Life *beyond allergy*

STALLERGENES GREER

Annual Report 2015

Forward-looking disclosure statement

This report contains statements that are or may be forward-looking with respect to the financial condition and/or results of operations and businesses of the Company. These statements can be identified by the use of forward-looking terminology such as 'believe.' 'expects,' 'project,' 'estimated,' 'forecast,' 'should,' 'plan,' 'may' or the negative of any of these, or other variations thereof, or comparable terminology indicating expectations or beliefs concerning future events. These forward-looking statements include risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. Without being exhaustive, such factors include economic situations and business conditions, including legal and product evaluation issues, fluctuations in currencies and demand, and changes in competitive factors. Actual results may differ from those set forth in the forward-looking statements, due to various factors. Save as required by applicable law, neither the Company nor any other person assumes any obligation to update these forward-looking statements or to notify any person of any such update.

Through the merger of Stallergenes and Greer Laboratories, we have created a fully integrated, global biopharmaceutical company. Stronger together, we have united two companies, multiple sites and over 1,400 employees, bringing together unique capabilities, skills and expertise to help patients around the world live lives beyond allergy. With a history of leadership in Europe and in the US, we have access to a new innovation network and growth opportunities.

In 2015, the combined strengths of our newly-merged organisation were put to the test during the suspension of production and distribution at our Stallergenes SAS plant in Antony, France. Overcoming this adversity as one, we emerged in a better position to achieve our long-term aspiration: deliver curative medicines and innovative tools for patients.

Stallergenes Greer
Fast facts

Two companies joined together with

€81.7m
Total net sales

€272.9m
Unaudited pro forma sales

>1,400
Employees

>19%
R&D spend in percent of sales on unaudited pro forma basis

4
Pipeline products

>1,400
Patients in clinical trials

UK
Plc

STAGR
Listed on Euronext Paris

Creating a global leader
What sets us apart

Our unique competitive advantage is built upon four core areas of strength:

1 A diversified global footprint

The merger of Stallergenes and Greer Laboratories created a fully integrated biopharmaceutical company with global reach. Building on our track record of leadership, we will expand with investment discipline into new markets around the world.

2 Our marketed products and R&D pipeline

With our marketed allergy immunotherapy (AIT) products, we provide a comprehensive product portfolio designed to improve the lives of patients. Our R&D pipeline ensures we are well positioned to meet the unmet medical needs of those living with respiratory allergies in the future.

3 Capitalising on high potential markets

With a marked increase in the prevalence of allergies around the world and a shift towards a speciality pharmaceutical treatment model, there is significant opportunity for growth in the US AIT market. Through our newly merged global company, we are set to capitalise on these favourable trends and achieve growth.

4 Our people and culture

Our people bring together skills and experience from around the world, offering unique intellectual capital and capabilities. With our diverse workforce and 'culture of the possible,' we are united by a commitment and passion to deliver new solutions and curative medicines to patients.

1

A diversified global footprint

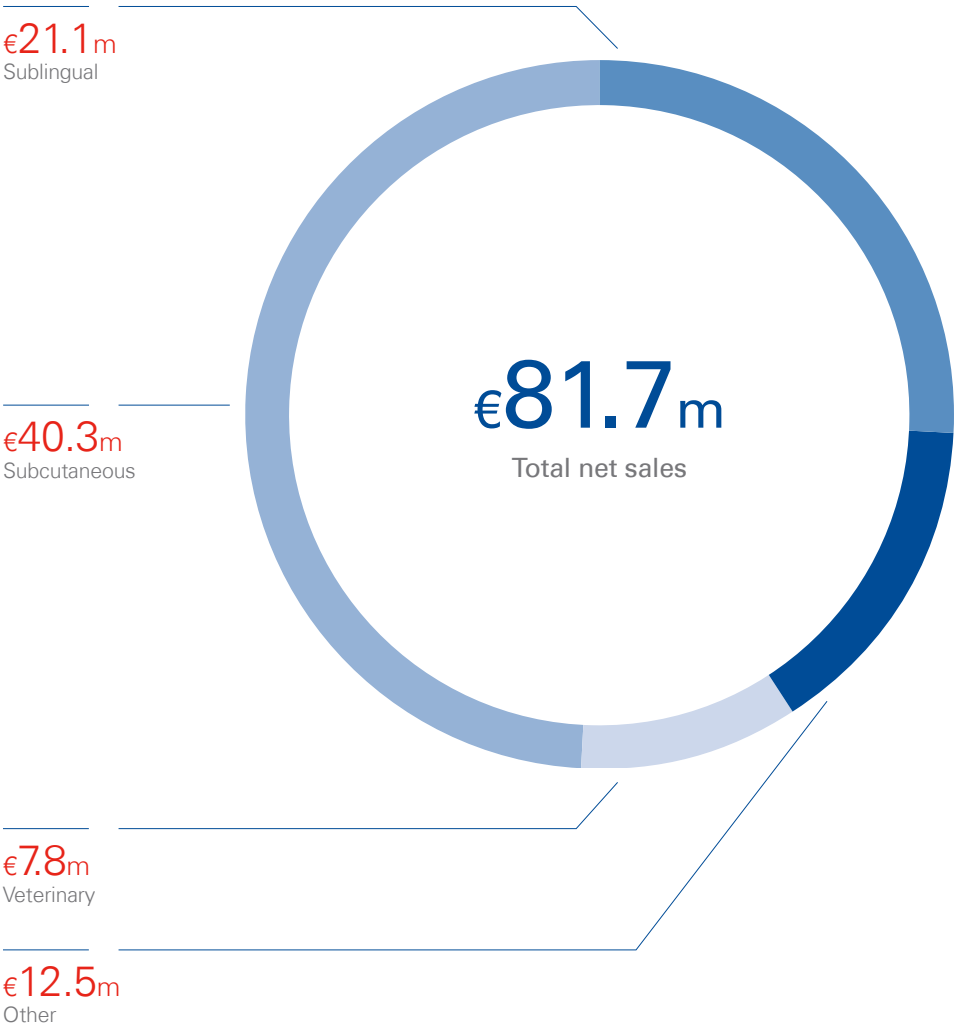
Market presence

With a direct presence in 22 countries and product distribution networks in 75, our global footprint gives us a competitive advantage over our peers. Combining our heritage of market leadership in Europe and in the US, we are well positioned to take advantage of AIT market growth, access innovation and increase revenues. We are also expanding our portfolios, networks and capabilities with investment discipline in strategically significant markets around the world, thus extending our reach and impact to enable people with allergies to live normal lives.

Operating across the value chain

Stallergenes Greer has the largest allergen and AIT product manufacturing capacity globally, combining two manufacturing sites and three additional facilities in Europe, the US and Latin America. Having expanded our raw material production and sourcing network, we operate across the immunotherapy value chain, from R&D through to the marketing and distribution of finished products.

Net sales by product type



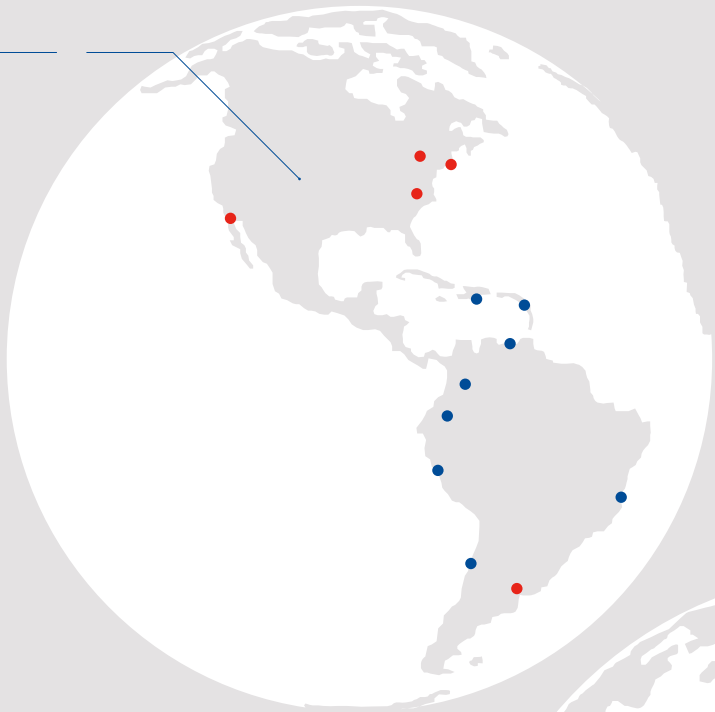
Our global R&D and operations

Our global R&D and Technical Operations structure currently includes our Antony (France) and Lenoir, North Carolina (US) sites. In the years ahead, we will build an R&D presence in the innovation hubs in Cambridge, Massachusetts (US) and London (UK). Our commercial footprint in the US, Europe and International markets reflects the global reach of our business and optimises access for our patients and physicians.

Stallergenes Greer Offices
Distributors

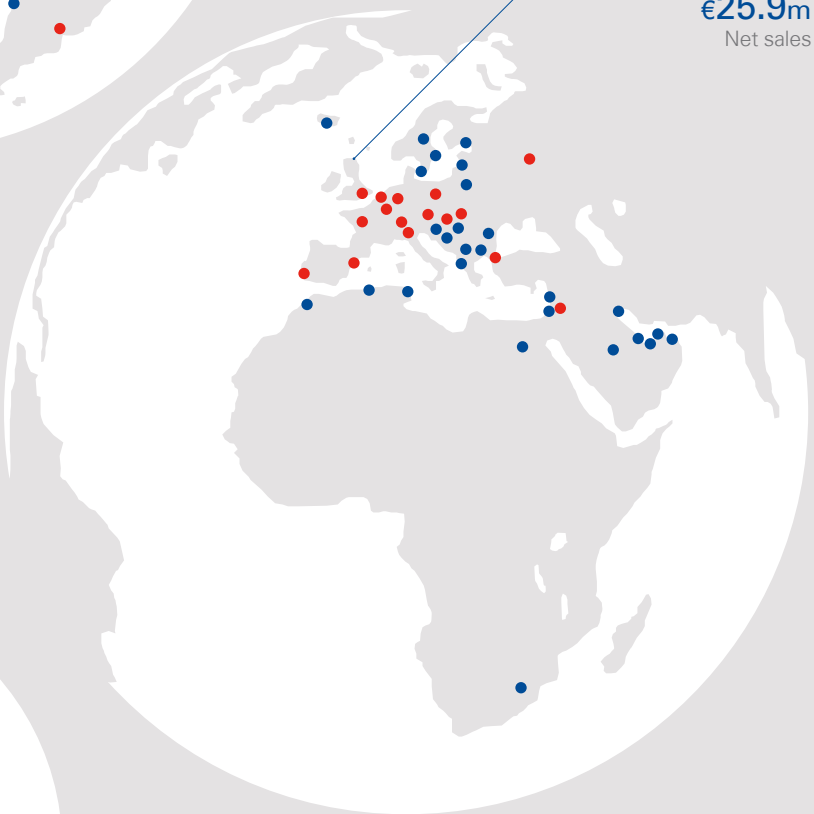
US

€52.1m
Net sales



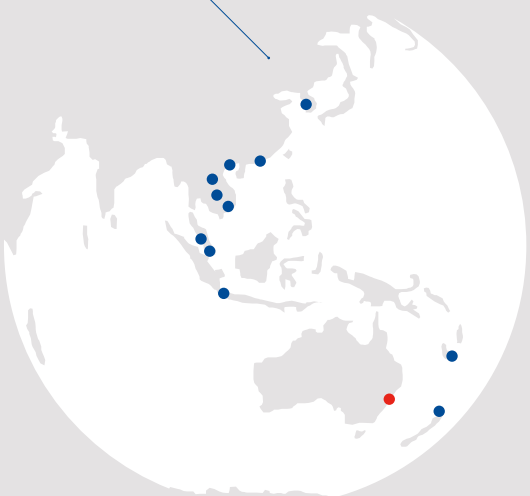
Europe

€25.9m
Net sales



International

€3.7m
Net sales



For the latest information visit:
stallergenesgreer.com/about-us/global-network

2

Our marketed products and R&D pipeline

Meeting medical needs, improving patients' lives: a comprehensive product offering

