NeuroVive PHARMACEUTICAL

Interim report 2016

1 January 2016 to 31 March 2016

This Interim Report is published in Swedish and English. In the event of any difference between the English version and the Swedish original, the Swedish version shall prevail.

Full speed ahead

First Quarter (1 Jan. 2016 – 31 Mar. 2016)

Net revenues were SEK 0 (0) and other operating income was SEK 46,000 (49,000).
Loss before tax was SEK 10,916,000 (14,271,000).
Earnings per share* were SEK -0.34 (-0.50).
Diluted earnings per share** were SEK -0.34 (-0.50).

** Profit/loss for the period divided by the average number of shares before dilution at the end of the period.*
***Profit/loss for the period divided by the average number of shares after dilution at the end of the period.*

Business highlights in the first quarter of 2016

- The Board of Directors decided to carry out a new issue of shares and warrants (units) with preferential rights for existing shareholders. Upon full subscription of the New Issue, the Company aimed to raise approximately SEK 94.4 m before issue expenses.
- NeuroVive made an acquisition of approximately 5% of British company Isomerase Therapeutics with the overall goal to strengthen the partnership and accelerate NeuroVive's research and development (R&D) program.
- NeuroVive entered into a research partnership with University of Pennsylvania to enhance NeuroVive's traumatic brain injury (TBI) research and development program.
- NeuroVive announced the CiPRICS study enrols 100 patients and reported a favourable safety evaluation.
- The Board selected new CEO Erik Kinnman to lead NeuroVive.

Post balance sheet events

- The preferential rights issue was fully subscribed. NeuroVive completed the preferential rights issue of units, comprising shares and warrants, authorized by the Extraordinary General Meeting on 31 March 2016. The preferential rights issue was 100.4 % subscribed, raising approximately SEK 94.4 million for the company before issue expenses. Upon full utilization of the warrants, the company will raise an additional SEK 32.6 million. The new issue was guaranteed to 75% through guarantee commitments. The full subscription means that underwriting guarantees will not have to be utilized.
- The company announces the start of the first of three studies in the preclinical program in traumatic brain injury (TBI) which is being done in collaboration with the University of Pennsylvania.

Comments from our CEO, Erik Kinnman

During my short and intense introduction to the company, I worked side by side with the team to define and execute the company's strategic priorities. Our priorities from the beginning of the year were clear: accelerate the research and development programs, build the NeuroVive team and expertise to deliver on strategy and maintain ongoing communication with our investors to provide them with updates on our progress and challenges.

Coming in as the new leader, I have discovered several key areas of strength for NeuroVive. The first area that stands out is the teams' high degree of scientific excellence in neurological diseases and mitochondrial medicine. They have a deep understanding of the role of mitochondrial medicine and have identified where NeuroVive can develop clinical solutions to address unmet medical needs. Our broad research and development portfolio is evidence of the teams' expertise. Another key strength of NeuroVive is our strong pharma network. Our partners are essential to progress and accelerate our R&D program and having a network of partners allows us to remain agile and responsive. During the first quarter, we further strengthened our partnership with Isomerase Therapeutics through a partial acquisition. We are very excited about this enhanced partnership as Isomerase compliments the R&D team at NeuroVive and will allow us to uncover further opportunities as we move forward. We also announced our partnership with the University of Pennsylvania for our TBI preclinical program. This program is extremely important to NeuroVive as the preclinical study results will provide us with further information on the efficacy of NeuroSTAT® in the TBI indication.

A key initiative that was undertaken during this quarter to support the R&D acceleration was the rights issue. The NeuroVive management team and board determined early in the year that further funding would be required for both the clinical and discovery programs and therefore the rights issue was resolved. The rights issue period ran from April 18th to May 2nd and included several investor presentations to ensure clear communication of our intentions and progress. We are extremely pleased with the results of the rights issue as we achieved full subscription. This is a strong signal that our investors have confidence in our renewed direction and leadership.

We have also made good progress in our clinical program with respect to both TBI and AKI. The AKI program, CiPRICS, evaluating Ciclomulsion passed the second safety assessment from the independent safety committee following 100 patients recruited in the trial and continues to advance at a good pace with now over 140 patients recruited. This trial is important to the company, as it will allow us to decide whether or not we proceed to explore AKI with either CicloMulsion or NVP019. As this is the first and exploratory phase II trial in patients, we of course remain hopeful to see positive results but understand there is a risk of the study not demonstrating any benefit. We are progressing our discovery programs with NVP015 (Complex I deficiency) and NVP019 in alternative indications to ensure we have a strong pipeline of potential drug projects to fuel our growth.

