Financial Statements

(Translation)

Nabriva Therapeutics AG,
Vienna

Financial Statements as of December 31, 2015,
Management Report and Auditor's Report

We draw attention to the fact that the English translation of these financial statements, this management report and this auditor's report is presented for the convenience of the reader only and that the German wording is the only legally binding version.

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Balance sheet as of December 31, 2015

(Translation)

Assets

	EUR	EUR	EUR	Previous Year EUR '000
A. FIXED ASSETS				
I. Intangible Assets				
Software		2,116.55		9
II. Tangible Assets				
1. Investments in third-party property	3,467.27			2
2. Plant and machinery	195,348.24			149
3. Other equipment, office equipment and furniture	105,024.75	303,840.26		85
III. Financial Assets				
1. Treasury stock	18,943.68			19
2. Shares in affiliated undertakings	1,023,128.51	1,042,072.19		159
			1,348,029.00	423
B. CURRENT ASSETS				
I. Receivables				
1. Receivables due from affiliated companies	34,119.39			4
2. Others	4,142,271.28	4,176,390.67		1,718
II. Marketable securities				
Other investments		27,478,003.08		
III. Cash and cash equivalents		73,940,526.44		1,695
			105,594,920.19	3,417
C. PREPAID EXPENSES AND DEFERRED CHARGES			416,851.30	1,086
			107,359,800.49	4,926

Liabilities and stockholder's equity

	EUR	EUR	EUR	Previous Year EUR '000
A. EQUITY				
I. Share capital		2,119,597.00		328
II. Appropriated capital reserves		180,530,591.11		12,451
III. Unappropriated capital reserves		50,434,284.86		50,434
IV. Capital reserves for treasury stock		18,943.68		19
V. Stock option reserve		5,139,897.33		4,015
VI. Accumulated deficit				
1. Net loss carried forward	-97,700,102.82			-78,541
2. Loss for the year	-40,654,741.40	-138,354,844.22		-19,159
			99,888,469.76	-30,453
B. PROVISIONS				
1. Provisions for taxes		0.00		827
2. Other provisions		4,944,591.38		5,535
			4,944,591.38	6,362
C. SILENT PARTNERSHIP			0.00	475
D. LIABILITIES				
1. Convertible loan		0.00		16,657
2. Trade payables		2,450,860.28		250
3. Liabilities payable to affiliated companies		0.00		152
4. Other liabilities				
a) thereof tax	7,596.32			7
b) thereof social security	60,633.45			58
c) Others	1,021.92	69,251.69		11,412
			2,520,111.97	28,536
E. DEFERRED INCOME			6,627.38	6
			107,359,800.49	4,926

Income statement for the fiscal year from January 1, 2015 to December 31, 2015
(Translation)

	EUR	EUR	Previous Year EUR '000
1. Other operating income			
a) Income from disposal of fixed assets	0.00		2
b) Income from release of provisions	524,131.56		11
c) Grants	95,744.64		355
d) Others	6,263,292.86		1,158
		6,883,169.06	1,526
2. Expenses for material and purchased services			
a) Expenses for material	-306,778.42		-322
b) Expenses for purchased services	-13,064,376.90		-1,017
		-13,371,155.32	-1,339
3. Personnel costs			
a) Salaries	-3,398,511.99		-3,447
b) Contributions to state severance payments funds	-51,824.38		-49
c) Salaries and wages related contributions and taxes	-136,246.48		-1,474
d) Other expenses for employees	-316,380.62		-2,982
		-3,902,963.47	-7,952
4. Amortization/depreciation on intangible and tangible fixed assets		-146,430.48	-137
5. Other operating expenses			
a) Taxes not from income	-1,784,645.53		-17
b) Other	-29,684,822.59		-8,221
		-31,469,468.12	-8,238
6. Operating loss/profit (subtotal of lines 1 to 5)		**-42,006,848.33**	**-16,140**
7. Other interest and similar income	4,599,371.63		2
8. Expenses of financial assets and investments classified as current assets	-105,326.27		0
9. Interest and similar expenses	-3,138,743.43		-2,963
10. Financial result (subtotal of lines 7 to 9)		**1,355,301.93**	**-2,961**
11. Result from ordinary activities		**-40,651,546.40**	**-19,101**
12. Taxes on income		-3,195.00	-58
13. Net loss for the year		**-40,654,741.40**	**-19,159**
14. Loss for the year		**-40,654,741.40**	**-19,159**
15. Net loss carried forward		-97,700,102.82	-78,541
16. Accumulated deficit		**-138,354,844.22**	**-97,700**

NOTES TO THE FINANCIAL STATEMENTS

according to Sec. 236

Austrian Commercial Code (UGB)

(Translation)

(amounts in EUR)

A. GENERAL NOTES TO THE ACCOUNTING AND VALUATION PRINCIPLES

1. The figures of the annual financial statements as of December 31, 2015 are in conformity with the relevant provisions of the Austrian Commercial Code as amended.

2. The financial statements have been prepared in accordance with generally accepted accounting principles and the general requirement to provide a true and fair view of the assets and of the financial situation and earnings of the Company.

3. Accounting, valuation and statement of the individual items of the financial statements are in conformity with the general provisions of Sections 195 to 211 of the Austrian Commercial Code and the special regulations for incorporated companies, especially concerning the principles of continuity in valuation, individual valuation, prudence and imparity (Section 201 of the Austrian Commercial Code).

4. The financial statements follow the principle of going concern. The antibiotics being developed by the Company have not yet reached the marketing stage. As of December 31, 2015 the financial statements show a loss for the year of EUR 40,654,741.40 (previous year: EUR 19,159,474.85), an accumulated deficit of EUR 138,354,844.22 (previous year: EUR 97,700,102.82) as well as an equity in the amount of EUR 99,888,469.76 (previous year: negative equity in the amount of EUR 30,453,616.98). Revenues from research funding have not been sufficient to cover the expenses for research and development.

In April 2015 the Company closed an equity financing (the “April 2015 financing”), including the sale of shares in two tranches. In April 2015, Nabriva closed the sale of the first tranche of 730,162 shares, including the sale of 511,188 shares at a price per share of EUR 82.35 for EUR 42,096,331.80 in cash consideration and the sale of 218,974 shares in exchange for the conversion of outstanding convertible loans and silent partnerships investments. The Company also agreed to sell a second tranche of shares to these investors at the investors’ option for an aggregate purchase price of USD 70 million if the Company had not completed a public offering in the United States within specified parameters or by a specified date.