As part of our commitment to help patients live life beyond allergy, we provide a full range of AIT products and diagnostic tools. Spanning source materials, routes of administration, cutting-edge delivery mechanisms and finished products, ours is an innovative portfolio of therapeutic solutions designed to improve ease of access and treatment outcomes.

The Stallergenes Greer portfolio

We currently offer a wide range of state-of-the-art products for children and adults. Around the world, patients use these therapies as part of their ongoing treatment plans for major respiratory allergies, including allergic rhinitis and asthma linked to grass pollen, tree pollen, house dust mites (HDM), moulds, animal dander and many other important allergens.

Our current portfolio comprises four core product categories.

Sublingual products

We offer liquid and tablet products for children and adults suffering from a range of allergic conditions. These products include:

ORALAIR®
A grass pollen tablet commercialised in 23 countries, including most European countries and the US; available in a 300 IR continuation dose.

STALORAL®
A targeted allergy immunotherapy liquid product for the treatment of allergic rhinitis, allergic rhino-conjunctivitis and mild-to-moderate asthma; available in a range of dosages.

Subcutaneous products

We offer a wide range of injection treatments for children and adults based on state-of-the-art allergen extracts. Offering significant prescriber flexibility and proven treatment efficacy, these products include:

ALUSTAL®
An injectable therapy for the treatment of allergic rhinitis, allergic rhino-conjunctivitis, and mild-to-moderate allergic asthma; available through Named Patient Prescription.

PHOSTAL®
An aluminium-free injectable therapy for the treatment of allergic rhinitis, allergic rhino-conjunctivitis and mild-to-moderate allergic asthma; available through Named Patient Prescription.

ALYOSTAL® and ALBEY®
A range of injectable hymenoptera venoms for the treatment of hypersensitivity to stings from bees, yellow jackets, wasps and hornets.

GREER EXTRACTS®
FDA and USDA-approved bulk and Named Patient Prescriptions for skin test diagnosis and the treatment of seasonal and perennial allergies.

Veterinary products

In the US, we offer a range of USDA–approved bulk extracts to veterinarians for animals suffering from a range of allergies.

Other products

We offer a variety of diagnostic tools and source materials in useful formulations for allergy specialists and physicians. These include allergens and allergen extracts that are compounded and used in sublingual and subcutaneous treatments and skin test diagnostics.

Globally, we are the leading producer of mites. In the EU, we cultivate grass species and harvest grass pollens, using them as raw material for our products. These internal sourcing capabilities enable us to conduct rigorous stability studies and carefully control the quality of our source materials.

In the US, through GREER EXTRACTS®, we offer a range of FDA and USDA-approved bulk allergen source materials, including animal dander, foods and a variety of pollen species.

For the latest information visit:
stallergenesgreer.com/research-development/rd-approach

The Stallergenes Greer pipeline

In addition to our marketed products, we retain a strong operational focus on developing a pipeline of new treatment solutions. We are committed to creating innovative pharmaceutical specialities aimed at treating major respiratory allergies. Currently, more than 1,400 patients are enrolled in our clinical studies worldwide.

In 2015, we initiated our HDM tablet Phase III clinical trial for allergic rhinitis. Covering the EU and the US, the trial enrolment of patients is on track. Our HDM tablet Phase II trial for allergic asthma missed its primary endpoint but we are fully committed to finding a solution for this condition. In Japan, our Japanese cedar pollen progamme with Shionogi & Co., Ltd. showed positive Phase II results and we are in discussions on how to best further develop this programme. In the US, we are evaluating the market opportunity of our ragweed sublingual candidate for a potential submission in the first half of 2016.

Our approach to innovation

Innovation lies at the heart of our organisational ethos and day-to-day activities. Having pioneered the sublingual immunotherapy segment, we aim to search for and develop new therapeutic solutions that meet the needs of allergy patients worldwide. Enhanced by our presence in Cambridge, Massachusetts and London, we will capitalise on our access to innovation to expand into a broader range of closely related allergy adjacencies in the future.

Our research model includes establishing a strong scientific basis for our work, understanding the mechanisms of action and documenting the quality of our products through molecular characterisation. Following this approach, our aim is to utilise evidence-based, clinical data to demonstrate the safety and efficacy of our treatment solutions.

Looking ahead, our research priorities include advancing our knowledge of allergens at a molecular level, developing our allergen presentation platforms to achieve more targeted delivery of allergens to the immune system and identifying biological parameters and tools to help inform physicians' treatment decisions.

Our current development programmes include:

Programme	Scope	Phase I	Phase II	Phase III	Filing	Market
ORALAIR® (Grass pollen) allergic rhinitis	Europe					
	US					
STAGR SAIL SLIT (Ragweed) allergic rhinitis	US					
STAGR 320 (HDM) allergic rhinitis	Europe					
	US					
STAGR 320 (HDM) pediatric allergic rhinitis Partnership with Shionogi & Co., Ltd.	Japan					
STAGR 120 (Japanese cedar) allergic rhinitis Partnership with Shionogi & Co., Ltd.	Japan					
STAGR 320 (HDM) allergic asthma	Europe					
	US					

3

Capitalising on high potential markets

Favourable conditions and developments

One of our core strengths as an organisation is our presence and position in global AIT markets with high growth potential. Despite our production and distribution set back in France, in the EU we continue to build on our long-established market leadership. In International markets, we are assessing opportunities for product launches and expansion into new strategic areas with investment discipline. Through the merger in 2015, we are uniquely placed to capitalise on the US market, which is set for growth as it transitions to a speciality pharmaceutical model. In emerging markets such as Eastern Europe and Russia, we are accelerating the rollout of our product portfolio and increasing our market share.

A sustainable market

Allergies are caused by an inappropriate response of the immune system to a foreign substance known as an allergen (i.e., grass pollen, house dust mites, animal dander, foods, etc.). Allergies can affect the skin, eyes, digestive system and the airways, such as the nose or bronchial tubes. They consist of acute visible symptoms combined with an underlying inflammation[1].

Research suggests that people inherit a predisposition to allergies from one or both of their parents[2]. Once the allergic trait has been passed on, specific allergies develop with time and exposure, with each vulnerable individual reacting on average to two or three different allergens.

In recent years, there has been a marked increase in the prevalence of allergies around the world, with incidence thought to have doubled over the past two decades[3]. Changes in the environment, lifestyles and dietary habits, the development of hygiene practices and the reduction of bacterial and viral infections, as well as urbanisation and pollution, are all factors contributing to this trend.

While it is estimated that 20-30% of the developed world's population suffers from allergies[4], only 10% of eligible patients are currently treated with AIT solutions due to limited awareness and access to AIT treatment. Thus, there is major growth potential in the AIT market, which is nearly €1 billion worldwide[5]. This provides Stallergenes Greer with an opportunity to deliver value long into the future as we strive to enable people with allergies to live normal lives.

AIT versus symptomatic treatment

As a viable long-term treatment option, AIT offers considerable advantages over symptomatic treatment. While symptomatic treatment is predicated on the concept of short-term efficacy through the alleviation of some allergic symptoms, AIT aims to impact and alter the course of the disease through targeted delivery to, and modulation of, the immune system. Helping to re-educate the immune system, AIT offers long-term efficacy, enabling patients to adapt to and live with the allergens that previously caused them such distress. As clinical data continues to build the case for the life-changing qualities of immunotherapy, AIT as a practice is gaining in traction and uptake.

US market growth opportunities

One of the key drivers for AIT growth in the years ahead is the US market, where medical need is high. Currently, between two and three million Americans receive subcutaneous immunotherapy each year[6], whereas 50 million suffer from respiratory tract allergies[7], one half of which are triggered by grass pollens.

The slow uptake of speciality sublingual tablets in the US is largely due to the bulk supply model that is in practice, whereby AIT companies provide allergen extracts to allergists, who then formulate prescriptions for patients. However, following the approval of ORALAIR® and other sublingual tablets, the stage is now set for a shift towards a finished-product market.

The development prospects in the US immunotherapy market are meaningful, particularly for sublingual tablets, and some experts predict this market could double in the coming years[8].

Stallergenes Greer is well placed to capture the value of this growth potential, with our presence in the US and access to an established sales and innovation network.

