	32 976 177	-22 397 094	10 659 083
Profit/loss for the period			-2 728 780	
Issue of shares for cash		0		
Equity on Dec 30, 2016	80 000	32 976 177	-25 125 874	7 930 303