In connection with this April 2015 financing all existing convertible loan agreements and silent partnership interests were converted into common shares with contractual preference rights under the Shareholders’ Agreement 2015. Moreover, the lenders under all existing convertible loan agreements (CLAs) as well as all silent partners irrevocably waived their claims for payment of interest accrued on the loan amounts and silent partnership investment. Also the lenders under the first and second CLA irrevocably waived and acknowledged the termination of their call option rights granted under the CLAs. The April 2015 financing resulted in a total increase of share capital in the amount of EUR 730,162.00 and a total increase of appropriated capital reserves in the amount of EUR 73,221,924.80. Upon the closing of the initial public offering (see below) and the issuance of 17,149 shares against payment of the nominal amount of € 1.00 per share in satisfaction of certain contractual preference rights, the Shareholders’ Agreement 2015 and all contractual preference rights provided therein terminated.

In September 2015 the Company announced the closing of its initial public offering (IPO) of 9,000,000 American Depositary Shares (ADSs) on NASDAQ/USA. Each ADS represents one tenth (1/10) of a common share. In the course of an over-allotment option further 1,350,000 ADSs were sold in September 2015. The total number of ADSs sold by the Company in its initial public offering therefore amount to 10,350,000 ADSs, representing 1,035,000 of the Company’s common shares. The shares were sold at the initial public offering price of $10.25 per ADS, resulting in a total increase of share capital in the amount of EUR 1,035,000.00 and a total increase of appropriated capital reserves in the amount of EUR 93,449,770.21.

Until such time, if ever, as the Company can generate substantial product revenues, the Company expects to finance its cash needs through a combination of equity offerings, debt financings, collaborations, and funding from local and international government entities and non-government organizations and marketing, distribution or licensing arrangements.

5. In 2014, the Company changed the calculation method used in the valuation of certain financial instruments. The valuation was geared to a determination of the fair value of equity using a discounted cash flow method, which served as the basis for estimating the fair values of the financial instruments (conversion rights, stock options, call options related to the convertible loans as well as related to the loan from Kreos Capital IV (UK) Limited) using the option pricing method. This method specifically also takes into account differences in value allocation (in relation to the overall company value) with regard to classes of shares showing different rights as set forth in a shareholders' agreement. The option pricing method uses the Black-Scholes option-pricing model to price the various instruments.

   The valuation was performed by the Company with the assistance of an independent valuation expert for various dates in the past, which deemed to be relevant either because a significant number of options under the SOP 2007 was granted on that date, or other financial instruments measured at fair value were issued on that date, or because the fair value of certain financial instruments had to be determined for year-end reporting, including the balance sheet date December 31, 2014.

   The valuation of these instruments has been adapted with retrospective effect in the fiscal year 2014, and the resulting expenses have therefore been accounted for in 2014 and are shown as aperiodical expenses within the respective line items of the income statement. Accordingly, the following aperiodical expenses result in the fiscal year 2014:

Item	2014 EUR	thereof aperiodical EUR
Personnel costs	7,952,133.95	3,463,667.59
Other operating expenses - other	8,221,468.82	4,385,198.65
Interest and similar expenses	2,962,880.52	66,428.00
	19,136,483.29	7,915,294.24

   In 2015 no such adaptions were necessary.

B. NOTES TO THE BALANCE SHEET AND THE INCOME STATEMENT

1. Fixed assets

1.1 The development of fixed assets and the annual depreciation/amortization by item are presented in the enclosure to the notes.

1.2. Intangible fixed assets and tangible fixed assets are valued at cost less scheduled depreciation/amortization accumulated in the fiscal year and in previous fiscal years in accordance with Section 204 (1) Austrian Commercial Code.

1.3. Financial assets are valued at acquisition cost or at the lower fair market value.

1.4. Low-value items with purchase prices less than EUR 400.00 each are fully written off in the year of acquisition according to Section 13 Austrian Tax Code (EStG) and are shown as additions and disposals in the fixed asset movement schedule.

1.5. The useful lives for the individual groups of assets are as follows:

1. Software	3 - 10 years
2. Investments in third-party property	10 years
3. Plant and machinery	4 - 10 years
4. Other equipment, office equipment and furniture	4 - 10 years

1.6. Extraordinary depreciation is realized if the value of the tangible assets on the balance sheet date is expected to be permanently lower than the book value. As in previous years, no such extraordinary depreciation was necessary in 2015.

1.7. Information according to Section 238 No. 1 Austrian Commercial Code

Nabriva Therapeutics US, Inc., King of Prussia (USA)
Share: 100%
Equity as of December 31, 2015: EUR 465,081.88
Net income for the year ended December 31, 2015: EUR 606,005.13

Nabriva Therapeutics US, Inc. ("Nabriva US") was established on August 22, 2014 and began operations on August 28, 2014. Effective as of August 28, 2014, the Company and its 100% owned subsidiary Nabriva US entered into a Service Agreement, pursuant to which Nabriva US provides to the Company certain services at arm's length. There is no profit transfer or loss compensation agreement between these two entities.

2. Current assets

2.1. Current asset items are presented at cost in accordance with Section 206 (1) Austrian Commercial Code.

2.2. In the valuation of receivables, identifiable and general risks were accounted for by individual write-downs (individual valuation). In 2015 – as in the prior year – there was no such necessity.

2.3. Receivables due from affiliated companies in the amount of EUR 34,119.39 (previous year: EUR 3,967.29) are completely related to other receivables.

2.4. As in the prior year, all receivables – except for deposits reported under "other receivables" – are due within one year.

2.5. Other receivables can be broken down by their maturity:

Other receivables	Total EUR	Remaining maturity < 1 year EUR	Remaining maturity > 1 year EUR
from tax office	3,653,095.65	3,653,095.65	0.00
(p. y. in EUR '000	*1,220*	*1,220*	*0)*
from deposits	288,735.00	0.00	288,735.00
(p. y. in EUR '000	*296*	*0*	*296)*
from foreign tax office	740.99	740.99	0.00
(p. y. in EUR '000	*1*	*1*	*0)*
from grants	0.00	0.00	0.00
(p. y. in EUR '000	*173*	*173*	*0)*
other amounts	199,699.64	199,699.64	0.00
(p. y. in EUR '000	*29*	*29*	*0)*
Total	**4,142,271.28**	**3,853,536.28**	**288,735.00**
(p. y. in EUR '000	***1,718***	***1,422***	***296)***

2.6. The item "other receivables" includes income in the amount of EUR 3,239,813.07 (previous year: EUR 1,221,045.74) that will affect cash flow only after December 31, 2015.