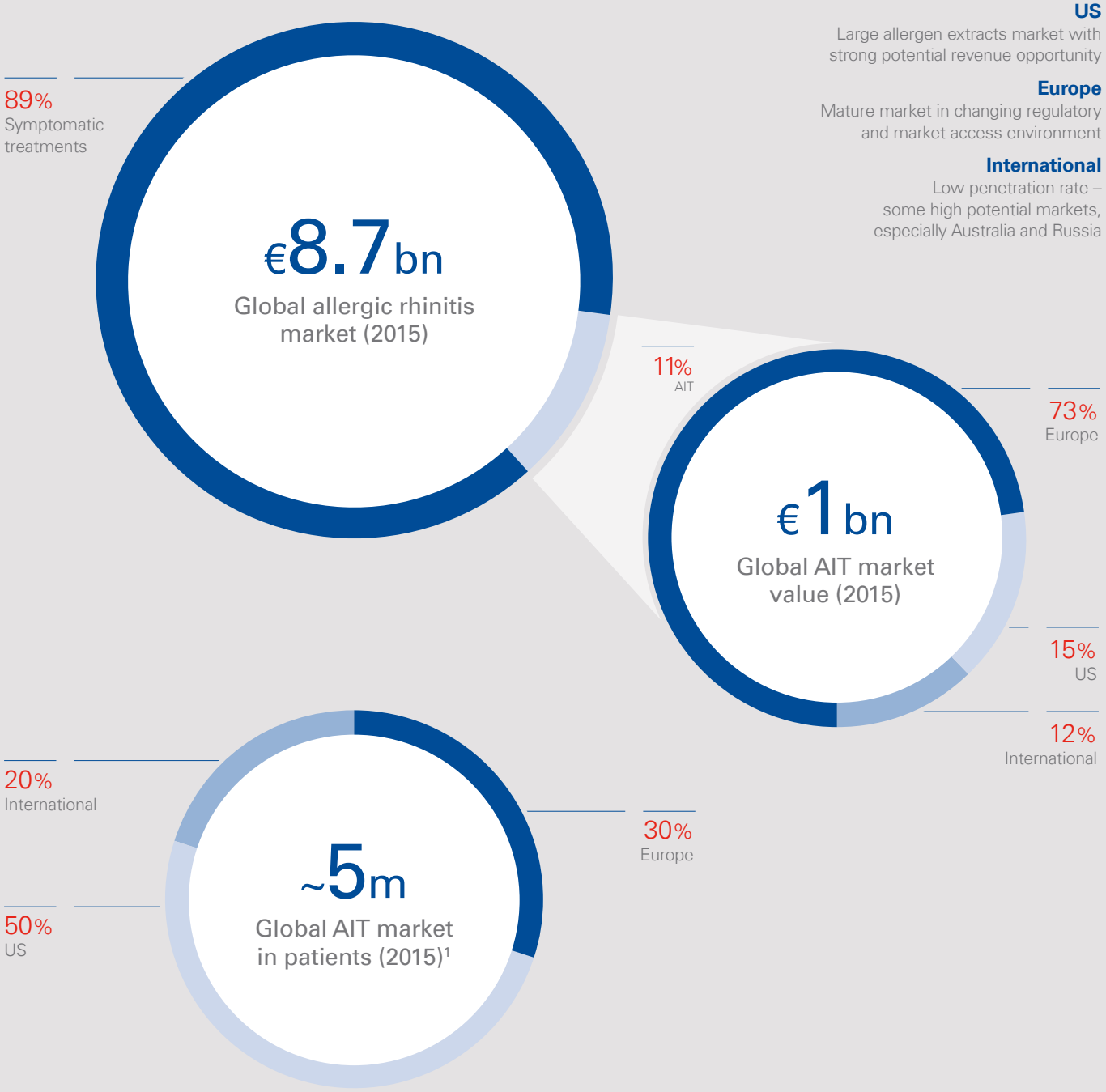
For all endnotes, see page 124.

Allergy immunotherapy
Market opportunity

US
Large allergen extracts market with strong potential revenue opportunity

Europe
Mature market in changing regulatory and market access environment

International
Low penetration rate – some high potential markets, especially Australia and Russia



For all endnotes, see page 124.

4

Our people and culture

Passion, determination and expertise

Our people are a unique source of strength and competitive advantage. Combining skills and experience from around the world, they provide a wealth of intellectual capital and capabilities. We are united by a passion and determination to find new solutions and bring curative medicines to patients.

Our leadership

Through the merger of Stallergenes and Greer Laboratories, we have brought together a unique collection of senior leaders with a deep knowledge of allergy immunotherapy. We recruited external leaders who not only have extensive experience in healthcare and pharmaceuticals, but who understand the strategic prerequisites for long-term value creation.

Leading from the front, this global executive team offers the commercial, scientific and manufacturing expertise necessary to restore confidence and credibility in the organisation and regain our global leadership.

All members of the Global Leadership Team report directly to our Chairman and CEO, Fereydoun Firouz. In early 2016, Michele Antonelli was appointed President of Stallergenes SAS and Executive VP Head of Europe and ROW.

In the US, Rick Russell, as Head of Americas, provided commercial expertise and oversight, laying the foundations for increased growth and market share. Tibor Nemes was appointed as Global Head of Technical Operations. With years of experience in biopharmaceutical manufacturing, Mr Nemes will lead our Technical Operations organisation, design our global manufacturing strategy, and ensure our teams execute to the highest standards of quality and operational excellence. Other members of the team also delivered critical support to ensure our operations remain technically, legally and financially sound.

Through the merger in 2015 and our external senior leadership appointments, we now have an opportunity to pool leadership knowledge, share best practices and leverage expertise across our Company in pursuit of our organisation goals.

Our people

As a business, we are committed to creating sustainable value for our employees. Through our compelling people value proposition, we work to motivate, engage and incentivise our employees, making them feel valued and giving them opportunities for personal and professional growth. All our employees play a critical role in the overall performance of Stallergenes Greer, and through recognition and trust we have developed a loyal and engaged workforce. This was clearly demonstrated by our employees in Antony, France, who remained energised, focused and keen to resolve the production and distribution challenges we faced.

Our culture

Unlike technologies or methodologies, cultures cannot be replicated. The events of 2015 went a long way to shaping and strengthening our new corporate culture. Having to respond to adverse circumstances helped to forge a strong bond between colleagues and teams at all levels of the business. This, in turn, fostered greater trust and enabled seamless integration of people, processes and practices within Stallergenes Greer.

The newly-formed nature of our business has also created a sense of unique opportunity for those who want to make a tangible difference within the allergy immunotherapy space. Through forward-looking innovation and breakthrough thinking, we have created a ‘culture of the possible;’ a culture of progressiveness and creativity that underpins our purpose, aspiration and governance as an organisation.

The logic behind the merger

Stallergenes Greer
A fully integrated biopharmaceutical company united to help patients around the world live life beyond allergy.

Heritage
More than fifty years of innovation in allergy

Competitive advantage
Longstanding leadership position in Europe and Rest of World

Heritage
More than one hundred years of innovation in allergy

Competitive advantage
Longstanding leadership position in the United States

With a history of leadership in Europe and in the US, we now have access to a new innovation network and growth opportunities around the world.

Purpose in unity, strength in adversity

Dear Shareholders,
On behalf of the Board of Directors, I am pleased to submit to you the first Stallergenes Greer Annual Report.

Through the successful merger of Stallergenes and Greer Laboratories in September, we brought together two companies and more than 1,400 colleagues to deliver on a single purpose: enabling people with allergies to live normal lives. As part of this process, we made progress against our strategic objectives creating structures and practices that will allow us to maximise opportunities for innovation and growth.

The year, however, was not without its challenges. In December, an operational setback resulting in the temporary suspension of production and distribution at our Antony, France plant impacted patients, physicians and our financial performance. The recall that followed had an adverse impact on sales from product returns. In the period from August to year-end, sales were approximately €70m below internal forecast, which includes an estimated €24m provision for the product recall. In addition, external fees associated with the recall and temporary suspension of manufacturing and distribution are estimated to be €5.5m.

Following these events, we responded with resilience, commitment and focus, addressing the technical difficulties and implementing robust remedial measures. With the resumption of production and distribution activities in Antony in February 2016, we have emerged changed and in a position to realise our long-term, curative ambitions.

The Stallergenes Greer Board of Directors
In the summer, we created the new Stallergenes Greer Board of Directors. Mr Patrick Langlois, Mr Jean-Luc Bélingard, Mr Stefan Meister and Mrs Paola Ricci were appointed, bringing with them extensive knowledge and experience of Stallergenes and the wider biopharmaceutical industry. We recognise the valuable contribution of the outgoing Stallergenes SA Board members who guided the Company during the previous years and paved the way for a successful merger in September 2015.

Fereydoun Firouz,
Chairman and CEO

Better together

In September, the merger of Stallergenes and Greer Laboratories was completed, leading to the creation of Stallergenes Greer, a fully integrated global biopharmaceutical company dedicated to improving the lives of people with allergies. This merger unites two leading organisations focused on bringing new treatment solutions to the field of allergy immunotherapy (AIT) – a field that is primed for more innovation.

Through shared resources, expertise, networks and know-how, we have created a single corporate entity that is stronger than its constituent parts. Within four months, we transformed into a fully integrated organisation with one Board of Directors, a Global Leadership Team, a single decision making process and one purpose that is the foundation upon which we will further define our culture and values.

The rationale behind this merger is clear and compelling. AIT is a rapidly growing practice as allergic conditions increase in prevalence and intensity around the world. Due to changes in the environment, lifestyle and dietary habits, the occurrence of allergies has doubled in the past 20 years[1]. It is estimated that 20-30% of the world's population currently suffers from an allergy of some kind[2]. The creation of Stallergenes Greer is intended to accelerate our efforts and capabilities to address this global health crisis.

The business case for the merger is compelling as well. The current AIT market in the US is estimated at approximately €150 million[3], compared to €730 million in Europe, and is predicted to grow significantly in the next few years. Our merger enables us to strengthen our position in Europe and provides direct access to the US. With the approval of ORALAIR® and our extensive FDA-approved portfolio of allergen extracts in 2014, we are well positioned to capitalise on future market growth. This, combined with access to bright minds, cutting-edge innovation and R&D resources in strategically selected locations worldwide, gives us a competitive advantage.

Technical challenges

We were challenged in the fourth quarter of 2015 with the suspension of production and distribution at our Stallergenes SAS plant in Antony, France. With the aim of improving control and automation of our production processes, we launched a new Enterprise Resource Planning (ERP) system. Unfortunately, following the ERP launch we experienced a range of technical difficulties, which subsequently led to operational disruptions from August to December. During this period, sales were below capacity and customer demand. This resulted in reduced sales volumes between August and November. In December, in alignment with the French Health Authority (ANSM), we suspended operations and, as a precautionary measure, issued a recall of our Named Patient Products (NPP) in France and a few other countries. No sales were made out of the Antony plant from December, when the temporary suspension was put in place, through the end of the year.

Immediate corrective actions were taken, with our cross-functional teams working to reach a sustainable solution. With the ERP system operational as of February 2016, we are on the cusp of transforming the way we work – every day. We emerged from these technical difficulties stronger as an organisation, resuming production in Antony in March according to a sequential recover plan. It is anticipated that the impact of the temporary production and distribution suspension will continue to be felt into 2016, with net sales in the first part of the year significantly below 2015 levels for the same period.

For all endnotes, see page 124.