The NeuroVive team had two other new members introduced in the first quarter in addition to myself. Matilda Hugerth joined as Clinical/Regulatory manager and Cecilia Hofvander as Investor Relations/Communications director. I am really pleased to have a strong team in place and I look forward to working closely with all of them to advance the company forward.

When I joined NeuroVive a few months ago, I committed to giving communication a top priority and to maintain an open, continuous and transparent communication. I believe we have provided our investors with all the information available to us so that they feel both informed and confident that we are moving in the right direction. I am committed to making sure this remains a key priority as we will have many key milestones to report during the year.

The first quarter has been busy but productive. We have established a strong team, had a successful rights issue and have taken steps to ensure we continue to accelerate our R&D programs. We have strong momentum and will continue to build on this moving into the next quarter and beyond.

Erik Kinnman
CEO, NeuroVive Pharmaceutical AB (publ)

Operations

During the first quarter a new CEO was recruited. Erik Kinnman was appointed as the new CEO mid-February and took on the position one month later. Erik had a quick initiation into the company as there were several key activities ongoing and needed to work closely with Jan Nilsson to lead these initiatives. In addition to Erik, there were two other new team members welcomed by NeuroVive: Matilda Hugerth joined as Clinical/Regulatory manager and is leading the management of the clinical program and Cecilia Hofvander as Investor Relations/Communications director who will join June 1st. The NeuroVive team is now complete and all teams are fully operational.

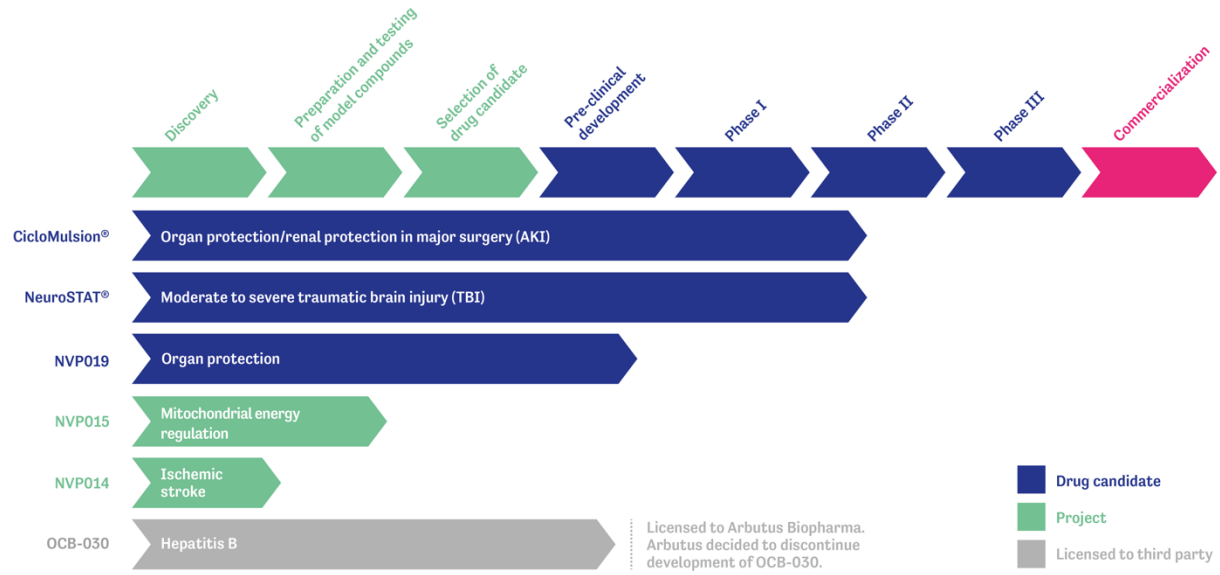
Several key activities in NeuorVive's R&D program took place in the first quarter in order to ensure that NeuroVive could continue to progress and potentially accelerate the discovery and clinical programs. The investigator initiated exploratory phase II study, CiPRICS, evaluating Ciclosporin in the prevention of acute kidney injury in coronary artery bypass surgery patients (AKI program) advanced very well in the first quarter. 100 patients were included in the study and the independent safety committee has endorsed the continuation of the study following the safety assessment completed on these patients. The study team in Lund has now included over 140 patients in the trial and continues to see good progress. We expect the study to continue as planned and have the full study results presented by the investigators during the second half year. This study is most important for NeuroVive as it will provide more information as to the potential benefit of cyclophilin inhibition for cell protection both for CicloMulsion as well as NVP019. It is important to remember that this first study in patients is an exploratory phase II study and like all studies in early phases, there are risks associated with them. For this reason, it is important that NeuroVive continues to focus efforts both on completing this study but also building the discovery portfolio to ensure the pipeline is strong moving forward. Similar to the CiPRICS study, the early phase II study CHIC evaluating NeuroSTAT® in traumatic brain injury (TBI program) is also progressing well with 15 patients now recruited into the study. We have provided further support to the study site and will continue to work closely with the lead investigator to ensure this study is fully recruited by the end of the year in accordance with the plan. To support the CHIC study, the first phase of the preclinical TBI study program was initiated in partnership with University of Pennsylvania. This study is very important, as it will demonstrate the potential protective effect of NeuroSTAT® in an acute TBI injury model. There are 2 further phases to this TBI preclinical study program and it is expected that all three phases be complete by the fourth quarter of 2016. Provided these studies are positive, they will support future regulatory applications for potential clinical trials of NeuroSTAT.

