Financial Statements Release
January 1- December 31, 2019

Looking forward to read-outs of fully recruited clinical studies

Highlights in January-December 2019:

- Herantis Pharma (“Herantis” or “Company”) completed a successful directed share issue in March.
- Phase 2 clinical study with Lymfactin® in the treatment of breast cancer associated lymphedema expanded in March in two university hospitals in Sweden.
- Herantis announced in April 12-month follow-up review from its Phase 1 clinical study of Lymfactin®.
- Herantis completed a directed share issue in December, which was multiple times oversubscribed. The Company’s shares were listed in the Nasdaq First North Growth Market Sweden.
- Phase 2 clinical study with Lymfactin® completed patient recruitment and all patient treatments in December. All patient treatments were also completed.
- The Main part of the Phase 1-2 clinical study with CDNF in the treatment of Parkinson’s disease completed patient treatments in December.
- The Company provided an update in December on its non-invasive next-generation xCDNF, announcing the selection of three lead candidates.
- Earnings per share were -1.37 (1-12/2018: -0.85) euros.
- Cash flow from operations during the review period was -6.0 (-3.7) million euros.
- Cash and cash equivalents on December 31, 2019 amounted to 7.0 (2.2) million euros.
- The company’s financial position in 2019 was as estimated and there have not been any exceptional events.

Highlights after the reporting period:

- Topline analysis of Phase 1-2 trial confirmed positive safety and tolerability of CDNF in patients with advanced Parkinson’s disease, with encouraging biological responses as measured by PET imaging in some patients.

CEO’s review

2019 was the best year so far in the history of Herantis. We strengthened our financial position, listed our shares in Sweden, and reached important milestones in all three drug development programs.

Drug development requires patience. At Herantis, we develop first-in-class drugs based on novel science. Risks, challenges, and continuous problem solving are business as usual for us. As such, our team certainly has a good reason to be proud for 2019: All patient treatments have been completed in the Phase 2 clinical study with Lymfactin® and in the main part of the Phase 1-2 clinical study with CDNF. In addition, we have selected lead molecules for our next generation xCDNF development.

This means we are looking forward to a very interesting next 12 months. To start, we have kicked off 2020 with the announcement of topline results from our Phase 1-2 clinical trial testing CDNF in patients with Parkinson's disease. The topline analysis confirmed positive safety and tolerability of CDNF and the observation of some promising signals in some patients, for instance in dopamine transporter PET imaging. Patient treatments will continue until the summer in the second part of the study and the patients will then be followed-up for several years.

From the other side of our pipeline, we are gearing up for the data from the Lymfactin® Phase 2 study after the 12-month blinded follow-up period. This will give us insight into whether the drug candidate works as expected.

In the meantime, as we wait for the next set of results from the ongoing clinical trials, we are busy making preparations to continue to advance our drug candidates. This includes the initiation of planning for the Phase 2 trial testing CDNF in addition to a Phase 3 study related to Lymfactin®. All these forward-looking preparations are also important for possible partnering and/or financing discussions. Establishing the safety and efficacy of a drug candidate is not enough for commercialization. It is equally important, for example, that it can be manufactured cost-efficiently, sold, distributed and priced appropriately for each market.

Ground-breaking drug development is not possible without strong collaboration. As such, we extend our warmest thanks to everyone who has contributed to our progress this year. In particular, thank you patients and the professional staff of our clinical studies. Thank you to the scientists, subcontractors, and partners. Thanks to our supportive shareholders and the wonderful team at Herantis. Thanks to all of you we are looking forward to a very exciting 2020!

Pekka Simula, CEO

Key figures (consolidated)

€ thousands	7-12/2019	7-12/2018	1-12/2019	1-12/2018
Revenue	0.0	0.0	0.0	0.0
Personnel expenses	656.1	561.6	1,403.2	1,243.9
Depreciation and amortization	484.5	601.2	1,046.7	1,202.5
Other expenses for business operations	3,201.5	1,306.0	4,930.7	2,654.3
Profit for the period	-4,685.6	-2,414.9	-8,004.6	-4,179.7
Cash flow from operations	-3,211.4	-1,928.5	-5,958.2	-3,732.2