€81.7m
Total net sales

€272.9m
Unaudited pro forma sales

Business highlights

During the first half of 2015, the Company delivered a strong sales performance with a year-over-year increase in pro forma net sales of 14.2%. However, following the temporary suspension of our Antony plant and subsequent recall of related products, the downside in sales in Europe and International was significant. Total reported sales, including Stallergenes SAS from September to December, were €81.7m. On an unaudited pro forma basis, sales were €272.9m or 13% below last year (-16% at constant exchange rate) while EBIT is reported at -€73.9m on an audited basis for the full year (-€31.8m on an unaudited pro forma basis).The Company had a cash and cash equivalent of €150m as of 31 December 2015.

Based on the reported losses for the financial year 2015, our Board of Directors did not recommend a dividend payment to shareholders, allowing us to further invest in the Group. I am optimistic, however, that we will realise our commercial ambitions in the years ahead.

In November, we reached a major operational milestone with the launch of ACTAIR®, the first immunotherapy tablet for the treatment of house dust mite (HDM) induced allergic rhinitis in adolescents and adults in Japan. The launch underscored the success of our collaboration with Shionogi & Co., Ltd. It also marked a significant step in our global growth strategy, helping to accelerate the rollout of our product portfolio in Asia.

Our Stallergenes Greer global headquarters were established in London, with the goal of creating a central geographic base that links continental Europe and the US. In addition, we established our new US headquarters in Cambridge, Massachusetts. As a leading hub for life science innovation in North America, and renowned for its hospital and patient care and academic excellence, Cambridge provides access to world-class human capital and healthcare facilities. This office will act as a catalyst for new scientific partnerships and supports our strategic drive to enhance Stallergenes Greer's research and development capabilities. Crucially, it will enable us to pursue the core innovation goals we have set for ourselves.

Business model and strategy

Our business model, which is illustrated on page 15, is underpinned by and linked to our purpose of enabling patients with allergies to live normal lives. Encompassing our research & development, manufacturing and commercialisation capabilities, our business model is designed to deliver long-term value creation to patients and our wider stakeholder groups. It enables us to generate cash flow, which we use to invest in the business and continue providing leading, patient-centric AIT treatments.

In turn, our business model is supported by our strategy, which is built on four strategic drivers: winning in our existing base; shaping and growing the market beyond this base; bringing next generation allergy products and technologies to market; and driving a lean and compliant operation. This strategy also links directly to our aspiration, which is to change the treatment paradigm of allergy therapies by delivering curative medicines and innovative tools for patients, and delivering double-digit year-on-year revenue growth.

For all endnotes, see page 124.

Enabling people with allergies to live normal lives

Our success as an organisation depends upon our ability to develop innovative immunotherapy treatments and increase access and delivery for patients around the world. We aspire to change the treatment paradigm of allergy therapies by delivering curative medicines and innovative tools for patients, with double-digit year-on-year revenue growth.

Our business model:

Our purpose is supported by:

- Our people and culture
- Our portfolio of marketed products
- Our R&D pipeline
- Our global footprint
- Our external partnerships
- Our financial capabilities

Our business is divided into:

- Sublingual products
- Subcutaneous products
- Veterinary products
- Other products (bulk allergens, diagnostics)

Our organisation is comprised of:

- Commercial
  Optimising access through direct presence in strategically significant markets
- Technical operations
  Producing world-class immunotherapy products
- R&D
  Developing innovative pharmaceutical specialties to treat major allergies

Our value for stakeholders includes:

- Health benefits for society
- Access to innovative, cost-effective therapies for physicians and patients
- Shareholder value and potential dividend payments

Our four strategic drivers:

1 **Commercial excellence:**
Win in our existing base
- Accelerate growth in strategic markets to increase our market share
- Address bulk markets with FDA-approved extracts portfolio
- Optimise our commercial investments

2 **Growth:**
Shape and grow the market beyond our base
- Grow both organically and with targeted/disciplined acquisitions
- Develop new markets via our own organisation or through partnerships
- Expand indications of existing products

3 **Innovation:**
Bring to market next generation allergy products and technologies
- Advance late-stage pipeline assets to market
- Focus on select internal development projects and evidence-based medicine programmes
- Foster external collaboration projects

4 **Efficiency:**
Drive a lean and compliant operating model
- Align globally to operating model
- Seek out and capitalise on efficiencies
- Nurture a culture of compliance

Our strategic underpinnings:

- Customer-centricity
- Leading BD and M&A capabilities
- Top talent and performance culture

8

Total number of R&D partnerships[1]

Research and Development

In order to achieve our aspiration and expand our product offerings, we continued to invest in our research and development programmes. We made progress in our HDM tablet Phase III clinical trial for allergic rhinitis. Covering the EU and the US, the enrolment of patients is on track.

Unfortunately, our HDM tablet Phase II trial for allergic asthma missed its primary endpoint, but the compound was shown to be active with clear evidence of a dose response based on its immunological activity. We are committed to finding a solution for this condition, and are defining with our experts a pathway to treatment for these patients.

In Japan, our Japanese cedar pollen programme with Shionogi & Co., Ltd. showed positive Phase II trial results and we are in discussions on how to best further develop this programme. Meanwhile, in the US we are evaluating the market opportunity of our ragweed sublingual candidate for potential submission in the first half of 2016, and will continue to follow through on our ORALAIR® post-marketing commitments.

We are also continuing our external research collaborations with partners such as INTREXON, with a focus on probiotics and bacteria, and with leading academic institutions such as Institut Pasteur, Harvard Medical School and Inserm.

23

Countries in which ORALAIR® is available

US business

With our new US headquarters in Cambridge, enhanced brand visibility and strategically re-defined sales teams, we are actively expanding our footprint and presence in the US. In 2015, ORALAIR® gained momentum alongside a strong increase in revenue from our legacy allergen business. Total reported sales in the US reached €52.1m. On an unaudited pro forma basis, sales in the US increased by 36% to reach €81m (14.7% on a constant exchange rate).

We implemented significant improvements at our Lenoir, North Carolina manufacturing site, satisfying the FDA's GMP requirements and resolving pending issues at the facility. Ultimately, these modernisation initiatives were implemented so that we can meet our future quality and capacity needs.

We also expanded our human capital in the US, significantly overhauling our commercial operations to expand the depth and capacity of our teams. Looking ahead, with ORALAIR® and our allergen portfolio offerings, we are well positioned to capitalise on the US market potential. In 2016, our priority will be to expand ORALAIR® to other allergy specialists and grow our portfolio of allergen products.

European business

In Europe, our business is primarily spread across five main markets: France, Germany, Italy, Spain and Switzerland. In France, prior to the suspension, we were the market leader in AIT treatments with a broad portfolio of products spanning sublingual drops, tablets and subcutaneous injections.

In Germany, ORALAIR® is performing well, and we are working to strengthen our market position. We see potential for future growth in this market based on our ability to provide evidence-based medicine, as required by new guidelines[2].

In Italy, tough conditions restricted our market access and performance. In Spain, we made limited progress in a crowded subcutaneous immunotherapy oriented market.

Across our European business, 2015 was a year of contrasting fortunes. Up until September, we were leading the market, performing well and outselling our competitors. However, the temporary suspension of production and distribution in France had an inevitable impact on our performance. Looking ahead, we aim to regain our overall market share in Europe through organic growth and targeted acquisitions.

For all endnotes, see page 124.

International business

Our international business is focused on rolling out our product portfolio and growing our global market share.

In Australia, we are preparing for the launch of ACTAIR®. In China, we conducted an in-depth analysis to understand the country's potential and how best to capitalise on the market opportunity. And we strengthened our presence in Russia – a market which we believe has significant growth potential.

In Latin America, our company Alergo Pharma is the AIT market leader in Argentina, and in 2015 it once again secured its leadership position. In Canada, meanwhile, we laid the foundations for post-merger expansion to distribute the full portfolio of Stallergenes Greer products through our affiliate.

Going forward, we will continue to focus on our existing strategic markets and expand with investment discipline into new geographies where attractive opportunities arise.

Looking ahead, focusing on fundamentals

2016 will be the year we rebuild Stallergenes Greer. Together as one, our Global Leadership Team will focus on the fundamentals of our biopharmaceutical business model and execute against our strategy with four objectives in mind.

First, we will continue to invest in our manufacturing and supply chain capabilities. This will ensure our products are delivered on time, consistent with customer demand and of the highest quality. It will also safeguard against future crises – like the one experienced at our Antony, France plant – from ever happening again.

Second, our ability to generate demand and convey our portfolio value proposition will be our key commercial focus. Our aim is to capture global leadership in the allergy space in the long term, and achieve our curative aspiration.

Third, we will continue to build a competitive and innovative product pipeline. We will achieve this organically, through existing projects in research and development, and inorganically, via acquisitions and partnerships with top tier academic and research institutions around the world.

Finally, we will further transform our Company by attracting, developing and retaining top talent. We are only as strong as our people, and we will continue to bring the best and brightest to Stallergenes Greer.

Our ultimate goal is to regain the trust of our stakeholders – employees, patients, physicians and shareholders alike. I know this is a substantial undertaking and I do not underestimate the effect the events in Antony had on our entire community. However, there is no doubt in my mind that we have the determination and grit needed to restore our reputation and deliver long-term value for both small and large shareholders.

I want to end by thanking you for your support during what has been a testing time for Stallergenes Greer. We have learned many lessons about ourselves since September, emerging from the year stronger, united and truly wiser than before, knowing we can play a very important role in the allergy space for many years to come.

Fereydoun Firouz
Chairman and Chief Executive Officer, Stallergenes Greer

Measuring our performance

We measure our performance against a number of Key Performance Indicators (KPIs). 2015 was Stallergenes Greer's first financial year as a combined new entity. In 2014, the Group consisted of a parent company only. Previous year comparisons are therefore either not possible or not relevant. **Unless specified otherwise, all KPIs include Stallergenes Greer plc from 1 January 2015 to 31 December 2015, Greer Laboratories from 12 May 2015 to 31 December 2015 and Stallergenes from 8 September 2015 to 31 December 2015.**

€81.7m

Total Group sales

2015 Group revenue was impacted by the temporary suspension of production and distribution at the Antony site. In addition, France and a number of other countries recalled certain products shipped between 13 August 2015 and 2 December 2015. On an unaudited pro forma basis, Group sales declined by 13% to €272.9m. Based on a constant rate of exchange, sales declined by 16%.

Measure: Total Group sales include all ex-factory sales of products, excluding discounts, rebates and product returns. Group sales do not include other revenues such as milestones, royalties or licence fees.

€4.8m

Total tablet sales

The tablet portfolio is an important growth driver for the Group and represents a new and innovative category of treatment in allergy immunotherapy. During the period, Stallergenes Greer sold two types of tablets, ORALAIR® for grass allergy, containing five different types of grasses, and ACTAIR® in Japan for house dust mite allergies. At 30 June, tablet sales were 8% up in 2014. In the second half of the year, tablet sales were adversely impacted by the shutdown of our manufacturing site in France. However, on an unaudited pro forma basis tablet sales remained 3% above 2014 with total sales of €26.6m in 2015 versus €25.8m in 2014. The product recall in France did not concern tablet sales.