During the first quarter, there has been increased focus on the preclinical projects and the discovery platforms. The entire research team at NeuroVive have been working hard to move the chemistry and other development work forward. To provide further support to the team and ensure even more focus on the NeuroVive projects, the company made a partial acquisition of Isomerase Therapeutics. Isomerase is a true partner to NeuroVive and they provided invaluable input and expertise to advance the research projects NVP019, NVP014, and NVP015. The work continues on advancing our lead compound NVP019, as well as the new chemistry platforms for the stroke project (NVP014) and the mitochondrial energy-regulation project (NVP015). The NVP015 project has completed the in vivo pharmacokinetic studies and is conducting in vivo proof of efficacy studies in metabolic models. NeuroVive also has several other R&D discovery projects ongoing and looks forward to sharing further updates on these projects as data becomes available.

NeuroVive has a strong pharma network model and places much importance on the partner network to add further expertise to the R&D team. The acquisition of Isomerase and the agreement with University of Pennsylvania reinforce this principle.

Our partnership with NeuroVive Asia remains strong and we are supporting their operations as they focus on establishing a research and development platform in Asia and Asia-Pacific based on the Neurovive's international strategy, as well as NeuroVive Asia pursuing indications outside mitochondrial medicine for Asia.

Project overview



Business model

NeuroVive's research

NeuroVive's leading researchers evaluate or develop acquired or proprietary chemistry platforms up to phase I or II clinical trials. To date, the company's researchers have been very successful in developing new drug candidates in critical areas of medicine.

Acquisitions and research collaborations

In addition to its in-house research, NeuroVive acquires promising technology and projects in fields associated with mitochondrial heart and brain protection and other types of mitochondrial protection. This reduces the risk associated with lengthy development cycles and expands the company's research area.

Business model

Collaboration with CCOs Contract Commercial Organization

When collaborating with a CCO (Contract Commercial Organization), NeuroVive and its partner develop the product together, and the parties share the costs and risk associated with the project.

Traditional outlicensing

In traditional outlicensing, an external pharmaceutical company obtains the right to develop and commercialize a specific drug candidate. This right can be limited on the basis of parameters such as formulation, indication and geographical region. NeuroVive's remuneration usually consists of an upfront and conditional payments plus royalty on future sales.

Revenues and results of operations

Revenues

The consolidated turnover during the first quarter of 2016 were SEK 0 (0). Other operating revenues for the first quarter of 2016 were SEK 46,000 (49,000).

Results of operations

The operating loss for the first quarter was 10,938,000 (14,781,000). The net profit/loss before tax for the first quarter amounted to SEK 10,916,000 (14,718,000).

The operating loss was affected by external expenses, which for the first quarter were SEK 7,379,000 (10,750,000). During the first quarter, expenses related to development projects have affected the result with SEK 2,395,000 (4,270,000). These expenses relates to development projects that have not reached phase I. Personnel expenses during the first quarter amounts to SEK 3,269,000 (3,303,000). Other operating expenses amounts to, SEK 77,000 (565,000).

