



Company announcement
5 December 2017

Update on NeuroSearch's business status and future

In the annual report for 2016, the Board of Directors informed that the Company would continue the work to dispose its remaining assets and liabilities, and that a sale of the Company, including the tax loss, would remain an option. The Board of Directors also stated that it would endeavour to have a final clarification of the Company's future by the end of 2017.

The Company has met most of the objectives of its action plan, which therefore now enters the final phase, during which the Company will either be divested or liquidated.

All significant outstanding obligations have been, or are currently being settled. On 4 July 2017, the Company announced that the remaining rights in the preclinical and clinical assets which NeuroSearch divested to Saniona during the period 2012-2016 had been sold to Saniona A/S for a one-time payment of DKK 5.5 million. Further, Saniona assumed NeuroSearch's royalty obligations to third parties regarding potential future net sales of products from the projects in question, including NeuroSearch's royalty payment obligations to Boehringer Ingelheim on tesofensine and to GlaxoSmithKline on NS2359. The liquidation of NsGene has also been completed.

Hereafter, the remaining assets consist of:

- Cash and cash equivalents of approximately DKK 75 million
- A small illiquid shareholding in Atonomics A/S
- Potential milestone payments from Teva Pharmaceuticals totalling DKK 55 million, which will become payable if the drug candidate Huntexil® is granted market approval. The Company has no insight into Teva Pharmaceuticals further plans for development of Huntexil®
- A tax loss of about DKK 1.6 billion, which may be carried forward indefinitely

In light of the above, the Company is now at a stage of its resolution plan at which it intends to explore the possibility of divesting the Company during the coming months. If the Company does not receive a satisfactory bid, the Board of Directors expects to propose to the shareholders at the annual general meeting to be held in spring 2018 that the Company enter into voluntary liquidation in order to distribute the net proceeds to the shareholders.



Financial outlook for 2017

In 2017, NeuroSearch expects an operating loss of approximately DKK 1 million. The outlook does not include any income from the possible divestment of additional Company assets or potential income from the Company's agreement with Teva Pharmaceuticals.

Contact

Allan Andersen, CEO, telephone: +45 4016 3864

About NeuroSearch

NeuroSearch A/S (NEUR) is listed on NASDAQ Copenhagen A/S.