Measure: Tablet sales include all ex-factory sales of tablet products, excluding discounts, rebates and product returns.

€3.7m

International market sales

The International markets comprise a relatively new and growing geographic region for Stallergenes Greer. We will continue to develop this region in a disciplined way in order to contribute to the future growth of the Company. On an unaudited pro forma basis, our international market sales decreased by 11% due to the temporary suspension of our manufacturing site in France, representing 6% of total sales.

Measure: International market sales include total ex-factory product sales, excluding discounts, rebates and product returns, where applicable. International markets include all countries in Asia, Africa and the Middle East, Latin America and Canada.

-€38.2m

Net cash flow from operating activities

Net cash flow from operating activities is an important measure as it expresses the amount of cash that the Group generates through its normal business. During the reporting period the net cash flow from operating activities was negative as a result of the suspension of production and distribution at the Antony site in France.

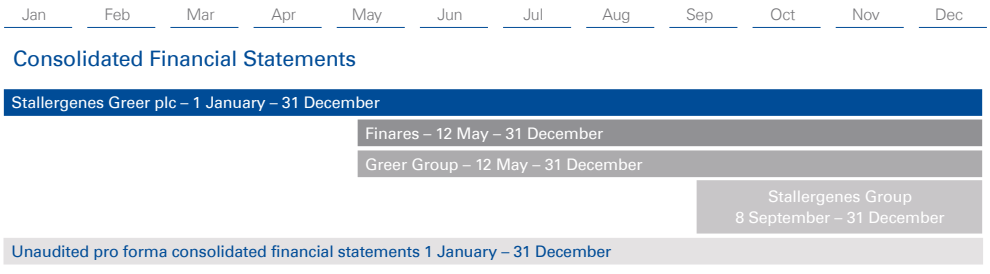
Measure: The Group determines the net cash flow from operating activities using indirect methods. We begin with the operating result (EBIT), add depreciation and amortisation and then deduct income taxes. In addition, changes in working capital and deferred income are recognised in order to determine the cash flow from operating activities.

Coming together as one
and investing for the future

Dear Shareholders,

2015 presented a unique set of reporting circumstances with the acquisition of Greer, the merger with Stallergenes and given that the Group is the only UK company listed on Euronext Paris.

From incorporation to acquisition of the Greer Group on 12 May 2015, the Group did not have any commercial activity because there was no operating entity. Therefore, the statutory trading information presented within this review has no basis for comparison with the previous year given the Group's statutory trading results for the 2015 financial year include those of the Greer Group from 12 May 2015 and those of the Stallergenes Group from the date of the merger on 8 September 2015.



In order to give you, our shareholders, a more complete view of our performance, an unaudited pro forma consolidated income statement is included in the appendix to this Annual Report. This unaudited pro forma consolidated income statement has been prepared as if the acquisition of the Greer Group and the merger with the Stallergenes Group were completed on 1 January 2015. These pro forma financial results are unaudited and do not represent the Group's statutory financial results.

During 2015, the finance team focused on implementing the new corporate governance structure and ensuring the newly created Group complies with all financial reporting regulations. With this process, the key challenges were to ensure consistency in financial reporting, begin aligning financial reporting systems and review Group accounting policies and internal controls. The financial integration of the new Group will continue throughout 2016.

Our other key focus since the merger has been managing the temporary suspension of production and distribution from our manufacturing site in Antony, France and the related product recall. The financial impact of the recall negatively impacted our operating results by €29.5m. Since Q4 2015, the Group has worked diligently to address the observations and recommendations made by the French Health Authority (ANSM); however, in addition to the financial impact on the 2015 results, the temporary suspension will significantly affect our 2016 sales. This is because the temporary suspension meant we missed a major part of prescribing seasons in certain countries for seasonal allergy immunotherapy treatments.

Peter Bühler,
Chief Financial Officer

We made significant progress in a short period of time to fully integrate the new entities within the Group; looking ahead, we know there is still more work to be done in this area. In 2016, we will focus on ensuring that the ongoing impact of the temporary suspension is carefully managed with all costs tightly controlled. Beyond that, we will invest where required to recover any loss of market share and attract new sales in order to re-establish the Group as the global leader in allergy immunotherapy.

Net sales

Statutory net sales were €81.7m for 2015. This was below expectations for the newly merged business due primarily to the reduction in net sales arising from the recall event.

On an unaudited pro forma basis, the Group's net sales were €272.9m, down 13% from €312.4m in 2014. During the gradual ramp-up of production following the implementation of the new ERP system in August, sales were below capacity and customer demand. This resulted in reduced sales volumes between August and November. From 2 December 2015 when the temporary suspension was put in place, no sales were made out of the Antony plant until following the year end. However, the downside impact was reduced due to the combination of strong sales from the Greer Group throughout 2015 and from the Stallergenes Group during the first seven months of 2015 (prior to the recall event).

Temporary suspension and product recalls

Due to the temporary suspension and recall of products from the Antony site, no products were sold between 2 December 2015 and 1 February 2016 from our Antony facility. As a result, it had a material impact on net sales of approximately €70m, ultimately leading to a net loss for the year 2015. Based on the volume of products returned following the recall, the estimated adverse impact of the recall on net sales was €24m.

In 2016, the Group will ensure that all costs are tightly controlled in order to mitigate the impact of lost sales. We will also ensure that resources are invested to successfully re-launch the Group's allergy products outside the US and maintain the Company's competitive profile.

Net sales by product type

The products marketed by the Group are split into four categories: sublingual products, which include ORALAIR® and ACTAIR®; subcutaneous products; veterinary products; and other products, which include diagnostic and ancillary products.

	Audited financial statements 2015 €m	Unaudited pro forma income statements 2015 €m	Unaudited pro forma income statements 2014 €m
Sublingual	21.1	159.4	213.8
Subcutaneous	40.3	77.3	77.1
Other	12.5	24.9	14.7
Veterinary	7.8	11.3	6.9
Total	**81.7**	**272.9**	**312.5**

Sublingual product net sales of €21.1m are included in the 2015 audited financial statements.

The sublingual product category, on a full year unaudited pro forma basis, remains the largest category for the Group. Sublingual sales include STALORAL® sublingual liquid solution and ORALAIR® and ACTAIR® tablet sales. ORALAIR® performed well in France and in many of the geographies in which the Group trades; however, ORALAIR® sales in the US were below expectations, as it has taken longer than anticipated to convey the value proposition of our speciality pharmaceutical tablets. In order to improve the adoption of ORALAIR® in the US we have made significant investment in our commercial footprint. During 2015, we made the first sales of ACTAIR® to Shionogi & Co. Ltd., our partner in Japan.

On an unaudited pro forma basis, sublingual sales decreased €54.3m or 25% to €159.4m in 2015 from €213.8m in 2014 due to the temporary suspension.

Subcutaneous sales includes our allergen extracts, ALUSTAL® and PHOSTAL®. This product type totalled €40.3m in 2015 which was again impacted by the temporary suspension.

On an unaudited pro forma basis, subcutaneous sales remained stable at €77.3m in 2015 vs. €77.1m in 2014.

Veterinary sales totalled €7.8m on an audited basis, a positive result for the Group, and were not impacted by the temporary suspension.

On an unaudited pro forma basis, veterinary sales increased €4.4m or 64% to €11.3m in 2015 from €6.9m in 2014 due to successful market expansion in this area.

Other sales include diagnostics and ancillary products and totalled €12.5m on an audited basis in 2015.

On an unaudited pro forma basis, other sales increased by €10.2m or 69% to €24.9m in 2015 from €14.7m in 2014 due to increased demand.

Net sales by geography

	Audited financial statements 2015 €m	Unaudited pro forma income statements 2015 €m	Unaudited pro forma income statements 2014 €m
Southern Europe	16.0	127.2	178.7
US	52.1	81.0	59.3
North and Central Europe	9.9	47.2	54.6
International markets	3.7	17.5	19.9
Total	**81.7**	**272.9**	**312.5**

Net sales in the US totalled €52.1m for the year, representing a strong performance in this region.

On an unaudited pro forma basis, US sales increased by 36% (14.7% growth at constant USD/Eur exchange rate) to €81.0m in 2015 from €59.3m in 2014. It is anticipated that the US market will continue to grow in 2016. This region is unaffected by the suspension of production, distribution and recall events in Antony.

Southern European net sales totalled €16.0m, which is significantly lower than anticipated, due to the impact of the suspension of production and distribution and product recall, which predominantly affected this region.

On an unaudited pro forma basis, net sales in Southern Europe decreased €51.6m or 29% to €127.2m in 2015 from €178.7m in 2014. It is anticipated that the results in this region will continue to reflect the impact of the suspension of production and distribution in the first half of 2016.

North and Central Europe and International markets audited net sales totalled €9.9m and €3.7m respectively, which are both below expectation, due to the temporary suspension of production and distribution in the first half of 2016.

Operating loss before transformation costs

The operating loss before transformation costs of €64.7m for the year reflects the result of the Group before cost directly related to the creation of the new Group.

On an unaudited pro forma basis, the year's operating result before transformation costs of €19.4m decreased €86.2m from a profit of €66.8 m in 2014.

Selling, general and administrative expenses include the increase of the commercial organisation in the US as well as the creation of the new global headquarters in London. These investments are important for the future growth of the Group.

Our operating margin before transformation costs on an unaudited pro forma basis was (7.1%) and was significantly impacted by the temporary suspension of production and distribution, particularly as certain operating costs did not decrease during this period. In 2014, the operating margin on an unaudited pro forma basis was 21%.

Transformation costs

Our transformation costs of €9.2m relate predominantly to the costs associated with the acquisition of Finares Holdings AG, the Greer Group and the merger with the Stallergenes Group. These costs exclude the €3.2m costs incurred by Stallergenes SA in advance of the merger. The resulting total transformation costs on an unaudited pro forma basis were €12.4m. This is slightly below the €13m estimated in our interim accounts and reflects external professional fees incurred by the existing Group and the Greer and Stallergenes Groups relating to the merger as well as some restructuring costs in France. The Group considers these costs as non-recurring exceptional items.

Research and Development

The Group invested €20.9m in R&D in the year, representing 26% of net sales. This investment relates to on-going clinical development programmes, notably the development of STG320, a treatment for house dust mite allergy.

Our R&D related income of €1.3m is primarily a research tax credit received in France. On a pro forma basis, the R&D related income was €19.5m for 2015, compared to €20.1m in 2014. This included a €10m milestone payment received from Shionogi & Co., Ltd. upon marketing authorisation in Japan of ACTAIR® from the Japanese health authorities. Further milestone income was recognised during the pro forma 2015 period based on our clinical programme progress.