Financial position

The equity/assets ratio was 88 (82) % as of 31 Mars 2016, and equity was SEK 149,857,000 (172,713,000). Cash and cash equivalents amounted to SEK 78,749,000 (104,735,000) as of 31 Mars 2016, a decrease of SEK 17,913,000 from the beginning of the year. Total assets as of 31 Mars 2016 were SEK 169,765,000 (196,639,000).

Cash flow and investments

Operating cash flow for the first quarter was SEK -15,326,000 (-23,134,000). Operating cash flow from the first three months was SEK – 17,651,000 (56,200,000). The cash flow effect related to investments in intangibles equals SEK -1,760,000 (-240) for the first three months.

Transactions with related parties

Transactions between the company and its subsidiaries, which are related parties to the company, have been eliminated on consolidation, and accordingly, no disclosures are made regarding these transactions. Disclosures regarding transactions between the group and other related parties are stated below.

Apart from remuneration to senior managers including remuneration for consulting services, no purchases or sales between the group and related parties occurred. Transactions with related parties affecting profit/loss for the period are stated below.

Transactions with related parties (SEK 000)	**1 Jan. 2016 31 Mar. 2016**	**1 Jan. 2015 31. Mar. 2015**
Stanbridge bvba (owned by Gregory Batcheller, Executive Chairman)	294	403
Ankor Consultants bvba (owned by Arne Ferstad, Board member)	73	89
Total transactions with related parties	**367**	**492**

Segment information

Financial information reported to the chief operating decision maker (CEO) as the basis for allocating resources and judging the group's profit or loss is not divided into different operating segments. Accordingly, the group consists of a single operating segment.

Financial instruments
NeuroVive does not hold any financial instruments measured at fair value. The reported value of financial instruments essentially corresponds to fair value. The new holding in unlisted securities classified as "financial assets available for sale" would normally be measured at fair value through other comprehensive income. The holding is, in the absence of a reliable fair value valuation, recognized to its acquisition value, 6 810 Tkr.

Human resources
The average number of employees of the group for the period January to December was 11 (8), of which 7 (4) are women.

Parental company
Most of the Group operations are conducted within the parent company. Accordingly, no further specific information regarding the parent company is presented.

Risks and uncertainty factors
A research company such as NeuroVive Pharmaceutical AB (publ) is subject to high operational and financial risks because the projects the company conducts are in different developmental phases, where a number of parameters influence the likelihood of commercial success. Briefly, operations are associated with risks relating to factors including drug development, competition, technological progress, patents, regulatory requirements, capital requirements, currencies and interest rates. Arbutus decision to discontinue the development of OCB030 will have some financial consequences but the specific details are yet to be determined. There have been no significant changes regarding risks or uncertainty factors during the current period.

In March 2013, CicloMulsion AG commenced arbitration seeking declaratory relief with regard to royalties under a 2004 License Agreement with the Company as well as certain other claims relating to the Company's obligations under the License Agreement, including a royalty claim amounting to 700,000 RMB pertaining to a payment already received by NeuroVive Asia from Sihuan Pharma, declaratory relief pertaining to the right of the Company to terminate the License Agreement, and the provision of certain information.
On May 25, 2016, the Tribunal rendered a partial award. The expected outcome of the arbitration has been previously communicated. An award was expected to be received at this time. Under the award, three of the five claims asserted by CicloMulsion AG were finally dismissed, including the payment claim and claim for the provision of information. The Tribunal held that the Company is obliged to pay, subject to the terms of the License Agreement, future royalties to be calculated with the stipulated royalty rate of either 10% (non-immunosuppression indications) or 30% (immunosuppression indications) for six countries (United States, Germany, France, Great Britain, Italy and – depending on the product – Japan) for a period of 15 years from the first launch of a product in that country. This ruling has no financial implications for the company at this time. The Tribunal also held that in the event the Company terminates the License Agreement, the stipulated obligation to pay royalties will continue to apply. Regarding the obligation of the Company to pay royalties in other countries, the Arbitral Tribunal reserved its decision for a final award. The proceeding will be continued in this respect. There are indications that the royalty rate for such other countries – if any – may be reduced and an award in this regard is expected by the end of 2016. The final award will also include a decision on the overall costs of the arbitration proceedings, including the claims already addressed in the partial award, and could result in an obligation to compensate the other party's costs.