2.7. Marketable securities reported under current assets are valued according to the strict lower of cost or market principle.

2.8. As of the balance sheet date, no receivables were secured by bills of exchange.

3. Equity

3.1. The share capital amounts to EUR 2,119,597.00 (previous year: EUR 327,522.00) and is divided into 2,119,597 no-par-value shares (previous year: 327,522).

3.2. Appropriated capital reserves

The development of appropriated capital reserves is as follows in the fiscal year:

Balance 01/01/2015 EUR	Reclassification EUR	Allocation EUR	Balance 12/31/2015 EUR
12,450,615.60	0.00	168,079,975.51	180,530,591.11

The increase in share capital and appropriated capital reserves results from the April 2015 financing, the Company's IPO in September 2015 (see A.4 of the Notes), the exercise of call options by Kreos Capital IV (UK) Ltd (see C.1. on derivative financial instruments), the

issuance of shares in satisfaction of certain contractual preference rights under the Shareholders Agreement 2015 (see A.4) as well as the exercise of options under the stock option plan 2007 (see C.3).

3.3. Unappropriated capital reserves

The development of unappropriated capital reserves is as follows in the fiscal year:

Balance 01/01/2015 EUR	Reclassification EUR	Allocation EUR	Balance 12/31/2015 EUR
50,434,284.86	0.00	0.00	50,434,284.86

3.4. Capital reserves for treasury stock

The development of capital reserves for treasury stock is as follows in the fiscal year:

Balance 01/01/2015 EUR	Reclassification EUR	Allocation EUR	Balance 12/31/2015 EUR
18,943.68	0.00	0.00	18,943.68

3.5. Stock option reserve

The stock option reserve shows the value of share-based compensation (stock options). The development is as follows:

Balance 01/01/2015 EUR	Release EUR	Allocation EUR	Balance 12/31/2015 EUR
4,015,119.70	0.00	1,124,777.63	5,139,897.33

3.6. The Company holds 2,819 treasury stock as of December 31, 2015. Their book value amounts to EUR 18,943.68, which is also shown in a separate capital reserve for treasury stock accordingly. The treasury stock developed as follows in the fiscal year:

	Number of shares	Book value EUR
Balance 01/01/2015	2,819	18,943.68
Additions	0	0.00
Disposals	0	0.00
Balance 12/31/2015	2,819	18,943.68

3.7. As of December 31, 2015 the authorized capital amounts to EUR 384,735.00 (previous year: EUR 3,281.00) and serves up to EUR 93.842,00 for the satisfaction of option rights under the Stock Option Plan 2015 and up to EUR 290,983.00 for the issuance of shares against cash or contribution in-kind. The authorized capital thus comprises of up to 384,735 (previous year: 3,281) no-par-value shares.

3.8. As of December 31, 2015 the conditional capital amounts to EUR 105,111.00 (previous year: EUR 28,311.00) for the satisfaction of option rights under the Stock Option Plan 2007 and the Stock Option Plan 2015 and up to EUR 423,074.00 (previous year: EUR 125,000.00) for the issuance of shares to holders of convertible bonds which may be approved in future general meetings. The conditional capital therefore comprises of up to 528,185 (previous year: 153,311) no-par-value shares.

4. Provisions

4.1. Other provisions were recorded according to Sec. 211 (1) Austrian Commercial Code and comprise the following:

	12/31/2015 EUR	12/31/2014 EUR
CRO contracts	3,057,461.25	243,307.00
Employee bonuses	557,621.70	769,559.30
Incidental wage costs (stock options)	352,966.70	842,386.74
Anniversary bonuses	123,003.89	116,245.05
Provisions for anticipated losses	0.00	2,676,779.59
Other	853,537.84	887,048.47
Total	4,944,591.38	5,535,326.15

4.2. The provisions for anniversary bonuses (EUR 123,003.89; previous year: EUR 116,245.05) were calculated according to simplified actuarial methods (assumed rate of interest 2.0%; previous year: 2.5%), assuming retirement at the age of 61.5-65 (men) and 56.5-65 (women) years.

4.3. As of December 31, 2014 the provisions for anticipated losses consisted of losses resulting from the valuation of call options and conversion rights (see section C.1. regarding derivative instruments) in an amount that is higher than the initially recognized option premium (shown under other liabilities). Due to the exercise of call options by Kreos Capital IV (UK) Ltd (see section C.1. regarding derivative instruments), the conversion of the CLAs as well

as the termination of call option rights granted under the CLAs in the course of the April 2015 financing (see section A.4) the provision amounts to EUR 0,00 as of December 31, 2015.

5. Silent partnership

By merger agreement dated June 26, 2014 and January 20, 2015, the Company established atypical silent partnerships against contributions of EUR 475,000.00 and EUR 1,000,000.00 respectively, according to which the atypical silent partners shared in the Company's assets, including hidden reserves arisen since the commencement of the contract and in profit and loss according to the agreed participation rate.

In the course of the April 2015 financing the atypical silent partnerships were contributed to Nabriva Therapeutics AG by increasing the share capital against contribution in kind in the amount of EUR 15,224.00. The contributions were carried at book values based on Sec. 202 (2) Austrian Commercial Code, which resulted in an increase in appropriated capital reserves in the amount of EUR 1,459,776.00.

6. Liabilities

6.1. Liabilities are shown at their repayment value considering the principle of prudence.

6.2. The liabilities pursuant to Sec. 225 (6) and Sec. 237 No 1 Austrian Commercial Code break down as follows:

		Residual term	
Liabilities	**Total EUR**	**< 1 year EUR**	**1 to 5 years EUR**
Convertible loan	0.00	0.00	0.00
(p. y. in EUR '000	*16,657*	*16,657*	*0)*
Trade payables	2,450,860.28	2,450,860.28	0.00
(p. y. in EUR '000	*250*	*250*	*0*)
Liabilities to affiliated companies	0.00	0.00	0.00
(p. y. in EUR '000	*152*	*152*	*0*
Other liabilities	69,251.69	69,251.69	0.00
(p. y. in EUR '000	*11,477*	*7,026*	*4,451)*
Total	2,520,111.97	2,520,111.97	0.00
(p. y. in EUR '000	*28,536*	*24,085*	*4,451)*

6.3. As of December 31, 2014, other liabilities mainly consisted of the option premium from the issuance of the call option as well as the conversion right associated with the issuance of the convertible loans (see C.1. on derivative financial instruments) in the total amount of EUR 4,885 thousand, a loan from Kreos Capital IV (UK) Limited, London, Great Britain, taken out in the fiscal year 2014 in the amount of EUR 4,835 thousand, as well as a loan from the Österreichische Forschungsförderungsgesellschaft mbH, Vienna in the amount of EUR 1,685 thousand. The loans from Kreos Capital IV (UK) Limited, London, and the Österreichische Forschungsförderungsgesellschaft mbH, Vienna were entirely repaid in 2015. Regarding the exercise of the conversion rights and the termination of call options related to the CLAs please refer to section C.1 on derivative financial instruments.

