

New Venturetec AG in liquidation, Zug

Auditor's report related
to the opening liquidation balance sheet



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Independent Auditor's Report to the Liquidators of

New Venturetec AG in liquidation, Zug

We have audited the accompanying opening liquidation balance sheet of New Venturetec AG in liquidation (including notes), prepared as of July 10, 2019 on the basis of liquidation values.

Liquidators' Responsibility

The Liquidators are responsible for the preparation of this opening liquidation balance sheet in accordance with the legal and statutory requirements and for such internal control as the Liquidators determine is necessary to enable the preparation of an opening liquidation balance sheet that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the accompanying opening liquidation balance sheet based on our audit. We conducted our audit in accordance with Swiss Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the opening liquidation balance sheet is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the opening liquidation balance sheet. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the opening liquidation balance sheet, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the opening liquidation balance sheet 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Liquidators, as well as evaluating the overall presentation of the opening liquidation balance sheet.

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

Opinion

In our opinion, the opening liquidation balance sheet as of July 10, 2019 of New Venturetec AG in liquidation complies with Swiss law and the company's articles of incorporation.



KPMG AG

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Christoph Gröbli
Licensed Audit Expert

A handwritten signature in blue ink, appearing to be 'SB', written in a cursive style.

Stefan Biland
Licensed Audit Expert

Zurich, October 24, 2019

Enclosure:

- Opening liquidation balance sheet as of July 10, 2019 (including notes)

Opening Balance Sheet as per Liquidation July 10, 2019

Balance sheet

	Note	July 10, 2019 CHF
Assets		
Cash and cash equivalents		72,176,827
Other accounts receivable		15,008
Current assets		72,191,835
Venture capital investments		6,530,408
Non-current assets		6,530,408
Total assets		78,722,243
Liabilities and equity		
Loan payable to related party, interest bearing		6,139,399
Accrued expenses and deferred income		137,880
Provisions		
- Advisory Fees	3	193,089
- Interest expenses	3	129,947
- General administrative expenses	3	111,310
- Liquidation expenses	3	105,000
Short term liabilities		6,816,625
Total liabilities		6,816,625
Share capital		37,894,716
Legal capital reserves		
Reserves from capital contributions		36,980,707
Accumulated losses		
Accumulated losses brought forward		(30,892,940)
Net profit for the period	3	27,923,135
Shareholders' equity		71,905,618
Total liabilities and shareholders' equity		78,722,243

Notes to the Opening Balance Sheet as per Liquidation July 10, 2019

1. Company information

New Venturetec Ltd. in Liquidation, Zug ("the Company") was formed on July 16, 1997 and incorporated on August 11, 1997 for the purpose of direct and indirect investments in Swiss and foreign companies, especially in high risk venture capital companies in the industries of Biotechnology and Technology. As of July 10, 2019, the Company was put into liquidation by conclusion of the extraordinary shareholders meeting. Curator & Horwath AG, Zürich, is the elected liquidator of the Company.

2. Accounting policies

These interim financial statements were prepared according to the provisions of the Swiss Law on Accounting and Financial Reporting (32nd title of the Swiss Code of Obligations).

Since the company was put into liquidation as of July 10, 2019, there is no going concern anymore and the liquidator prepared the opening balance sheet as of July 10, 2019 based on liquidation values.

3. Extraordinary Items due to valuation based on liquidation values

The effects from the revaluation of the opening balance as of July 10, 2019 based on liquidation values are considered as extraordinary items in the income statement and are set out as following:

	CHF
Profit fo the period October 1, 2018 - July 9, 2019	28,462,481
Extraordinary items due to revaluation based on liquidation values	
Provision for advisory fees	
Estimated advisory fees, calculated based on estimated NAV during residual contractual lifetime of advisory agreement (12 months notice period)	(193,089)
Provision for interest expenses	
Interests on Loans payable to related party, calculated based on contractual residual lifetime (to December 31, 2019) of outstanding loan	(129,947)
Porvision for general administrative expenses	
Estimated general administrative expenses which are expected upon the end of the liquidation period, such as board member fees, statuary audit, regular company administration, bookkeeping, rent and other	(111,310)
Provision for liquidation expenses	
Estimated liquidation expenses, comprising liquidator's fees based on hours spent, bank and legal expenses in connection with the delisting and distribution(s) to shareholders, special financial reportings and auditors' opinions, other	(105,000)
Adjusted profit as per July 10, 2019	27,923,135