Under the applicable rules of arbitration, the partial award is final and binding in relation to the claims covered by the partial award. The partial award is subject to appeal by each party to the competent state court on limited grounds, including non-compliance with applicable competition law on which the Tribunal's award is partially based. The Company is currently assessing the partial award from this perspective.

For more detail of risks and uncertainty factors, refer to the Statutory Administration Report in the Annual Report 2015 and the prospectus published 14th March 2016 for the share issue in April/May 2016.

Incentive programs/share warrants
Currently there is no incentive program.

Audit review
This Interim Report has not been subject to review by the company's auditor.

Upcoming financial statements

Interim Report April-June 2015	18 August 2016
Interim Report July-September 2015	22 November 2016
Year-End Report	21 February 2017

The interim reports and the Annual Year Report are available at www.neurovive.com

Principles of preparation of the Interim Report
NeuroVive prepares its consolidated accounts in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretation statements from the IFRS Interpretations Committee, as endorsed by the EU for application within the EU. This Interim Report has been prepared in accordance with *IAS 34 Interim Financial Reporting*.

The parent company applies the Swedish Annual Accounts Act and RFR's (the Swedish Financial Reporting Board) recommendation RFR 2 Accounting for Legal Entities. Application of RFR 2 implies that, as far as possible, the parent company applies all IFRS endorsed by the EU within the limits of the Swedish Annual Accounts Act and the Swedish Pension Obligations Vesting Act, and considering the relationship between accounting and taxation.

The group and parent company have applied the same accounting principles as described in the Annual Report for 2015 on pages 54-58.

New and revised standards and interpretation statements applicable from 1 January 2016 onwards did not have any effect on the group or parent company's results of operations or financial position.

Consolidated Statement of Comprehensive Income

(SEK 000)	Note	1 Jan. 2016 31 Mar. 2016	1 Jan. 2015 31 Mar. 2015	1 Jan. 2015 31 Dec. 2015
Net sales		-	-	2 502
Other operating income		46	49	522
		46	**49**	**3 024**
Operating expenses				
Other external expenses		-7 379	-10 750	-48 514
Personnel cost		-3 269	-3 303	-15 556
Depreciation and write-down of tangible and intangible assets		-259	-150	-1 200
Other operating expenses		-77	-565	-29 220
		-10 984	**-14 767**	**-94 490**
Operating income		**-10 938**	**-14 718**	**-91 466**
Profit/loss from financial items				
Financial income		70	511	1 100
Financial costs		-48	-64	-435
		22	**447**	**665**
Profit/loss before tax		**-10 916**	**-14 271**	**-90 801**
Income tax	2	-	-	-
Profit/loss for the period		**-10 916**	**-14 271**	**-90 801**
Other comprehensive income				
Items that may be reclassified to profit or *loss*				
Translation differences on foreign subsidiaries		-264	-639	-667
Total comprehensive income for the period		**-11 180**	**-14 910**	**-91 468**
Loss for the period attributable to:				
Parent company shareholders		-10 586	-14 010	-90 119
Non-controlling interests		-330	-260	-682
		-10 916	**-14 271**	**-90 801**
Total comprehensive income for the period				
Parent company shareholders		-10 809	-13 586	-90 207
Non-controlling interests		-371	-1 323	-1 261
		-11 180	**-14 910**	**-91 468**
Earnings per share before and after dilution(SEK) based on average number of shares		-0,34	-0,50	-3,01

Consolidated Statement of Financial Position

(SEK 000)	Note	31 Mar. 2016	31 Mar. 2015	31 Dec. 2015
ASSETS				
Non-current assets				
Intangible assets	1			
Development costs		62 962	76 594	59 803
Patents		13 378	12 578	13 023
Other Intangible assets		2 031	67	2 078
		78 371	**89 239**	**74 904**
Tangible assets				
Equipment		285	482	316
		285	**482**	**316**
Financial assets				
Other long-term securities		6 810		1
Other long-term receivables		131	63	148
		6 941	**63**	**149**
Total non-current assets		**85 597**	**89 784**	**33 370**
Current assets				
Other receivables		1 629	1 163	2 368
Prepaid expenses and accrued income		3 791	957	528
Cash and cash equivalents		78 749	104 735	96 662
		84 169	106 855	**99 558**
TOTAL ASSETS		**169 766**	**196 639**	**174 927**