	7-12/2019	7-12/2018	1-12/2019	1-12/2018
Equity ratio %	16.7	-1.2	16.7	-1.2
Earnings per share €	-0.76	-0.49	-1.37	-0.85
Number of shares at end of period	6.680.305	4.918.305	6.680.305	4.918.305
Average number of shares	6.139.539	4.918.305	5.844.621	4.918.305

€ thousands	31.12.2019	31.12.2018
Cash and cash equivalents	6,997.9	2,185.5
Equity	1,851.0	-89.3
Balance sheet total	11,070.6	7,147.5

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 2020

Herantis does not expect material revenues in 2020. The company continues to invest in its ongoing drug development programs: CDNF for the treatment of Parkinson's disease, and Lymfactin® for the treatment secondary lymphedema, as well as in xCDNF: the next generation, non-invasive CDNF.

Outlook for 2020

Herantis' long-term goal is to significantly increase its business through commercialization agreements for its drug candidates. While developing its assets, the company continues to discuss collaboration opportunities with potential partners for its drug development programs.

The main objectives for 2020 are to present initial results of the Phase 1-2 clinical study of CDNF in Q1, and twelve-month follow-up results in Q3. The main objective of this first-in-human clinical study with CDNF is to demonstrate its safety in patients. For Lymfactin®, the Company will continue preparations for a Phase 3 clinical study while expecting Phase 2 results in Q1/2021.

REVIEW OF OPERATIONS JANUARY 1-DECEMBER 31, 2019

Herantis' drug development

Herantis Pharma Plc is an innovative drug development company breaking the boundaries of standard therapeutic approaches. The Company's regenerative medicine drug candidates, CDNF and Lymfactin®, aim to revolutionize the treatment of Parkinson's disease and other neurodegenerative diseases, and of secondary lymphedema.

In 2019 Herantis' drug development programs proceeded as planned and reached the following key milestones:

- Lymfactin®: Patient recruitment was completed in the Phase 2 clinical study AdeLE in breast cancer associated lymphedema.
- CDNF: Patient recruitment was completed, and all patient treatments completed, in the main part of the Phase 1-2 clinical study in Parkinson's disease
- Non-invasive, next generation xCDNF: Lead candidates for preclinical development were selected

Lymfactin® for the treatment of secondary lymphedema

Injuries of the lymphatic system caused e.g. by an accident, surgery, or illness can lead to secondary lymphedema. Its common symptoms are permanent swelling of the affected limb, thickening and hardening of skin, limited limb mobility, pain, and increased sensitivity to infections. Secondary lymphedema is a chronic, progressive disease that often severely impairs the patient's quality of life. Known therapies such

as compression garments, special massage, and exercise may relieve the symptoms in some patients, but they do not address the cause the disease.

Professor **Kari Alitalo's** group at the University of Helsinki discovered the human growth factor VEGF-C, which is necessary for the development of lymphatic vessels. Herantis' drug candidate Lymfactin® is based on this scientific breakthrough. It is the first clinical stage gene therapy that aims to repair the lymphatic system.

The development of Lymfactin® is currently in Phase 2 clinical study in which its safety and efficacy are compared to placebo in patients with breast cancer associated lymphedema. The patient recruitment in the study has been completed and results are expected by Q1/2021.

If the safety and efficacy of Lymfactin® are established in the treatment of breast cancer associated lymphedema the findings are expected to be applicable also for the treatment of other secondary lymphedemas.

CDNF for the treatment of Parkinson's disease

Herantis develops its drug candidate CDNF for the treatment of Parkinson's disease (PD). Parkinson's disease is a slowly progressing neurodegenerative disease that cannot be cured. An estimated 7 million people worldwide have Parkinson's disease. Currently available treatments only alleviate the motor symptoms of the disease and their efficacy is typically reduced with disease progression. Herantis aims at significant improvement over current treatments.

CDNF is a novel neuroprotective and neurorestorative factor highly distinct from conventional neurotrophic factors, discovered by Professor **Mart Saarma's** group at the University of Helsinki. An innovative drug candidate for the treatment of neurodegenerative diseases, CDNF is patented internationally by Herantis. In disease models, CDNF has protected and regenerated dopamine-generating cells in the midbrain suggesting potential for disease modification of PD. It has also shown efficacy in non-motor symptoms of PD.

CDNF is currently in a Phase 1-2 clinical trial in Parkinson's disease. The trial is fully recruited and the patient treatments in the first part, Main study, are completed. The clinical trial continues with the Extension study, which is expected to be completed in Q3/2020. The clinical trial has received funding from the European Union's research and innovation program Horizon 2020 under the grant agreement number 732386.