Earnings per share and dividends

The loss per share for 2015 was 612c, reflecting the €49.3m net loss incurred by the Group in the year.

The Board did not recommend a dividend payment in respect of 2015 due to the losses suffered by the Group in the year, allowing us to further invest in the Group.

On 8 September 2015, the first trading date of Stallergenes Greer at Euronext, the shares traded at €48.2. From September to November 2015 the share price gradually decreased to reach €38.25 on 1 December 2015. With the announcement of the suspension of production and distribution on 2 December, the share price dropped below the €30 mark and had not recovered by the end of March 2016.

Net assets and net cash position

As of 31 December 2015, the net assets of the Group were €540.0m. This highlights that the Group remains in a strong position financially despite the challenges it faced in Q4 2015.

The acquisition of the Greer Group in May 2015 and the merger with the Stallergenes Group in September 2015 were both transactions under common control. The Group's accounting policy for these transactions was to use historic carrying values. As such, there was no increase to goodwill or the fair value of intangible assets recognised as a result of the transaction.

At 31 December 2015, the Group had cash and cash equivalents of €150.2m. In addition, the Group has limited external debt with an outstanding debt balance of €17.7m. This substantial net cash position of €132.5m has enabled the Group to make the necessary investments required to address the concerns of the French Health Authorities (ANSM) and continue investing in our business.

Financial risks

The Group continually reviews its tax risks to ensure it is compliant with any amendments relating to international tax legislation. In Q4 2015, we conducted an external transfer pricing review for management services, and it is our intention to perform further transfer pricing reviews over the next few years.

The Group holds a significant cash reserve, and it is therefore important that this continues to be managed effectively. The Group is well positioned to manage its available cash reserves to ensure that working capital requirements are fully funded, and that money is available for investment as required. The Group does not anticipate significant cash flow risk and generally has a low liquidity risk due to the availability of these cash resources.

The management of currency risk is essential for any global business. As such, it is a core focus for the Group given its international reach, with affiliates and sales across many geographies and currencies. However, the Group's FX risk is considered relatively low as the vast majority of income and expenditure is incurred in Euros or US Dollars, enabling the Group to directly offset these items. The largest FX exposure relates to Sterling, as the parent company's expenses are mainly in Sterling with limited income in this currency to offset this at present. In the early part of 2016 the significant decrease in the value of Sterling against the Euro and US Dollar will have a positive impact on the costs of the Group. However, the Group will continue to manage this exposure carefully, and use currency risk mitigation mechanisms such as FX hedging contracts as and when required. There were no currency derivatives held as of 31 December 2015.

The Group closely monitors any off-balance sheet commitments, asking affiliates to report all commitments on a regular basis to Group finance. Details of all off-balance sheet commitments are included in note 5.2.1 of the Group financial statements on page 102 of this Annual Report.

Peter Bühler
Chief Financial Officer, Stallergenes Greer

Managing uncertainty
mitigating risk

Stallergenes Greer is exposed to a number of risk factors which may affect its performance. The Group has a framework for reviewing and assessing these risks on a regular basis, and has put in place and will continue to develop appropriate processes and procedures to mitigate them. However, no system of control or mitigation can completely eliminate all risks.

The Board has determined that the below risks could, if they were to occur, have a material adverse impact upon the Group's activity, earnings, financial situation or future prospects. The risks are not listed in order of significance.

Principal risk	Context	Mitigation
Legal and regulatory	The Group's activities are subject to extensive, complex, and constantly evolving laws, regulations and political pressures which cover the research, development, approval, manufacturing, supply, pricing, promotion and sale of the Group's products, as well as the Group's engagements with healthcare professionals and healthcare organisations. The Group's failure to comply with the various laws, regulations, guidances, authorisations and controls which govern its activities could expose the Group to a number of adverse consequences, including increased costs, restrictions, fines, and civil or criminal penalties. As previously announced, Greer Laboratories was informed in 2015 by the U.S. Attorney's Office for the Western District of North Carolina that it was seeking information relating to the production and sale of custom mixes that were not named-patient prescriptions. On 20 April 2016, the United States District Court for the Western District of North Carolina unsealed a qui tam complaint brought by two former employees of Greer Laboratories alleging that certain companies, including Greer Laboratories, violated the federal False Claims Act in connection with federal healthcare program reimbursement for custom mixes. At the same time, the Department of Justice notified Greer Laboratories that it has declined to join in this complaint and has confirmed that the United States will require no further information in regards to custom mixes.	The Group has a legal team led by the General Counsel responsible for global legal operations and a regulatory team led by the Global Head of Pharmaceutical Affairs, and both are advised by outside legal and regulatory experts. The Group has engaged outside experts to assist in the enhancement and implementation of its compliance programme on a global and local basis. The Group also maintains insurance covering business interruptions, operating losses and third-party liabilities.

Principal risk	Context	Mitigation
Production, distribution and product recalls	The Group's failure to comply with current good manufacturing practices, to implement adequate controls and governance of quality, to deliver a continuous supply of compliant finished product and to appropriately collect, review, follow up, or report adverse events from all potential sources, and to act on any relevant findings in a timely manner could expose the Group to a number of adverse consequences, including increased costs, restriction or recall of products, fines, and civil or criminal penalties. More information concerning the suspension and resumption of production and distribution at the Antony, France facility and related recall is provided on pages 12 to 13 of the Strategic Report. Although the Group has multiple manufacturing sites, each of the Group's products is produced at a single manufacturing site, without a second source.	The Group is reviewing and enhancing its quality control and manufacturing systems in accordance with current good pharmaceutical manufacturing practices and industry standards, and has engaged third-party experts to assist it in implementing a global quality management system. The Group has dedicated internal and external resources focused on global quality and technical operations systems. The Group is investigating additional manufacturing sources for its products.
Clinical studies	The Group's ability to develop new products is critical. Clinical studies are costly and complex, with results that are often unpredictable. In the course of these studies, unforeseen events may occur that could have a negative impact on completion or results. Poor clinical trial outcomes would prevent or delay the approval and launch of new products.	The Group designs studies based on hypotheses that are clear, with accurately defined endpoints to confirm or negate the hypotheses. The Group makes appropriate modifications in treatment protocols and patient selection to ensure higher "Probabilities of Success" in subsequent trial phases. The Group also works closely with regulatory bodies, seeking guidance and sharing results to help ensure positive trial outcomes.
Pricing dynamics	The Group's activity is partly dependent on being reimbursed for its products by health organisations whose policies are influenced or decided by government agencies. There are increased global initiatives generally aimed at limiting or abolishing reimbursements for certain new or existing medicines or controlling or reducing the price of the medicines concerned through regulation. These initiatives could have a negative impact on the Group's sales and profitability. In September 2014, the French health authority introduced a new regulatory framework relating to the reimbursement and price setting of Named Patient Products (NPP) in France. The full impact of this decree is yet to be understood, but it is possible that NPP sales prices in France will be subject to cuts.	The Group closely monitors global pricing dynamics and appropriately communicates the positive impact its products have on health outcomes. In the United States, the Group has engaged external experts to help ensure compliance with federal laws and regulations regarding pricing and reimbursement. The Group is actively involved in discussion with the French health authorities in order to limit the adverse impact to the Group of any price cuts to NPP sales in France.

Principal risk	Context	Mitigation
Market conditions	If the Group succeeds in developing and obtaining regulatory approval for new products, the ability to generate revenue depends on the products being accepted by doctors and their patients or veterinarians and pet owners. If the Group's new products fail to achieve market acceptance, this could have a significant negative impact on the Group's ability to generate revenue.	In compliance with applicable law and regulation, the Group educates healthcare professionals, patients, and payors about the efficacy, safety and cost-effectiveness of the Group's products.
Competition	The Group operates in competitive markets. With respect to its sublingual and subcutaneous treatments, the Group faces competition from several companies in the United States that manufacture or distribute subcutaneous extracts. The SCIT and SLIT products are in competition with multiple products in certain markets. If an existing or new competitor launches a new or more effective technology or product to treat allergy, it may render the Group's technologies or products less competitive or obsolete and have a material impact on the Group's sales.	The Group closely monitors the competitive environment.
Intellectual property	Our ability to enforce our intellectual property rights with regard to our trade secrets, expertise in manufacturing processes and methods as well as in our materials is critical to our success.	The Group protects its intellectual property through contracts with employees and third parties such as subcontractors that contain confidentiality protections.
Key employees	In the highly competitive industry in which the Group operates, the Group's ability to attract and retain talent is critical to the Group's success.	The Group strives to attract and retain its employees by offering competitive immediate and deferred remuneration packages, along with a focus on employee development.
Workplace health and safety	The Company works with multiple allergens which can cause allergic reactions in certain employees who are already sensitised. In addition, some employees in the Company's plants could have exposure to chemical products.	The Group ensures that it provides its employees with a healthy and safe working environment by providing training, and working on risk identification and reduction in order to implement preventive and corrective measures. The Group has implemented information systems in the United States and Europe for the reporting of occupational risks and the implementation and monitoring of action plans. In the United States, the system also provides for the storage and reporting of training data.

Principal risk	Context	Mitigation
Third-party contracts	The Group is dependent on several major suppliers to procure certain of its allergen raw materials, to conduct clinical studies, to produce active substances, and for the pharmaceutical conditioning and packaging of allergen tablets. Potential risks concern the regulatory non-compliance of certain suppliers' activities, the possible termination of the contractual relationship for reasons beyond the Group's control, the ability of these suppliers to deliver the planned quantities of products or services within the agreed deadlines, as well as climatic vagaries.	The Group seeks to manage these risks by: diversifying its providers, managing contractual relationships, conducting quality audits on its suppliers, setting up joint monitoring committees with suppliers for the activities concerned and bringing the production of strategic allergen raw materials in-house.
Reputation	Damage to the Group's reputation and brand names can arise from a range of events such as poor product performance, unsatisfactory customer service, and other situations within or outside our control.	The Group recognises the importance of our reputation and will act quickly to identify potential issues and address them appropriately. The Company is dedicated to providing high-quality products and outstanding customer service, and to maintaining a reputation as an ethical and professional organisation.
Share price	The Group's share price may fluctuate significantly and could be affected by a wide variety of events affecting the Company, its competitors, the pharmaceutical sector or financial markets in general. Despite being inherent to any listed company, the Company believes that, with its limited float, the stock price fluctuation risk is higher for Stallergenes Greer than for companies with greater floats.	The Group has put in place a liquidity contract with investment service provider Oddo Corporate Finance as disclosed on page 43 in the Directors' Report.