6.4. The item "other liabilities" includes expenses in the amount of EUR 69,251.69 (previous year: EUR 66,687.83) that will affect cash flow only after December 31, 2015.

6.5. Liabilities to affiliated companies shown in the amount of EUR 152,364.34 as of December 31, 2014 are trade payables.

6.6. In 2014 there were collateral securities according to Section 237 No. 1 lit. c Austrian Commercial Code for the loan from Kreos Capital IV (UK) Limited in the form of a pledge on all fixed assets exceeding a value of EUR 1,000.00 as well as on all bank accounts. In 2015 there were no collateral securities according to Section 237 No. 1 lit. c Austrian Commercial Code.

6.7. Convertible loan

6.7.1. Effective as of July 27, 2011, the Company entered into a convertible loan agreement (CLA) in the nominal amount of in total EUR 7,999,721.43, made available to the Company in two tranches of EUR 4,999,968.75 and EUR 2,999,752.68, respectively. The first tranche was drawn down in August 2011, the second tranche was drawn down in December 2011.

6.7.2. Effective as of March 16, 2012, the Company entered into a second convertible loan agreement with a nominal amount of EUR 632,910.33.

6.7.3. Effective as of November 25, 2013, the Company entered into a third convertible loan agreement with a nominal amount of in total EUR 3,050,000.00. The first tranche in the amount of EUR 1,500,000.00 was drawn down in December 2013, the second tranche in the amount of EUR 1,550,000.00 was drawn down in February 2014.

6.7.4. Effective as of July 4, 2014, the Company entered into a fourth convertible loan agreement with a nominal amount of EUR 2,000,000.00, which was drawn down in July 2014.

6.7.5. Effective as of January 8, 2015, the Company entered into a fifth convertible loan agreement with a nominal amount of EUR 3,096,000.00, which was drawn down in January 2015.

6.7.6. The lenders had the right to convert their entire claim for repayment into preferred shares in Nabriva Therapeutics AG until the redemption date. Otherwise, the convertible loan as a whole, including accrued interest, had to be repaid. The repayment date for all CLAs was set to December31, 2015 when the fifth convertible loan was issued.

6.7.7. In addition, the lenders of the first and second convertible loan agreement were granted options to acquire shares in the Company reflecting 20% of their participation in the loan. At initial recognition the fair value of these call options (embedded derivatives and conversion right) was separated from the main contract and shown under other liabilities. Please refer to section C.1. for further details.

6.7.8. Further, the conversion right from the convertible loan agreements represented an embedded derivative, which was separated from the host contract and shown under other liabilities.

6.7.9. The resulting difference between the repayment value and fair value of the convertible loans (after separation of the options and the conversion rights) was shown under “prepaid expenses and deferred charges” in the balance sheet and released on a straight-line basis over its (original) term.

6.7.10. In the course of the April 2015 financing, described in section A.4., all convertible loan amounts were converted into equity and all other rights and claims under the convertible loan agreements were waived in 2015. The conversion of the convertible loans resulted in an increase of share capital in the amount of EUR 203,750.00 and an increase in appropriated capital reserves in the amount of EUR 30,177,005.00.

7. Foreign currency transactions

Foreign currency liabilities are shown at the exchange rate valid as of December 31, 2015 or at the higher rate prevailing on the date of the original transaction. Receivables in foreign currencies are valued at the exchange rate as of December 31, 2015 or at the lower rate prevailing on the date of the original transaction.

8. Income statement

8.1. The Company operates in the field of research and development. There were no sales revenues in the year ended December 31, 2015.

8.2. The item "Other operating income, others" mainly includes the research premium 2015 as well as other research grants and subsidies.

8.3. Other operating expenses in the amount of EUR 31,469,468.12 (previous year: EUR 8,238,068.40) break down as follows:

	2015 EUR	2014 EUR
Transaction costs IPO	11,052,113.29	0.00
Allocation to provision for anticipated losses	8,075,044.69	2,676,779.59
External consultancy expenses	5,439,852.64	1,139,648.44
Taxes other than taxes on income	1,784,645.53	16,599.58
Infrastructure expenses	1,475,032.82	1,440,524.32
Tax consulting, payroll accounting, accounting and auditing expenses	632,007.63	335,281.94
Transaction costs April 2015 financing	609,542.63	0.00
Legal counselling	553,558.93	261,689.55
Intellectual property and trademark related expenses	380,056.42	513,501.42
Share options	80,062.29	997,886.84
Other expenses	1,387,551.25	856,156.72
Total	31,469,468.12	8,238,068.40

The significant increase compared to the previous year mainly results from transaction costs in the course of the IPO and the April 2015 financing as well as from the allocation to the provision for anticipated losses due to the valuation of conversion rights (see section C.1 on derivative financial instruments) before conversion into equity.

8.4. In 2015, the expenses for the auditor pursuant to Section 237 No. 14 Austrian Commercial Code amount to EUR 2,005,795.73 (previous year: EUR 133,638.80) and include the following:

	2015 EUR	2014 EUR
Audit of the financial statements	220,000.00	103,000.00
Other services	1,785,795.73	30,638.80
Total	2,005,795.73	133,638.80

9. Other financial obligations

The total amount of obligations resulting from the use of fixed assets not shown in the balance sheet within the meaning of Section 237 No. 8 lit. b Austrian Commercial Code is EUR 914,210.00 (previous year: EUR 914,210.00) for the next fiscal year. The total amount of the obligations for the following five years is EUR 1,828,420.00 (previous year: EUR 4,571,050.00).

10. Taxes on income

The amount reported under taxes on income breaks down as follows:

	2015 EUR	2014 EUR
Corporate income tax – prepayment	3,500.00	3,500.00
Corporate income tax from previous years	-305.00	55,000.00
Total	3,195.00	58,500.00

The amount shown in 2014 under corporate income tax from previous years resulted of EUR 55,000.00 from the establishment of the atypical silent partnership with retroactive effect for income tax purposes.