(SEK 000)	Note	31 Mar. 2016	31 Mar. 2015	31 Dec. 2015
EQUITY AND LIABILITIES				
Equity attributable to the shareholders of the parent company				
Share capital		1 574	1 454	1 537
Additional paid in capital		341 907	276 699	335 687
Translation reserve		-413	322	-190
Retained earnings		-206 491	-119 798	-195 906
Total equity attributable to the shareholders of the parent		**136 577**	**158 678**	**141 128**
Non-controlling interests		13 280	14 035	13 651
Total equity		**149 857**	**172 713**	**154 779**
Short-term liabilities				
Accounts payable		5 555	15 484	5 207
Other liabilities		560	1 334	601
Accrued expenses and deferred income		13 793	7 108	14 340
		19 909	**23 926**	**20 148**
Total liabilities		**19 909**	**23 926**	**20 148**
TOTAL EQUITY AND LIABILITIES		**169 766**	**196 639**	**174 927**

Consolidated Statement of Changes in Equity

Total number of shares at end of period: 31,473,685 (27,788,093).

(SEK 000)	Equity attributable to the shareholders of the parent company						
	Share capital	Additional paid in capital	Translation reserve	Retained earnings	Total equity attributable to the shareholders of the parent company	Non-controlling interests	Total equity*
Opening balance, 1 January 2016	**1 537**	**335 687**	**-190**	**-195 906**	**141 128**	**13 651**	**154 779**
Comprehensive profit/loss for the							
Profit/loss for the period	-	-	-	-10 586	-10 586	-330	-10 916
Other comprehensive income							
Translation differences	-	-	-223		-223	-41	-264
Other comprehensive profit/loss for the period, net after tax	-	-	-223	-	-223	-41	-264
Total comprehensive profit/loss	**-**	**-**	**-223**	**-10 586**	**-10 809**	**-371**	**-11 180**
Transactions with shareholders							
New share issue	37	6 220	-	-	6 257	-	6 257
Total transactions with shareholders	37	6 220	-	-	6 257	-	6 257
Closing balance, 31 March 2016	**1 574**	**341 907**	**-413**	**-206 491**	**136 577**	**13 280**	**149 857**
Opening balance, 1 January 2015	**1 389**	**207 812**	**-102**	**-105 787**	**103 312**	**4 529**	**107 841**
Comprehensive profit/loss for the period							
Profit/loss for the period	-	-	-	-14 010	-14 010	-260	-14 271
Other comprehensive income							
Translation differences	-	-	424	-	424	-1 063	-639
Other comprehensive profit/loss for the period, net after tax	-	-	424	-	424	-1 063	-639
Total comprehensive profit/loss	**-**	**-**	**424**	**-14 010**	**-13 586**	**-1 323**	**-14 910**
Transactions with shareholders							
New share issue	65	60 148	-	-	60 213	-	60 213
Change of ownership in new share issue	-	8 739	-	-	8 739	10 830	19 569
Total transactions with shareholders	65	68 887	-	-	68 952	10 830	79 782
Closing balance, 31 March 2015	**1 454**	**276 699**	**322**	**-119 797**	**158 678**	**14 035**	**172 713**
Opening balance, 1 January 2015	**1 389**	**207 812**	**-102**	**-105 787**	**103 312**	**4 529**	**107 841**
Comprehensive profit/loss for the							
Profit/loss for the period	-	-	-	-90 119	-90 119	-682	-90 801
Other comprehensive income							
Translation differences	-	-	-88	-	-88	-579	-667
Other comprehensive profit/loss for the period, net after tax	-	-	-88	-	-88	-579	-667
Total comprehensive profit/loss	**-**	**-**	**-88**	**-90 119**	**-90 207**	**-1 261**	**-91 468**
Transactions with shareholders							
New share issue	148	119 427	-	-	119 575	-	119 575
Change of ownership in new share issue	-	8 448	-	-	8 448	10 383	18 831
Total transactions with shareholders	148	127 875	-	-	128 023	10 383	138 406
Closing balance, 31 December. 2015	**1 537**	**335 687**	**-190**	**-195 906**	**141 128**	**13 651**	**154 779**

* Total equity includes funds from the in January completed non cash consideration with 6,809,000 SEK less expenses 553,000 SEK.