Taking care of our world
ensuring the balance is right

Creating sustainable value

At Stallergenes Greer, 'doing the right thing' is at the heart of who we are and what we do. It is inherent in our core purpose of enabling people with allergies to live normal lives.

Through development of innovative immunotherapy treatment solutions, we deliver sustainable value for patients, physicians and society as a whole. However, as we expand our international presence, we are more aware than ever of our sustainability commitments and responsibilities. Post-merger, we have drawn on the responsible practices and policies of both Stallergenes and Greer Laboratories to create a unified approach to corporate responsibility focused on four core areas: patients, employees, ethics and the environment.

Putting patients first

Our patient-centric approach to immunotherapy means we put patient considerations first and foremost in everything we do. We invest in research and innovative therapeutic solutions designed to alleviate allergic conditions, and we provide a range of therapies and tools – such as our Allergy Track mobile application – to help patients manage their conditions on a day-to-day basis.

One of our key priorities is to strengthen our role as a partner to allergy specialists and patients, with an emphasis on accurate diagnosis and early management of the allergy pathology. In particular, we help physicians and specialists enhance their services through dedicated communications, teaching materials, training, post-graduate programmes and online resources such as facingallergies.com and expressionsait.com.

Employee engagement, diversity and commitment

We know that the future success and sustainability of our organisation depends upon the well-being of our people. We engage regularly with our employees on a range of workplace issues, solicit their feedback on our practices and working environment, and keep them up to speed with Company activities and information via regular business update meetings and informal town halls. We have anonymous mechanisms where employees are encouraged to bring to the attention of management issues or suggestions that could better our global operations. We also provide regular employee feedback and performance assessments throughout the year, and offer training, development and skills enhancement opportunities, supporting our people to pursue and achieve their professional goals.

Building a diverse workforce is important for our organisation. Across all sites and operations, we welcome new employees into the Company regardless of their age, race, gender, disability, cultural background or beliefs and we ensure equal opportunities and treatment for all our employees. Our overall gender breakdown is outlined in the table below as of 31 December 2015.

	Men	Women	Total
Board of Directors	4 (80%)	1 (20%)	5 (100%)
Senior Management	11 (91.7%)	1 (8.3%)	12 (100%)
Stallergenes Greer	525 (36.2%)	913 (63.4%)	1,438 (100%)

Looking ahead, we aim to build on the foundation we set in place in 2015 and will focus on four key areas that are critical to our employee value proposition:

1. attracting and retaining key talent;
2. developing programmes that reward employees for their performance and value them as individuals;
3. creating developmental and training opportunities; and
4. developing programmes that promote engagement and productivity.

Doing well by doing good

Stallergenes Greer is committed to the highest levels of ethical conduct, and our corporate governance system is underpinned by a rigorous ethical policy. Designed to promote a corporate culture that encourages responsible employee and stakeholder behaviour, our Code of Conduct – developed and introduced to employees in November 2015 – outlines our definitions and expectations regarding the appropriate interactions with external healthcare professionals and organisations. In 2015, we also issued our Antitrust, Anti-Corruption and Insider Trading policies.

Looking ahead, we will continue to build our global policies surrounding ethics, thereby fostering a culture of compliance throughout the organisation so that it becomes part of our day-to-day ethos.

Environmental protection

As our business and networks expand globally, we are committed to minimising the environmental impact of our operations. We aim to do this by controlling waste and managing resources responsibly across our production and distribution chain, and by implementing eco-responsibility initiatives. To ensure we minimise our environmental footprint at Group level, we are committed to:

- using high added value raw materials based on plant or animal extracts;
- reducing energy and water consumption through efficiency and optimisation initiatives;
- responsible purchasing in accordance with key environmental criteria;
- making targeted investments in environmental programmes around the world; and
- lowering $C0_2$ emissions through staff car-pooling, video conferencing and other business travel reduction schemes.

The Greenhouse Gas emissions (GHG) data from our manufacturing facilities is outlined in the table below. This data represents emissions on a full year basis from 1 January to 31 December 2015 and does not include data for our administrative offices.

Stallergenes Greer Location	2015 Direct Emissions ($MTCO_2e$)
Antony, France	2,177.09
Buenos Aires, Argentina	1.27
Lenoir, North Carolina (US)	2,988.30
Total	**5,166.66**

The Group monitors its GHG emissions on a ratio per employee. The Group's average number of employees in the year was 1,395 (please refer to the Group consolidated financial statements note 4.4b) resulting in GHG emissions of 3.7 MTCO,e per person.

An experienced team
to deliver results

1. Mr Fereydoun Firouz (52)
Fereydoun Firouz co-founded Gurnet Point Capital, a venture/growth equity investment firm focused on life science/healthcare investments, and served as Managing Director of Waypoint Capital Services Inc.

Prior to those roles, Mr Firouz was President and CEO of EMD Serono, Inc., Head of the Global Business Unit Fertility and Endocrinology franchise and a member of the Executive Management Board of Merck Serono.

He is a past Board Member of the Pharmaceutical Research and Manufacturers of America (PhRMA), the Biotechnology Industry Organization (BIO) and the Massachusetts Biotech Council (MBC).

Mr Firouz received a Bachelor of Arts in Political Science from George Washington University. He has participated in executive MBA programmes at the Kellogg Business School and Babson College.

2. Mr Patrick Langlois (70)
Mr Langlois has more than 20 years' experience in the healthcare and agrochemical sectors. Since 2005, he has been the General Partner at PJL Conseils Eurl in Paris, a consulting company for the healthcare industry.

Before creating PJL Conseils, he was Group Executive Vice-President and Chief Financial Officer of Aventis SA (2002 to 2004), having been Vice Chairman of the Management Board and CFO of the Aventis SA Group from 1999 to 2002. At Aventis SA, he was responsible for the company's finance and corporate development functions, and oversaw the plasma protein and veterinary sectors in France, Canada and the United States.

Mr Langlois graduated with a certificate in Higher Banking Studies and holds a PhD in economics from the University of Rennes.

3. Mr Jean-Luc Bélingard (67)
Mr Bélingard has more than 37 years' experience in the pharmaceutical industry, gained in particular with Merck & Co and Roche, where he was a member of the Executive Committee and Chief Executive Officer of Roche Diagnostics.

In 1999, Mr Bélingard joined the Pierre Fabre Group as Chief Executive Officer and Vice Chairman of the Board of Directors. From 2001, Mr Bélingard served as Chairman and Chief Executive Officer of Ipsen Group, a worldwide innovative pharmaceutical group operating in several specialised therapeutic fields (oncology, neurology, endocrinology and haematology).

Since 1 January 2011, Mr Bélingard has been Chairman and Chief Executive Officer of bioMérieux. He is a graduate of HEC Paris (Ecole des Hautes Etudes Commerciales de Paris) and holds an MBA from the Cornell University (US).

4. Mr Stefan Meister (50)
Mr Meister is currently Group Chief Operating Officer of Waypoint Capital, part of the Waypoint Group, a business enterprise for the managers and advisers of the funds and investments associated with the Bertarelli family. Prior to that, he was Chief Financial Officer of the Haniel Group, before which he was a member of the Executive Management Board of Celesio Group.

Mr Meister began his career in 1991 at Novartis AG (Switzerland), holding various positions including Head of Controlling for the Pharma Division. Mr Meister is a Member of the Advisory Board of the Centre for Leadership and Value in Society at the University of St. Gallen, and a Member of the 'Schweizer Dialog.'

Since 2010, he has been a Member of the Board of Directors for the Swiss group, Straumann. Mr Meister is Swiss and holds a degree in Economics from Basel University.

5. Mrs Paola Ricci (58)
Mrs Ricci has over 30 years' pharmaceutical industry experience. She started her career at Serono in 1978 before moving to the US to establish relations with R&D companies and investment firms in the emerging biotechnology sector. She subsequently returned to Serono's Geneva headquarters to lead the company's corporate R&D and worldwide regulatory affairs.

Mrs Ricci has also been a member of Serono's Executive Committee and Managing Director of Serono Europe Ltd.

She has been an active member of major professional and trade associations operating in the areas of health policy and regulatory, such as EFPIA, EuropaBio and IFPMA, with a particular focus on the promotion of innovation, biotechnology and orphan drugs.

1.

2.

3.

4.

5.

Our Board of Directors

Director	Positions outside the Company during 2015
Mr Fereydoun Firouz Chairman and Chief Executive Officer Executive Director 16 July 2015 to date of this Report	– Macrolide Pharmaceuticals, Inc. (Director) (since 2015) – Berklee College of Music (Presidential Advisory Council) – John F. Kennedy Library Foundation (Director) (since 2005) – New England Aquarium (Director) (since 2015) – Capstan Ltd (Director) (since 2013) – Rigger Ltd (Director) (since 2015)
Mr Patrick Langlois Vice-Chairman, Independent Director Chairman of the Audit Committee and Remuneration Committee Member of the Appointment Committee 16 July 2015 to date of this Report	– Onxeo (listed company) (Chairman of the Board of Directors and of the Compensation and Appointments Committee) (since 2011, resigned January 2016) – Newron Pharmaceuticals SpA (listed company) (Director, Chairman of the Audit and Risks Committee, and member of the Compensation and Appointments Committee) (since 2008) – Innate Pharma (member of the Supervisory Board and Chairman of the Audit Committee) (since 2010) – Sensorion (listed company) (Chairman of the Board and independent Director) (since March 2015) – Scynexis Inc (listed company) (Director and Chairman of the Audit Committee) (since 2006)
Mr Jean-Luc Bélingard Independent Director Chairman of the Appointment Committee, Member of the Audit Committee and the Remuneration Committee 16 July 2015 to date of this Report	– bioMérieux S.A. (listed company) (Director, Chairman and CEO) (since 2006) – Institut Mérieux (Director) (since 2011) – Transgene S.A. (listed company) (Director) (since 2013) – Pierre Fabre S.A. (Director) (since 2013) – Laboratory Corporation (LabCorp) of America (listed company) (Director) (since 1995) – Lupin Ltd. (India) (Director) (since 2015)