Deferred taxes are not considered due to lack of materiality.

C. SUPPLEMENTARY NOTES

1. Derivative Financial Instruments

1.1. In 2011 and 2012, the Company entered into convertible loan agreements (CLAs). In connection with these agreements the lenders received additional call options to acquire common shares with contractual preference rights in Nabriva Therapeutics AG. The lenders were entitled to exercise these call options at any time between the disbursement date of the individual loans and the fifth anniversary of the respective CLA and to acquire shares in the Company at a predetermined price. As described in section A.4, the lenders under the CLAs irrevocably waived and acknowledged the termination of their call option rights in the course of the April 2015 financing. Accordingly, the respective amounts shown under other liabilities and other provisions were released through profit and loss in 2015.

1.2. The convertible loans also implied a right to convert the entire claim resulting from the loan into shares of the company. This conversion right represented an embedded derivative, which had been separated from the host contract and accounted for separately. As the conversion right was not taken into accounts in prior years, resulting expenses were accounted for in 2014 (see section A.5.). In 2015 the convertible loans were converted into equity of the Company; accordingly the conversion right was also reclassified into appropriated capital reserves.

1.3. Further, the Company entered into an option agreement in 2014 with Kreos Capital IV (Expert Fund) Ltd., which entitled Kreos Capital IV (Expert Fund) Ltd. to buy shares in Nabriva Therapeutics AG at a predetermined price. The options could be exercised at any time between the draw down date of the related loan and the tenth anniversary of the option agreement. The option agreement was entered into in connection with the loan granted by Kreos Capital IV (UK) Limited in 2014. All call options issued to Kreos Capital IV (UK) Ltd. were exercised in 2015, resulting in an increase of share capital in the amount of EUR 9,107.00 and an increase in appropriated capital reserves in the amount of EUR 1,295,066.60.

1.4. Before exercise and termination, respectively, the options and conversion rights were valued at their fair value as of the balance sheet date. The fair values represented the estimated amounts the Company would have had to pay in case the options and conversion rights had been exercised as of the balance sheet date (fictitious closing of transaction). The fair values were calculated using an option pricing model. At initial recognition the fair value determined is separated from the main contract and shown under other liabilities (option premium). In case the fair value of the options and conversion rights is higher than the respective premium (shown under other liabilities) in the course of subsequent measurement, a provision for anticipated losses is made.

1.5. As of the balance sheet date, the fair values of the options and the conversion rights are as follows:

2015 Category/Instrument	Fair value EUR	Book value EUR
Conversion right	0.00	0.00
Options		
reg. Kreos loan	0.00	0.00
reg. convertible loan	0.00	0.00

2014 Category/Instrument	Fair value EUR	Book value EUR
Conversion right	-4,923,928.80	-4,923,928.80
Options		
reg. Kreos loan	-821,123.80	-821,123.80
reg. convertible loan	-1,816,778.80	-1,816,778.80

As of December 31, 2014 the book value of the derivative financial instruments totaling EUR 7,562 thousand was shown under other liabilities in the amount of EUR 4,885 thousand and under other provisions in the amount of EUR 2,677 thousand.

2. An average of 34 employees (previous year: 35) have been employed with the Company in the fiscal year 2015.

3. Stock Option Plan 2007

3.1. On 12 September 2007, the Company's management and supervisory board resolved to implement a stock option plan (stock option plan 2007) for all employees (including members of the Management Board) with open-ended contracts of employment with the Company and for selected members of the supervisory board of the Company and further participants. The stock option plan became effective on 28 September 2007 and the shareholders of the Company resolved to amend the SOP 2007 on September 17, 2009, May 7, 2010 and June 30, 2015. The aggregate and overall number of options to be granted does not exceed 29,889. The period in which granted options are vested (vesting period) is four years; after one year of the vesting period following the date of participation, 25% of the options are vested; after the second year of the vesting period following the date of participation, further 25% of the options are vested. During the third and fourth year of the vesting

period following the date of participation, the remaining 50% of the options are vested on a pro rata basis (2.083 % per month). Since the closing of the initial public offering of the Company on September 23, 2015 the beneficiaries are entitled to exercise their vested options until the end of the exercise period on September 27, 2017. The exercise price was determined by an independent certified public accountant using the discounted cash flow method and amounts to EUR 6.72.

3.2. The development of the share options in the fiscal year 2015 is presented below:

	2015	
Stock Option Plan 2007	**Number of options**	**Average exercise price in EUR per share**
Outstanding as of January 1, 2015	24,133	6.72
Granted	0	6.72
Forfeited	0	6.72
Exercised	-657	6.72
Outstanding as of December 31, 2015	**23,476**	**6.72**

3.3. Thereof allocated to:

Stock Option Plan 2007	**Number of Options**	
Management board members		
Schmid	1,153	
Broom	0	1,153
Executive employees		2,130
Employees		3,156
Supervisory board members		
Chiswell	3,765	
Talbot	1,370	5,135
Others (consultants, former employees & management board members)		11,902
Outstanding as of December 31, 2015		**23,476**

The value of options exercised during the year at the time of exercise amounted to EUR 48,066.12 and results from exercises by others (external consultants) only.

3.4. The fair value of the share options at the grant date was determined using an option pricing model (see section A.5.). The estimated fair market value of options outstanding under the Stock Option Plan 2007 amounts to EUR 1,916 thousand as of December 31, 2015.

4. Stock Option Plan 2015

4.1. On April 2, 2015 the Company's shareholders, management board and supervisory board resolved to implement a further stock option plan for employees (including members of the management board) and for members of the supervisory board of the Company. The stock option plan became effective on July 3, 2015. The Stock Option Plan 2015 (SOP 2015) initially provided for the grant of options for up to 95,000 common shares of the Company. Effective as of the closing of the initial public offering of the Company, the overall number of options increased to 177,499 shares. The period in which granted options are vested (vesting period) is four years; after one year of the vesting period following the date of participation, 25% of the options are vested; during the second, third and fourth year of the vesting period following the date of participation, the remaining 75% of the options are vested on a pro rata basis (2.083 % per month). Since the closing of the initial public offering of the Company on September 23, 2015 the beneficiaries are entitled to exercise their vested options until the 10th anniversary of the date of their participation. The exercise price per option equals the fair market value per share on the date of participation.