Consolidated Statement of Cash Flows

(SEK 000))	1 Jan. 2016 31 Mar. 2016	1 Jan. 2015 31 Mar. 2015		1 Jan. 2015 31 Dec. 2015
Cash flow from operating activities				
Operating income	-10 938	-14 718		-91 466
Adjustments for non-cash items:				
Depreciation	259	150		1 200
Currency differences on intercompany items	-3	523		153
Impaired Value				28 135
Interest received	70	511		1 100
Interest paid	-47	-64		-435
Net cash from operating activities before changes in working capital	**-10 660**	**-13 598**		**-61 313**
Changes in working capital				
Increase/decrease of other current assets	-2 710	-497		-1 255
Increase/decrease of other short-term liabilities	-1 956	-9 039		-4 652
Changes in working capital	**-4 666**	**-9 536**		**-5 907**
Cash flow from operating activities	**-15 326**	**-23 134**		**--67 220**
Investing activities				
Acquisition of intangible assets	-1 760	-240		-23 200
Acquisition of tangible assets	-13	-208		-245
Increase in other financial assets	-553	-		-
Cash flow from investing activities	**-2 326**	**-448**		**-23 445**
Financing activities				
Share issue minority	-	19 569		18 831
New share issue	-	60 213		119 575
Cash flow from financing activities	**-**	**79 782**		**138 406**
Cash flow for the period	-17 651	56 200		47 741
Cash and cash equivalents at the beginning of the	96 662	49 698		49 698
Effect of exchange rate changes on cash	-262	-1 163		-777
Cash and cash equivalents at end of period	**78 749**	**104 735**		**96 662**

Parent Company Income Statement

(SEK 000)	Note	1 Jan. 2016 31 Mar. 2016	1 Jan. 2015 31 Mar. 2015		1 Jan. 2015 31 Dec. 2015
Net sales		0			327
Other operating income		46	49		509
		46	**49**		**836**
Operating expenses			-9 877		
Other external expenses		-6 896	-2 829		-45 774
Personnel cost		-2 639	-136		-13 376
Depreciation and write-down of tangible and intangible assets		-231	-465		-1 106
Other operating expenses		-77	**-13 307**		-29 221
		-9 843			**-89 477**
			-13 258		
Operating income		**-9 797**	-		**-88 641**
Profit/loss from financial items					
Interest income and other similar profit items		49	331		654
Interest expenses and other similar loss items		-16	-53		-152
		33	**278**		**502**
Profit/loss before tax		**-9 764**	**-12 980**		**-88 139**
Income tax	2	-	-		-
Profit/loss for the period		**-9 764**	**-12 980**		**-88 139**

Statement of Comprehensive Income, Parent Company

(SEK 000)	Note	1 Jan. 2016 31 Mar. 2016	1 Jan. 2015 31 Mar. 2015		1 Jan. 2015 31 Dec. 2015
Profit/loss for the period		-9 764	-12 980		-88 139
Other comprehensive income		-	-		-
Total comprehensive profit/loss for the period		**-9 764**	**-12 980**		**-88 139**

Parent Company Balance Sheet

(SEK 000)	Note	31 Mar. 2016	31 Mar. 2015	31 Dec. 2015
ASSETS				
Non-current assets				
Intangible assets	1			
Development costs		62 727	76 359	59 568
Patents		13 378	12 578	13 023
Other intangible assets		1 983	67	2 023
		78 088	**89 004**	**74 614**
Tangible assets				
Equipment		211	354	232
		211	**354**	**232**
Financial assets				
Other long-term placement		6 810	**1**	**1**
Shares in subsidiaries		41 750	41 741	41 750
		48 560	**41 742**	**41 751**
Total non-current assets		**126 859**	**131 100**	**116 597**
Current assets				
Short term receivables				
Receivables from group companies		11	2 169	334
Other receivables		1 618	1 155	1 323
Prepaid expenses and accrued income		3 751	957	492
		5 380	**4 281**	**2 149**
Cash and bank balances		58 963	78 402	75 936
Total current assets		**64 343**	**82 683**	**78 085**
TOTAL ASSETS		**191 201**	**213 783**	**194 682**