Next generation, non-invasive CDNF: xCDNF

Herantis' xCDNF development program is based on peptides derived from the natural CDNF protein. The xCDNF compounds have been shown to penetrate the blood-brain barrier and retain the cell-protecting properties of CDNF, which suggests potential for a non-invasive drug candidate for the treatment of neurodegenerative diseases. Herantis announced its xCDNF development program in 2018 after acquiring related intellectual property rights from the University of Helsinki. Herantis has also filed

additional patent applications to further strengthen its position in the development of xCDNF. Herantis has not announced a timeline or target indication of a possible clinical development program with xCDNF.

FINANCIAL REVIEW JANUARY 1–DECEMBER 31, 2018

Income from business operations, R&D expenses

Herantis Group did not have material revenues in 2019 or in the corresponding period in the previous year.

The R&D expenses for the review period were 4.0 million euros, recorded in the income statement as an expense for the period. The R&D expenses for the review period mainly comprised of the clinical trials of CDNF for the treatment of Parkinson's disease and Lymfactin® for the treatment of breast cancer associated lymphedema, and the early preclinical development of xCDNF.

The Group's R&D expenses for the corresponding period in the previous year, 2.1 million euros, were recorded as the review period's expenses in the income statement.

The profit for the review period was -8.0 million euros. The consolidated profit for the comparison period was -4.2 million euros.

Financing and capital expenditure

The company's cash and cash equivalents on December 31, 2019 amounted to 7.0 (at the end of the previous reporting period on December 31, 2018: 2.2) million euros.

During the review period Herantis drew the last remaining tranche of an R&D loan previously granted by Business Finland. The last tranche was about 0.8 million euros.

In addition, the European Union has awarded a grant of about 6.0 million euros for the project TreatER, which started on January 1, 2017. The TreatER project is essentially the Phase 1-2 clinical study of Herantis with CDNF for the treatment of Parkinson's disease. In the review period, the TreatER project was granted an extension of one year, continuing the project to 31 December 2020. The extension does not impact the grant amount.

The consolidated cash flow from operating activities in the review period was -6.0 (-3.7) million euros.

Directed share issues

During the review period Herantis completed two financing transactions whereby the Company raised, before expenses, approximately 5.8 million euros in March and approximately 4.2 million euros in December. Details are provided below.

Herantis announced on 12 March 2019 that the Board of Directors of Herantis had decided on a directed share issue of 1,111,982 new shares at a per-share subscription

price of 5.20 euros to certain institutional investors and a limited number of investors other than qualified investors as well as to certain directors of the Company. The share capital was not increased. Instead, the entire subscription price of 5,782,306.40 euros was recorded in the invested unrestricted equity reserve of the Company. The issued new shares were registered in the Trade Register on 22 March 2019, as of which date the new shares have carried shareholder rights. As a result of the share subscriptions the number of shares in Herantis increased to 6,030,287 shares.

Herantis announced on 28 May 2019 that 32,000 new shares of Herantis had been subscribed with option rights of the option programs 2010 and 2014. The new shares were registered into the Trade Register on 28 May 2019, as of which date the new shares established shareholder rights. The share capital did not increase with subscriptions. The entire aggregate subscription price for the new shares of 1.60 euros was entered in the invested unrestricted equity reserve of the company. As a result of the share subscriptions, the number of shares of Herantis increased to 6,062,287 shares.

Herantis announced on 2 December 2019 that the Company's directed share issue announced on 11 November 2019 was oversubscribed multiple times and completed as planned. In this share issue the Company issued a total of 618,018 new shares at a per-share subscription price of 71 SEK. The share capital did not increase with subscriptions. The entire subscription price for the new shares of 4,162,547.80 euros was entered in the invested unrestricted equity reserve of the company. The issued new shares were registered into the Trade Register on 9 December 2019, as of which date the new shares established shareholder rights. As a result of the share subscriptions, the number of shares of Herantis increased to 6,680,305 shares.

Balance sheet

The consolidated balance sheet total on December 31, 2019 stood at 11.1 (7.1) million euros.