4.2. The development of the share options in the fiscal year 2015 is presented below:

	2015	
Stock Option Plan 2015	**Number of options**	**Average exercise price in EUR per share**
Outstanding as of January 1, 2015	0	n/a
Granted	109,355	69.77
Forfeited	-125	66.18
Exercised	0	n/a
Outstanding as of December 31, 2015	**109,230**	**69.78**

4.3. Thereof allocated to:

Stock Option Plan 2015	**Number of Options**	
Management Board members		
Broom	35,517	
Schmid	11,093	46,610
Executive employees		41,287
Employees		15,733
Supervisory Board members		
Rowland	1,600	
Talbot	4,000	5,600
Others (consultants, former employees & management board members)		0
Outstanding as of December 31, 2015		**109,230**

4.4. The fair value of the share options at the grant date was determined using a Black-Scholes option pricing model. The estimated fair market value of options outstanding under the Stock Option Plan 2015 amounts to EUR 4,261 thousand as of December 31, 2015.

5. Founders' Program 2007

5.1. The "Founders' Program 2007" is another share-based payment scheme whose beneficiaries are Dr. Gerd Ascher and Dr. Rodger Novak. As part of their compensation, they are entitled to acquire a total of 4,982 shares (i.e. 2,491 per person) in the Company at a price of EUR 1.00 per share.

5.2. Of the 2,491 shares granted to Dr. Ascher, he acquired 2,200 shares in 2007 and 291 shares on 9 November 2009 at a purchase price of EUR 1.00 per share.

5.3. Of the 2,491 shares granted to Dr. Novak, he acquired 1,868 shares at a purchase price of EUR 1.00 per share in 2007. The remaining 623 shares are available in form of stock options at an exercise price of EUR 1.00 per share and otherwise on the same terms and conditions as set out in the Company's Stock Option Plan 2007.

5.4. The development of the share options in the fiscal year 2015 is presented below:

	2015	
Founders' Program 2007 (Share option part)	**Number of options**	**Average exercise price in EUR per share**
Outstanding as of January 1, 2015	623	1.00
Granted	0	1.00
Forfeited	0	1.00
Exercised	0	1.00
Outstanding as of December 31, 2015	**623**	**1.00**

6. In the fiscal year 2015, the members of the management board were:

Dr. Colin Broom
Dipl.Vw. Ralf Schmid
Dr. William Prince (until July 14, 2015)
Dr. Steven Gelone (since January 1, 2015 until July 14, 2015)

7. The remuneration of the management board amounted to EUR 2,066,342.08 in 2015 (previous year: EUR 1,022,082.81) and included share-based payments in the amount of EUR 678,299.02 (previous year: EUR 5,720.80). As of December 31, 2015, the number of outstanding options under the SOP 2007 and SOP 2015 belonging to members of the management board was 47,763 (previous year: 3,248). In 2015, the board members exercised no options (previous year: no options).

8. In the fiscal year 2015, the supervisory board members were:

   Dr. Denise Pollard-Knight (chairwoman)
   Mr. Axel Bolte (vice chairman)
   Dr. David Chiswell
   Dr. George Talbot
   Charles A. Rowland, Jr., CPA, MBA (since January 8, 2015)
   Chen Yu, M.D., MBA (since April 2, 2015)
   Chau Quang Khuong (since April 2, 2015)

9. In 2015, EUR 161,049.82 was paid as remuneration to the supervisory board (previous year: EUR 100,118.34) and included reimbursements for travel expenses. Until December 31, 2015, a total of 10,735 (previous year: 5,135) stock options were granted to certain members of the supervisory board under the SOP 2007 and SOP 2015.

10. Nabriva Therapeutics AG is the parent company of Nabriva Therapeutics US, Inc. and therefore generally required to prepare consolidated financial statements according to sect. 240 Austrian Commercial Code. However, according to sect. 249 par 2 Austrian Commercial Code the company is not required to prepare consolidated financial statements due to the fact, that the subsidiary is of minor importance concerning the obligation to give a true and fair view of the financial position of the group, its financial performance and its cash flows.

The Management Board:

Vienna, April 28, 2016 Dr. Colin Broom, m.p

Vienna, April 28, 2016 Dipl.Vw. Ralf Schmid, m.p.

Fixed assets movement schedule (Section 226/1 UGB)

(amounts in Euro)

		Historical costs							
		Balance 01/01/2015	Additions	Disposals	Balance 31/12/2015	Amortization/ depreciation accumulated	Book value 31/12/2015	Book value 31/12/2014	Amortization/ depreciation for the year
I.	Intangible assets								
	Software	292,948.50	0.00	0.00	292,948.50	290,831.95	2,116.55	8,932.86	6,816.31
II.	Tangible assets								
	1. Investments in third-party property	9,262.75	2,187.26	0.00	11,450.01	7,982.74	3,467.27	2,315.65	1,035.64
	2. Plant and machinery	1,593,819.21	124,378.23	0.01	1,718,197.43	1,522,849.19	195,348.24	148,727.14	77,757.12
	3. Other equipment, office equipment and furniture	871,413.10	62,037.67	1,052.30	932,398.47	827,373.72	105,024.75	85,298.58	42,138.69
	4. Low-value assets	0.00	18,682.72	18,682.72	0.00	0.00	0.00	0.00	18,682.72
		2,474,495.06	207,285.88	19,735.03	2,662,045.91	2,358,205.65	303,840.26	236,341.37	139,614.17
III.	Financial assets								
	1. Treasury stock	18,943.68	0.00	0.00	18,943.68	0.00	18,943.68	18,943.68	0.00
	2. Shares in affiliated undertakings	159,037.12	864,091.39	0.00	1,023,128.51	0.00	1,023,128.51	159,037.12	0.00
		177,980.80	864,091.39	0.00	1,042,072.19	0.00	1,042,072.19	177,980.80	0.00
		2,945,424.36	1,071,377.27	19,735.03	3,997,066.60	2,649,037.60	1,348,029.00	423,255.03	146,430.48

MANAGEMENT REPORT pursuant to Section 243 UGB

of Nabriva Therapeutics AG
Financial Statements as of 31 December 2015
(Translation)

1. Business development and position of the Company

General

Nabriva Therapeutics AG (Nabriva) was incorporated on 5 October 2005 in the legal form of a private limited company ("Gesellschaft mit beschränkter Haftung"). By shareholders' resolution dated 12 September 2007, a reorganization of the Company changing the legal form pursuant to Sections 245 ff. AktG (Austrian Stock Corporation Act) was decided and the Company's name changed from "Nabriva Therapeutics Forschungs GmbH" to "Nabriva Therapeutics AG". In August 2014, a 100% owned subsidiary, Nabriva Therapeutics US, Inc., was established in the US.