(SEK 000)	Note	31 Mar. 2016	31 Mar. 2015	31 Dec. 2015
EQUITY AND LIABILITIES				
Equity				
Restricted equity				
Share capital		1 574	1 454	1 537
Statutory reserve		1 856	1 856	1 856
Development expenditure reserve		3 159	-	-
		6 589	**3 310**	**3 393**
Unrestricted equity				
Share premium reserve		125 646	136 441	195 720
Retained earnings		49 772	64 777	64 777
Profit/loss for the period		-9 764	-12 980	-88 139
		165 655	**188 239**	**172 358**
Total equity		**172 244**	**191 549**	**175 751**
Short-term liabilities				
Accounts payable		4 607	14 700	4 192
Liabilities to group companies		-	6	-
Other liabilities		557	419	398
Accrued expenses and deferred income		13 794	7 109	14 341
		18 958	**22 234**	**18 931**
TOTAL EQUITY AND LIABILITIES		**191 201**	**213 783**	**194 682**

Note 1 — Intangible assets

(SEK 000))	Development costs	Patents*	Other	Total
ACCUMULATED COST				
Opening balance 1 Jan. 2016	**59 803**	**18 193**	**2 899**	**80 995**
Additions	3 159	684	-	3 843
Closing balance 31 Mar. 2016	**62 962**	**18 877**	**2 899**	**84 738**
ACCUMULATED DEPRECIATION				
Opening balance 1 Jan. 2016	**-**	**-5 170**	**-821**	**-5 991**
Depreciation for the period	-	-329	-47	-376-
Closing balance 31 Mar 2016	**-**	**-5 499**	**-868**	**-6 367**
Residual value 31 Mar. 2016	**62 962**	**13 378**	**2 031**	**78 371**

(SEK 000)	Development costs	Patents*	Other	Total
ACCUMULATED COST				
Opening balance 1 Jan. 2016	**68 368**	**15 111**	**400**	**83 879**
Additions	19 570	5 502	79	25 151
Impaired Value	-28 135	-	-	-28 135
Reclassification	-	-2 420	2 420	-
Closing balance 31 Dec. 2015	**59 803**	**18 193**	**2 899**	**80 995**
ACCUMULATED DEPRECIATION				
Opening balance 1 Jan. 2015	**-**	**-1 395**	**-31**	**-4 278**
Depreciation for the period	-	-1 205	-508	-1 713
Closing balance 31 Dec. 2015	**-**	**-5 170**	**-821**	**-5 991**
Residual value 31 Dec. 2015	**59 803**	**13 023**	**2 078**	**74 904**

***** Amortization of patents is recognized as a portion of historical cost of capitalized expenditure from product development because patents are used in development work.

Of total capitalized expenditure for product development, 69% is for NeuroSTAT, 30 % is for CicloMulsion, 1 % is for NVP014.

Note 2 — Tax

The group's total loss carry-forwards amount to SEK 231,868,000 as of 31 March 2016 (144,725,000). The parent company's total loss carry-forwards amount to SEK 191,277,000 as of 31 March 2016 (105,511,000). Because the company is loss making, management cannot judge when deductible loss carry-forwards will be utilized.

Note 3 — Shares and participations in group companies

These shares are the holding of 71.37% in the subsidiary NeuroVive Pharmaceutical Asia Inc., domiciled in Taiwan. NeuroVive Pharmaceutical Asia Inc. has two fully owned subsidiaries - NeuroVive Pharmaceutical Asia Ltd. domiciled in Hong Kong and NeuroVive Pharmaceutical Taiwan, Inc. domiciled in Taiwan. The Group also operates a wholly owned dormant subsidiary in France, NeuroVive Pharmaceutical SARL.

This Interim Report gives a true and fair view of the parent company and group's operations, financial position and results of operations, and states the significant risks and uncertainty factors facing the parent company and group companies.

Greg Batcheller
Chairman of the Board

Arne Ferstad
Board member

Boel Flodgren
Board member

Marcus Keep
Board member

Helena Levander
Board member

Anna Malm Bernsten
Board member

David Laskow-Pooley
Board member

Erik Kinnman
Chief Executive Officer

Lund, Sweden, May 31, 2016

This Interim Report is published in Swedish and English. In the event of any difference between the English version and the Swedish original, the Swedish version shall prevail.

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