At the end of the review period on December 31, 2019, the consolidated balance sheet included short-term debt in the amount of 2.0 (1.4) million euros, long-term loans in the amount of 7.2 (5.9) million euros, and capital loans in the amount of 0.0 (0.0) million euros. Financing earnings and expenses totaled -0.8 (0.7) million euros.

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

Equity

Consolidated equity on December 31, 2019 was 1.9 (-0.1) million euros. The change is the result of the share issues and consolidated loss of the review period.

Personnel, management, and administration

The number of personnel at the end of the review period on December 31, 2019 was 12 (10) persons.

During the review period, the company's Board of Directors comprised of Pekka Mattila (Chairman), Ingrid Atteryd Heiman (from 12 March 2019), Jim Phillips, Aki Prihti, Timo Veromaa (Vice Chairman from 29 May 2019), and Frans Wuite. The CEO for the company was Pekka Simula.

Ordinary Annual General Meeting 2019

Herantis' ordinary Annual General Meeting (AGM) was held in Helsinki, Finland on Thursday, April 11, 2019.

The AGM adopted the consolidated and parent company financial statements for the financial year 2018 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 shall be paid for the financial period January 1–December 31, 2018, and that the loss for the period shall be recorded on the profit and loss account.

The AGM resolved that the remuneration for the members of the Board of Directors shall be 1,500 euros per month except for the Chairman of the Board who shall be paid 2,500 euros per month, and a possibly elected Vice Chairman of the Board who shall be paid 2,000 euros per month. Board members are also reimbursed reasonable travel expenses related to Board of Director's duties.

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

Six members were elected in the Board of Directors: Ingrid Atteryd Heiman, Pekka Mattila, James (Jim) Phillips, Aki Prihti, Timo Veromaa, and Frans Wuite.

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.

Following the AGM, the Board of Directors held a constitutive meeting and elected Pekka Mattila as Chairman of the Board of Directors.

Share based incentive program

Herantis has four stock option programs: Stock option program 2010, Stock option program 2014 I, Stock option program 2016 I, and Stock option program 2018 I, whereby stock options have been offered to key employees of the company to increase their commitment toward long-term contribution to growing shareholder value. The main 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	Maximum number of shares[1]	Per share subscription price	Decision on the stock option program made by
2010	35,600	€ 0.00005	General Meeting 26.8.2010
2014 I	20,800	€ 0.00005	General Meeting 20.3.2014
2016 I	70,000	€ 2.92	General Meeting 9.4.2015, Board Meeting 19.5.2016
2018 I	100,000	€ 5.85	General Meeting 9.4.2015, Board Meeting 28.8.2018
TOTAL	**226,400**	-	-

[1] The maximum number of shares to be subscribed by stock options.

Risks and uncertainties

Herantis is a drug development company and the general risks and uncertainties present in drug development also apply to its operations. For instance, the production, stability, safety, efficacy, and regulatory aspects of drug candidates involve risks, the realization of which can render the commercialization of the drug candidate impossible or significantly delayed. One common challenge in drug development is that preclinical disease models may not accurately simulate the real disease. Promising preclinical results do therefore not guarantee that the drug candidate is efficacious in real patients.

Since Herantis develops biological drugs based on novel scientific research and their mechanisms differ from known drugs, the risks and uncertainties can be considered greater than in the development of conventional drugs. Further, the company has not commercialized any drug candidates, it does not have any history of profitable operations, and it has not so far closed any commercialization agreements pursuant to its strategy.

Drug development requires significant investments. Since Herantis is a pre-revenue company it must finance its drug development programs from external sources such as grants, R&D loans, or equity investments. Factors such as delays in the company's development programs or a weak financial market can impact the company's ability to raise funding and continue its operations.

Even if the safety and efficacy of a drug candidate was established in clinical studies its commercialization involves risks such as pricing or reimbursement, organizing a

sales network, competition from other emerging treatments, unexpected adverse events in long-term use, strength of the company's patents, patent infringement claims raised against the company and other factors.

Usual business risks and uncertainties are also relevant to the operations of Herantis, such as data protection risks, dependencies on subcontractors and other third parties, and the ability to recruit and keep the necessary senior team and other employees.

A thorough assessment of the risks of Herantis is presented in the English-language information memorandum published on the Company's website on 11 November 2019. Herantis has protected its operations against risks to its best ability and is not aware of any such risks or uncertainties, which would essentially differ from the usual risks and uncertainties in its business.