Nabriva employed on average 34 persons (thereof 0 non-active/on maternity leave) in the reporting period (prior year: 35, thereof 2 non-active/on maternity leave).

Research and development

Nabriva is a clinical stage biopharmaceutical company engaged in the research and development of novel anti-infective agents to treat serious infections, with a focus on the pleuromutilin class of antibiotics. Nabriva's medicinal chemistry expertise has enabled targeted discovery of novel pleuromutilins, including both intravenous and oral formulations of its lead product candidate, lefamulin. Nabriva is developing lefamulin to be the first systemically available pleuromutilin antibiotic for human use. Lefamulin is being developed for the treatment of moderate to severe community acquired bacterial pneumonia, or CABP. Future studies are planned to evaluate lefamulin for additional anti-infective indications.

Pleuromutilins

Nabriva's pleuromutilins have a novel mechanism of action with potent in vitro activity against multi-drug resistant (MDR) strains. The Company believes that pleuromutilin antibiotics can help address the major public health threat posed by bacterial resistance, which the World Health Organization, or WHO, characterized in 2010 as one of the three greatest threats to human health. Increasing resistance to antibiotics used to treat CABP is a growing concern and has become an issue in selecting the appropriate initial antibiotic treatment prior to determining the specific microbiological cause of the infection, referred to as empiric treatment.

Lefamulin (BC-3781)

Nabriva's lead pleuromutilin product candidate, lefamulin, is being developed to be the first systemically available pleuromutilin for human use and is the first new class of antibiotic to reach late stage clinical development for CABP in over a decade. The company began enrolling patients into the first of its two lefamulin Phase 3 CABP clinical studies in the fourth quarter of 2015. Nabriva believes lefamulin is well positioned for use as a first-line empiric monotherapy for the treatment of moderate to severe CABP due

to its novel mechanism of action, targeted spectrum of activity, achievement of substantial drug concentration in lung tissue and fluid, oral and IV formulations and favorable tolerability profile. Nabriva also intends to further pursue the development of lefamulin for additional indications, including the treatment of acute bacterial skin and skin structure infections, and is developing a formulation of lefamulin appropriate for pediatric use.

The Company has evaluated lefamulin in more than 400 patients and subjects in 17 Phase 1 clinical trials and a Phase 2 clinical trial in ABSSSI. In the Phase 1 clinical trials, the Company characterized the clinical pharmacology of the IV formulation of lefamulin and demonstrated oral bioavailability of a tablet formulation of lefamulin with rapid tissue distribution, including substantial penetration into lung tissue and fluids. In a Phase 2 clinical trial evaluating the safety and efficacy of two different doses of the IV formulation of lefamulin administered over five to 14 days compared to the antibiotic vancomycin in patients with ABSSSI, the clinical success rate at test of cure, or TOC, for lefamulin was similar to that of vancomycin. Lefamulin has been well tolerated in all clinical trials to date when administered by IV and oral routes. The frequency of adverse events observed in the Phase 2 clinical trial in ABSSSI was similar for patients treated with IV lefamulin and patients treated with vancomycin.

Based on the clinical results of lefamulin for the treatment of ABSSSI, as well as its rapid tissue distribution, including substantial penetration into the lung, we are evaluating lefamulin for the treatment of moderate to severe CABP in two international Phase 3 clinical trials. We are initially pursuing the development of lefamulin for CABP because of the limited development of new antibiotic classes for this indication over the past 15 years, our belief that there exists a significant unmet medical need for a first-line empiric monotherapy that addresses the growing development and spread of bacterial resistance, as well as recently clarified FDA guidance regarding the approval pathway. The U.S. Food and Drug Administration, or FDA, has designated each of the IV and oral formulations of lefamulin as a qualified infectious disease product, or QIDP, which provides for the extension of statutory exclusivity periods in the United States for an additional five years upon FDA approval of the product for the treatment of CABP, and granted fast track designation to this formulation of lefamulin. Fast track designation is granted by the FDA to facilitate the development and expedite the review of drugs that treat serious conditions and fill an unmet medical need. The fast track designation for the IV and oral formulations of lefamulin will allow for more frequent interactions with the FDA, the opportunity for a rolling review of any new drug application, or NDA, we submit and eligibility for priority review and a shortening of the FDA's goal for taking action on a marketing application from ten months to six months.

The Company is conducting a pivotal clinical trial program of lefamulin for the treatment of CABP consisting of two international Phase 3 clinical trials. The first study was initiated in September 2015 and the second trial was initiated in April 2016. The first Phase 3 clinical trial of lefamulin for the treatment of CABP is a multi-center, randomized, controlled, double-blind study comparing lefamulin to moxifloxacin, a fluoroquinolone antibiotic. Linezolid, or matching placebo, can be added to treatment if an investigator suspects that a patient is infected with MRSA prior to randomization, as moxifloxacin is not approved to treat MRSA. This trial is designed to assess the non-inferiority of lefamulin compared to moxifloxacin, with or without linezolid. The study is designed to enroll approximately 740 patients. The second Phase 3 clinical trial of lefamulin for the treatment of CABP is a multi-center, randomized, controlled, double-blind study comparing oral lefamulin to moxifloxacin, a fluoroquinolone antibiotic. This trial is designed to assess the non-inferiority of oral lefamulin compared to moxifloxacin. The study is designed to enroll approximately 740 patients.

Nabriva owns exclusive, worldwide rights to lefamulin, which is protected by composition of matter patents issued in the United States, Europe and Japan.

BC-7013

BC-7013 is a semi-synthetic compound derived from pleuromutilin with the potential to be developed for the topical treatment of Gram-positive infections.

BC-7013 is highly active against key bacterial pathogens causing skin and ocular infections. The MIC90 values for BC-7013 against MRSA are up to 20-fold lower than for mupirocin and 8-fold lower than for retapamulin, an FDA-approved topical pleuromutilin. Furthermore, BC-7013 has demonstrated potent activity against *Chlamydia trachomatis*, the leading cause of blindness in the world, and *Propionibacterium acnes*, the causative agent of acne.

We observed activity in a superficial skin infection model in mice infected with MRSA. BC-7013 was well tolerated following intranasal administration of an ointment formulation in a Phase 1 clinical trial.

Research Activities

Nabriva is actively pursuing in-house research programs to sustain its pipeline with future product candidates.

Assets and liabilities, financial position and results of operations

The Company's results of operations are characterized by the fact that Nabriva is in the development stage and currently does not yet market any products.