Environmental factors

Herantis is very conscious about protecting the environment. Herantis' Quality instructions and practices consider the environment and for instance encourage the use of public transportation, limit travelling to strictly necessary business needs, and endorse the use of virtual meetings where possible. Printing and waste are minimized, and office waste is recycled appropriately.

Shares and shareholders

On December 16, 2019 the Company's shares were listed in the Nasdaq First North Growth Market Sweden with ticker symbol "HRNTS", in addition to its previous listing in the Nasdaq First North Growth Market Finland with ticker symbol "HRTIS".

The market capitalization of Herantis Pharma Plc at the end of the review period on December 31, 2019 was approximately 51.8 million euros. The closing price of the company's share in the Nasdaq First North Growth Market Finland on December 31, 2019 was 7.75 euros. The highest share price during the review period was 10.80 euros, lowest 4.80 euros, and average 8.17 euros.

The trading volume of the company's share in 2019 was 924,403 shares, corresponding to approximately 13.8% of all shares in the company. According to Herantis' shareholder register dated on December 31, 2019 the company had 2,047 registered shareholders.

On December 31, 2019 the members of Herantis' Board of Directors and the CEO held in aggregate 107,792 (70,992) shares including shares held through their controlled companies, or 1.6 (1.4) percent of the company's shares. Information on insider trading with the company's shares is published on the company's website.

Events after the review period

The Company announced on February 25, 2020 topline results of the Phase 1-2 clinical study with CDNF. Topline analysis confirmed positive safety and tolerability of

CDNF in advanced-stage Parkinson's disease patients, with encouraging biological responses as measured by PET imaging in some patients. Results from the second part of trial, in which all patients receive CDNF for an additional six months, are expected in Q3 2020.

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 11.7 million euros according to the balance sheet December 31, 2019. Herantis Pharma Plc had no essential revenue in 2019. The financial result of the parent company for 2019 was -5.6 million euros.

The Board of Directors proposes to the Annual General Meeting convening on April 8, 2020 that no dividend shall be paid for the financial period January 1-December 31, 2019.

Accounting policies

These financial statements have been prepared according to generally accepted accounting practices, 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 2020

This financial statements release and its appendices are published in Finnish and in English on 27 February 2020 at 6:00pm Eastern European Time 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 17 March 2020.

A half-year interim report for January-June 2020 will be published on Thursday, 27 August 2020. The ordinary Annual General Meeting of shareholders is scheduled for Wednesday, 8 April 2020.

Herantis Pharma Plc

Board of Directors

Appendices:

Profit and loss statement and Balance sheet January 1–December 31, 2019
Statement of cash flow January 1–December 31, 2019
Statement of changes in equity

More information:

Herantis Pharma Plc, Pekka Simula, CEO, telephone +358 40 7300 445
Company website: www.herantis.com
Certified Advisor: UB Securities Ltd, Finland: +358 9 25 380 225, Sweden: +46 72 888 43 83

Herantis Pharma in brief:

Herantis Pharma Plc is an innovative drug development company breaking the boundaries of standard therapeutic approaches. Our regenerative medicine drug candidates, CDNF and Lymfactin®, aim to revolutionize the treatment of Parkinson's disease and other neurodegenerative diseases, and of secondary lymphedema. The shares of Herantis are listed on the Nasdaq First North Growth Market Finland with ticker symbol 'HRTIS' and Nasdaq First North Growth Market Sweden with ticker symbol 'HRNTS'.