In 2015, the Company generated a result from ordinary activities of approx. € -40.7 million (prior year: € -19.1 million), € -42.0 million (prior year: € -16.1 million) of which account for the operating loss and € 1.3 million (prior year: € -3.0 million) for the financial result. The Company reports a loss for the year of approx. € -40.7 million (prior year: € -19.1 million) and an accumulated deficit of approx. € -138.4 million (prior year: € -97.7 million).

The financial position of the Company shows an equity ratio of 93.0% (prior year: -618.1%). The fixed assets ratio is 1.3% and decreased from the prior year (8.6%).

At the end of 2015, the Company reported liquid funds and marketable securities of approx. € 101.4 million (prior year: € 1.7 million).

The assets and liabilities and the financial position primarily reflect the negative results of operations that are to be expected for a development stage company in the pharmaceutical industry and an equity financing in the fiscal year 2015. Due to an equity financing in April 2015 and an initial public offering on the NASDAQ in September 2015, the Company reported a total equity of €99.9 million as of the balance sheet date. In 2014 the Company reported a negative equity of €-30.5 million due to the negative result from ordinary activities, which was in line with the budget based on long-term investments in research and development.

2. Expected development of the Company

In 2016, the Company is focused on progressing the two clinical phase 3 trials for lefamulin in CABP, as well as conducting several clinical phase 1 trials required for regulatory approval of lefamulin. Based on currently held funds and best estimates, management expects that our existing cash and cash equivalents will be sufficient to enable us to fund our operating expenses and capital expenditure requirements until late 2017.

In recognition of the growing need for the development of new antibiotics, recent regulatory changes, including priority review and regulatory guidance enabling smaller clinical trials, have led to renewed interest from the pharmaceutical industry in anti-infective development. For example, the U.S. Food and Drug Administration Safety and Innovation Act became law in 2012 and included the Generating Antibiotic Incentives Now Act, or the GAIN Act, which provides incentives, including access to expedited FDA review for approval, fast track designation and five years of potential data exclusivity extension for the development of new QIDPs.

3. Use of financial instruments

A financial instrument is an economic transaction based on a contract that includes a right to receive cash; so a contract that at the same time gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. This includes both non-derivative financial instruments, such as trade receivables and payables or financial claims and financial debts, and derivative financial instruments that are used to hedge against risks arising from changes in exchange rates and interest rates.

Default risk:

Assets reported on the assets side of the balance sheet represent the maximum default risk, since offsetting agreements are generally not in place. Due to the good credit standing of the counterparty concerned, the default risk is considered low.

Interest rate risk:

The interest rate risk – i.e. the possibility of fluctuations in value of a financial instrument as a result of changes in the market interest rate – primarily relates to receivables and payables with maturities of more than one year. The Company has only insignificant non-current receivables in the form of deposits and no non-current liabilities as of the balance sheet date. Therefore, management believes that interest rate risk is not currently material.

Currency risk:

The Company operates internationally and is exposed to currency risk arising from various currency exposures, primarily with respect to the US dollar and the British pound. No formal policy has been set up to manage the foreign exchange risk arising from future transactions and planned expenses of the US subsidiary. However, the Company tries to ensure that its net exposure is kept at a minimum level by buying or selling foreign currencies in the expected amounts at spot rates upon funding to facilitate committed or anticipated foreign currency transactions. Based on currently held funds in foreign currencies and best estimates, management expects to be able to cover current and expected payables in

foreign currencies until late 2017. Management therefore believes that the Company's currency risk is not currently material.

Market price risk:

The fair value of a non-derivative financial instrument is the recoverable amount, i.e. the price at which the financial instrument can be traded in a current transaction between two unrelated parties. The financial assets are recognized at the lower of cost or current value. Financial assets currently consist of US Treasury Notes and shares in money market funds with a AAA rating. Management therefore believes that the market price risk regarding the financial assets currently is not material. For the other receivables and payables as well as liquid funds, no significant differences arise between book values and fair values due to their short maturities.

Liquidity risk:

The liquidity risk involves the possibility that funds required to settle liabilities assumed in connection with financial instruments cannot be raised. To date, the Company has financed operations primarily through the 2015 initial public offering, private placements of common shares, convertible loans and research and development support from governmental grants and loans. Management expects to continue to incur significant expenses and increasing operating losses for at least the next several years. Accordingly, the Company will need to obtain substantial additional financing to achieve its business objectives. Adequate additional financing may not be available to the Company on acceptable terms, or at all. In addition, the Company may seek additional capital due to favorable market conditions or strategic considerations, even if the Company believes that it has sufficient funds for current or future operating plans.

Cash flow risk:

The cash flow risk results from the fact that the future cash flows expected from a monetary financial instrument are subject to fluctuations and thus not fixed in amount. Cash flow risks from the use of financial instruments involve the possible change of current interest payments of variable interest liabilities. Due to the insignificant amount of the variable interest liabilities, the cash flow risk is currently not considered material.

The Management Board:

Vienna, April 28, 2016 Dr. Colin Broom, m.p.

Vienna, April 28, 2016 Dipl.Vw. Ralf Schmid, m.p.

We draw attention to the fact that the English translation of this auditor's report according to Section 274 of the Austrian Commercial Code (UGB) is presented for the convenience of the reader only and that the German wording is the only legally binding version.

1. Auditor's Report

Report on the Financial Statements

We have audited the accompanying financial statements of Nabriva Therapeutics AG, Vienna, which comprise the balance sheet as of December 31, 2015, the income statement and the notes for the fiscal year then ended.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Austrian Commercial Code and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Austrian generally accepted auditing standards. Those standards require the application of the International Standards on Auditing according to which we are to comply with ethical requirements and to plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

Our audit did not give rise to any objections. In our opinion, the financial statements comply with legal requirements and give a true and fair view of the financial position of the Company as of December 31, 2015 and of its financial performance for the fiscal year then ended in accordance with the Austrian Commercial Code.

Comments on the Management Report

Pursuant to statutory provisions, the management report is to be audited as to whether it is consistent with the financial statements and as to whether the other disclosures are not misleading with respect to the Company's position. The auditor's report also has to contain a statement as to whether the management report is consistent with the financial statements.

In our opinion, the management report is consistent with the financial statements.

Vienna, April 30, 2016

PwC Wirtschaftsprüfung GmbH

signed:

p.p. Alexandra Wild
Austrian Certified Public Accountant

signed:

Alexandra Rester
Austrian Certified Public Accountant