Herantis Pharma Oyj
Bertel Jungin Aukio 1
02600 ESPOO

CONSOLIDATED INCOME STATEMENT

Currency EUR	01/07/19 31/12/19	01/07/18 31/12/18	01/01/19 31/12/19	01/01/18 31/12/18
NET TURNOVER	0,00	0,00	0,00	0,00
Other operating income	112 821,67	112 561,78	225 350,02	230 100,24
Raw materials and services				
External Services	0,00	0,00	0,00	0,00
Staff expenses				
Wages and salaries	-550 920,69	-467 921,79	-1 174 389,07	-1 033 104,09
Social security expenses				
Pension expenses	-89 111,71	-79 595,42	-188 556,04	-172 736,23
Other social security expenses	-16 026,62	-14 053,26	-40 257,37	-38 029,09
	-656 059,02	-561 570,47	-1 403 202,48	-1 243 869,41
Depreciation and reduction in value				
Depreciation according to plan	-484 465,20	-484 673,27	-968 935,38	-969 345,49
Depreciation from consolidation difference	0,00	-116 573,99	-77 715,29	-233 147,98
	-484 465,20	-601 247,26	-1 046 650,67	-1 202 493,47
Other operating charges	-3 201 462,49	-1 306 015,54	-4 930 695,91	-2 654 272,99
OPERATING PROFIT (LOSS)	-4 229 165,04	-2 356 271,49	-7 155 199,04	-4 870 535,63
Income from other investments held as non-current assets	0,00	3 036,87	0,00	3 036,87
Financial income and expenses				
Other interest and financial income				
From others	602,24	-10 718,94	616,11	767 645,57
Reduction in value of financial expenses	0,00	-19 178,29	18 822,66	-19 178,29
Interest and other financial expenses				
For others	-457 062,87	-31 817,38	-868 796,01	-60 635,31
	-456 460,63	-61 714,61	-849 357,24	687 831,97
PROFIT (LOSS) BEFORE APPROPRIATIONS AND TAXES	-4 685 625,67	-2 414 949,23	-8 004 556,28	-4 179 666,79
PROFIT (LOSS) FOR THE FINANCIAL YEAR	-4 685 625,67	-2 414 949,23	-8 004 556,28	-4 179 666,79
CONSOLIDATED PROFIT (LOSS)	-4 685 625,67	-2 414 949,23	-8 004 556,28	-4 179 666,79

Herantis Pharma Oyj
Bertel Jungin Aukio 1
02600 Espoo

CONSOLIDATED BALANCE SHEET

Currency EUR	31/12/19	31/12/18
A S S E T S		
NON-CURRENT ASSETS		
Intangible assets		
Development expenses	3 807 115,15	4 734 820,15
Intangible rights	0,00	40 000,00
Consolidation difference	0,00	77 715,29
	3 807 115,15	4 852 535,44
Tangible assets		
Machinery and equipment	3 691,16	4 921,54
	3 691,16	4 921,54
	3 810 806,31	4 857 456,98
CURRENT ASSETS		
Debtors		
Short-term		
Other debtors	244 889,22	93 704,42
Prepayments and accrued income	16 949,32	10 839,55
	261 838,54	104 543,97
Securities	985 243,95	1 466 421,29
Cash in hand and at banks	6 012 690,80	719 105,72
	7 259 773,29	2 290 070,98
ASSETS TOTAL	11 070 579,60	7 147 527,96

Herantis Pharma Oyj
Bertel Jungin Aukio 1
02600 Espoo

CONSOLIDATED BALANCE SHEET

Currency EUR	31/12/19	31/12/18
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	47 601 032,62	37 656 176,82
Retained earnings (loss)	-37 825 463,62	-33 645 796,83
Profit (loss) for the financial year	-8 004 556,28	-4 179 666,79
	1 851 012,72	-89 286,80
CREDITORS		
Long-term		
Loans from credit institutions	7 205 979,65	5 878 418,65
	7 205 979,65	5 878 418,65
Short-term		
Loans from credit institutions	5 661,00	507 461,00
Trade creditors	1 624 904,91	199 608,19
Other creditors	34 122,46	27 556,54
Accruals and deferred income	348 898,85	623 770,37
	2 013 587,22	1 358 396,10
	9 219 566,87	7 236 814,75
LIABILITIES TOTAL	11 070 579,60	7 147 527,96

Herantis Pharma Oyj
Bertel Jungin Aukio 1
02600 Espoo

FUNDS STATEMENT

Currency EUR	01/07/19 31/12/19	01/07/18 31/12/18	01/01/19 31/12/19	01/01/18 31/12/18
Cash flow from operating activities				
Profit (loss) before appropriatiosn and taxes	-4 685 625,67	-2 414 949,23	-8 004 556,28	-4 179 666,79
Corrections:				
Depreciation According to plan and amortization	484 465,20	484 673,27	968 935,38	969 345,49
Depreciation from consolidation difference	0,00	116 573,99	77 715,29	233 147,98
Unrealized exchange rate profits and losses	0,00	368,97	0,00	0,00
Bankruptcy/dissolution of a subsidiary	0,00	-3 036,87	0,00	-3 036,87
Other financial income and expenses*	456 460,63	61 714,61	849 357,24	-687 831,97
Cash flow before change in working capital	-3 744 699,84	-1 754 655,26	-6 108 548,37	-3 668 042,16
Change in working capital:				
Increase(-)/decr.(+) in short-term interest-free receivables	-134 326,62	-31 819,77	-157 294,57	-17 225,16
Increase(+)/decr.(-) in short-term interest-free liabilities	1 124 066,81	-99 082,15	1 156 991,12	-61 531,51
Cash flow from operations before financial items and taxes	-2 754 959,65	-1 885 557,18	-5 108 851,82	-3 746 798,83
Interest paid and pmts for other financ. exp. from operat.	-457 062,87	-32 186,35	-849 973,35	-60 635,31
Financial income received from operations	602,24	-10 718,94	616,11	75 187,57
Cash flow from operations before appropriations and taxes	-3 211 420,28	-1 928 462,47	-5 958 209,06	-3 732 246,57
Cash flow from operating activities (A)	-3 211 420,28	-1 928 462,47	-5 958 209,06	-3 732 246,57
Cash flow from investments:				
Investments in tangible and intangible assets	0,00	0,00	0,00	0,00
Financial resources lost in bankruptcy of a subsidiary	0,00	0,00	0,00	0,00
Acquisition of subsidiary's shares	0,00	7 165,78	0,00	7 165,78
Cash flow from investments (B)	0,00	7 165,78	0,00	7 165,78
Cash flow from financing:				
Share issue	4 162 547,80	0,00	9 944 855,80	0,00
Long-term loans drawn	580 600,00	236 627,00	831 422,00	508 616,00
Short-term loan repayments	-5 661,00	0,00	-5 661,00	0,00
Cash flow from financing (C)	4 737 486,80	236 627,00	10 770 616,80	508 616,00
Change in cash and cash equivalents(A+B+C) incr.(+)/decr.(-)	1 526 066,52	-1 684 669,69	4 812 407,74	-3 216 464,79
Cash and cash equivalents at beginning of period	5 471 868,23	3 870 196,70	2 185 527,01	5 401 991,80
Cash and cash equivalents at end of period	6 997 934,75	2 185 527,01	6 997 934,75	2 185 527,01

*Other financial income and expenses includes 692458,00 euros of Business Finland loans voided in the previous period

Herantis Pharma Oyj
Bertel Jungin Aukio 1
02600 ESPOO

STATEMENT OF CHANGES IN EQUITY

	Share capital	Other funds	Retained earnings	Equity total
Equity on 31.12.2016	80 000	32 976 177	-25 125 874	7 930 303
Profit/loss for the period			-1 156 786	
Issue of shares for cash		0		
Equity on 30.6.2017	80 000	32 976 177	-26 282 660	6 773 517

	Share capital	Other funds	Retained earnings	Equity total
Equity on 31.12.2016	80 000	32 976 177	-25 125 874	7 930 303
Profit/loss for the period			-2 546 505	
Issue of shares for cash		4 680 000		
Equity on 31.12.2017	80 000	37 656 177	-27 672 379	10 063 798

	Share capital	Other funds	Retained earnings	Equity total
Equity on 31.12.2017	80 000	37 656 177	-27 672 379	10 063 798
Profit/loss for the period			-771 521	
Issue of shares for cash		0		
Equity on 30.6.2018	80 000	37 656 177	-28 443 900	9 292 277

	Share capital	Other funds	Retained earnings	Equity total
Equity on 31.12.2017	80 000	37 656 177	-27 672 379	10 063 798
Profit/loss for the period			-2 162 234	
Issue of shares for cash		0		
Equity on 31.12.2018	80 000	37 656 177	-29 834 613	7 901 564

	Share capital	Other funds	Retained earnings	Equity total
Equity on 31.12.2018	80 000	37 656 177	-29 834 613	7 901 564
Profit/loss for the period			-2 230 511	
Issue of shares for cash		5 782 308		
Equity on 30.6.2019	80 000	43 438 485	-32 065 124	11 453 361

	Share capital	Other funds	Retained earnings	Equity total
Equity on 31.12.2018	80 000	37 656 177	-29 834 613	7 901 564
Profit/loss for the period			-5 597 535	
Issue of shares for cash		9 944 856		
Equity on 31.12.2019	80 000	47 601 033	-35 432 148	12 248 885