Director	Positions outside the Company during 2015
Mr Stefan Meister Director Member of the Audit Committee, the Appointment Committee, and the Remuneration Committee 16 July 2015 to date of this Report	– Straumann (listed company) (Director) (since 2010) – Esaote (Director) (since 2014) – Affidea Group B.V. (Director) (since 2014) – Waypoint Group Holdings Ltd (Director) (since 2012) – Waypoint Holdings (Switzerland) SA (Director) (since 2012) – Waypoint Capital Holdings (Jersey) Ltd (Director) (since 2011) – Waypoint International Holdings SA (Director) (since 2012) – Waypoint (Jersey) Ltd (Director) (since 2011) – Waypoint Treasury Ltd (Director) (since 2012) – Waypoint GP Ltd (Director) (since 2012) – Waypoint International GP LLC (Director) (since 2014) – Waypoint Capital Services Inc. (Director) (since 2015) – Waypoint International CIV GP LLC (Director) (since 2014) – Ares Life Sciences Fund Management Ltd (Director) (since 2014) – Bemido SA (Director) (since 2011) – Crosstree Real Estate Management Ltd (Director) (since 2014) – Kedge Capital Fund Management Ltd (Director) (since 2012) – Kedge Capital Partners Ltd (Director) (since 2013) – Kedge Capital Growth Ltd (Director) (since 2014) – KCPE Opportunities Management Ltd (Director) (since 2014) – Holdstone SA (Director) (since 2011) – Roxbury SA (Director) (since 2011) – Triptolemos SA (Director) (since 2011) – Centuras Ltd (Director) (since 2012) – LM (GP) Ltd (Director) (since 2013) – Horizon North SA (Director) (since 2013) – Horizon South SA (Director) (since 2013) – Campus Biotech (Director) (since 2013) – Northill Capital Holdings Ltd (Director) (since 2011)
Mrs Paola Ricci Executive Director Group Head of Pharmaceutical Affairs 16 July 2015 to date of this Report	– Ares Partners CIV L.P. (limited partner) (since 2013) – Member of the Conseil de Fondation de la FSRMM (Fondation Suisse de Recherche sur les Maladies Musculaires) (since 2002)

Director	Positions outside the Company during 2015
Mr Jacques Theurillat Director (Chairman) Resigned 16 July 2015	– n/a
Mr Patrick Lee Director Resigned 16 July 2015	– n/a
Mr Emmanuel Floret Director Resigned 16 July 2015	– n/a

Committee memberships

		Permanent Board Committees		
Board Member	Status / Role	Audit Committee	Remuneration Committee	Appointment Committee
Patrick Langlois	**Vice-Chairman Independent** Non-Executive Director	Committee Chairman	Committee Chairman	Member
Jean-Luc Bélingard	**Independent** Non-Executive Director	Member	Member	Committee Chairman
Stefan Meister	Non-Executive Director	Member	Member	Member

Corporate governance

Internal Regulations of the Board of Directors

The Internal Regulations of the Company's Board of Directors were adopted on 21 July 2015. They detail the duties of the Directors, including their duty of confidentiality, and govern the operation of the Board of Directors, including the decision making process for transactions that have genuine strategic importance. A complete copy of the regulations can be found on our website at www.stallergenesgreer.com.

Corporate Governance Code

Stallergenes Greer plc was registered as a public company on 16 July 2015 and its shares were admitted to trading on the Euronext Paris regulated market on 8 September 2015.

The Board of Directors has committed itself to the highest standards of corporate governance. It specifically committed in July 2015 to apply the standards of the AFEP-MEDEF Code, published by the Association Française des Entreprises Privées (AFEP) and the Mouvement des Entreprises de France (MEDEF), the corporate governance code of reference for publicly traded companies in France. The commitment applies insofar as it is compatible with English law and is subject to the provisions of article 25.1 of the AFEP-MEDEF Code. This allows an issuer to deviate from a recommendation provided that it explains the specific circumstances that justify it.

Our Board of Directors has decided not to follow the following recommendations of the AFEP-MEDEF Code:

- **Article 7.1** relating to the representation of employees on the Board of Directors: the Company is not subject to the provisions of the French Commercial Code, including those which are restated in the AFEP-MEDEF Code;
- **Article 10.4** requiring internal rules to specify that at least one meeting a year be attended by Non-Executive Directors: all committees are composed exclusively of Non-Executive Directors resulting in the direct and independent interaction of all Non-Executive Directors within those committees;
- **Article 14** concerning staggered Directors' terms: it is not compatible with the one-year terms of office of our Directors; and
- **Article 22** concerning the termination of employment contracts of Executive Directors, to allow the Chief Executive Officer to benefit from an employment contract governed by US law in accordance with Anglo-American practice.

The AFEP-MEDEF Code can be found on the Internet:

French version:

http://www.afep.com/uploads/medias/documents/Code_de_gouvernement_entreprise_revise_novembre_2015.pdf

English version:

http://www.afep.com/uploads/medias/documents/Corporate_Governance_Code_of_Listed_Corporations_November_2015.pdf

The Company will continue to report to shareholders on our compliance with the AFEP-MEDEF Code in accordance with the Authorité des Marchés Financiers (AMF) General Regulation.

Because Stallergenes Greer plc's shares are listed and traded on Euronext Paris, the Company is not required to comply with the provisions of the UK Corporate Governance Code on the principles of good corporate governance or the code of best practice published by the Financial Reporting Council (FRC).

Role of the Chairman of the Board of Directors and Chief Executive Officer

The same person holds the functions of Chairman of the Board of Directors and Chief Executive Officer. This is the most appropriate for the Group's operating structure as it allows the Group to achieve three goals:

- to strengthen the cohesion of our social organisation;
- to improve clarity by ensuring representation by one individual at the holding level; and
- to enhance the speed and effectiveness of decision-making in uncertain global economic conditions.

Directors' minimum shareholding requirement

Each Director must, starting at the latest within three months of his or her appointment, own at least 16 fully-paid Company shares for the duration of his or her term of office.

Independent Directors

The Company considers its two Independent Directors – Patrick Langlois and Jean-Luc Bélingard – to have met the independence criteria under the AFEP-MEDEF Code. This is discussed in Section 16.5 of the listing prospectus of the Company, available on the Company's website at www.stallergenesgreer.com.

Review of operation

The Board of Directors has reviewed its membership, organisation and operation, including a corresponding review of its committees. During the next Annual General Meeting, it may make certain recommendations resulting from these reviews for shareholders to consider.

Internal control and risk management

The Board of Directors and the Audit Committee are responsible for identifying and understanding the material risks to which the Company is exposed. They also determine the nature and extent of the risks that the Company is willing to take in achieving its strategic objectives. To mitigate such risks, they have put sound risk management, compliance and control systems in place.

The Company's system of internal controls is designed to manage – rather than eliminate – the risk of failure to achieve business objectives. It can therefore only provide reasonable, and not absolute, assurance against material misstatement or loss.

The Group has operating policies and controls in place that cover a range of issues including financial reporting, compliance and appropriate employee policies. These policies are designed to ensure the accuracy and reliability of our financial reporting and govern how we prepare our financial statements.

The Board of Directors is ultimately responsible for the Company's system of internal controls and risk management. It discharges its duties in these areas by:

- holding regular meetings to consider those matters for which it is responsible;
- receiving regular management reports that provide an assessment of key risks and controls;
- scheduling regular strategy reviews, covering areas including material risks and uncertainties the business faces;
- ensuring there is a clear organisational structure, with defined responsibilities and levels of authority;
- ensuring the Company has documented policies and procedures in place; and
- scheduling regular reviews of financial issues.

The Finance Department is responsible for preparing the Company's financial statements. In doing so, it uses an established consolidation process and ensures that accounting policies are in accordance with International Financial Reporting Standards (IFRS). In addition, the Audit Committee approves all the financial information the Company publishes.

During the last financial year, there were no changes in the Company's internal controls that have materially affected, or are reasonably likely to so affect, the Company's control over its financial reporting.

Further details of specific risks and uncertainties facing the business and the activities we undertake to mitigate them can be found on pages 24 to 27.

Activities of the Board of Directors during 2015

The Board of Directors dealt with a diverse range of matters during 2015. Those they considered after Stallergenes Greer plc was registered as a public company on 16 July 2015 are summarised here.

The following standing items are considered at each meeting:

- confirmation of compliance with Directors' duties and consideration of any new conflicts of interest;
- review of the minutes of previous meetings;
- review of actions from previous meetings;
- review of progress against agreed Board objectives; and
- reports received from the Chairman and Chief Executive Officer, the Chief Financial Officer and, when appropriate, the Global Head of Pharmaceutical Affairs, the Global Head of Business Development, the Global Head of People Operations and Talent Management, the General Counsel and Company Secretary and other managers. These reports cover key aspects of the business, including financial results, operations, regulatory and development strategy, human resources and governance.

There were four scheduled Board meetings during this period. Attendance at these and the Committee meetings held is set out in the table on page 38.

Apart from the standing items described above, the following is a summary of the material items considered at each Board meeting held in 2015 after Stallergenes Greer plc was registered as a public company, all of which were held in the Company's registered offices at 1 Curzon Street, London:

In July, the Board:

- established the Audit, Remuneration and Appointment Committees;
- received a report from the Remuneration Committee Chairman;
- received an update on the re-registration of the Company as a public company;
- considered the proposed listing of the ordinary shares of the Company on the regulated market of Euronext Paris; and
- considered the proposed cross-border merger of Stallergenes SA into the Company.

In August, the Board:

- appointed Computershare Investor Services Plc as the Company's registrar;
- reviewed and approved certain Company governance policies;
- received a report from the Remuneration Committee Chairman;
- approved the steps necessary to list the ordinary shares of the Company on the regulated market of Euronext Paris; and
- approved the steps necessary to complete the proposed cross-border merger of Stallergenes SA into the Company.

In September, the Board:

- received a report from the Audit Committee Chairman;
- approved the financial statements of the Company for the six-month period ending 30 June 2015; and
- reviewed and approved certain Company governance policies.

In December, the Board:

- received a report from the Audit Committee Chairman;
- received a report from the Remuneration Committee Chairman; and
- considered the suspension of manufacturing and distribution operations at the Company's Antony facility.

Meeting attendance

	Meeting attendance of members in 2015*			
	Board	Audit Committee	Remuneration Committee	Appointment Committee
Total number of meetings	4	2	3	0
Fereydoun Firouz	4	–	–	–
Patrick Langlois	4	2	3	0
Jean-Luc Bélingard	3	2	1	0
Stefan Meister	4	1	3	0
Paola Ricci	4	–	–	–

* After Stallergenes Greer plc was registered as a public company on 16 July 2015

Committees of the Board

On 21 July 2015, the Board of Directors created the following three committees and appointed their members: the Audit Committee, the Appointment Committee and the Remuneration Committee. These committees are entitled to make proposals to the Board of Directors relating to their respective areas of expertise. Should the need arise, the Board of Directors may also set up additional committees as appropriate.

Audit Committee

Composition

The Audit Committee consists of three Non-Executive Directors, two of whom are independent. The members of the Audit Committee are Patrick Langlois (independent), Jean-Luc Bélingard (independent) and Stefan Meister. The Chairman is Patrick Langlois.

All of these individuals have the necessary accounting and financial expertise required to qualify as committee members.

The CEO and the CFO attend Audit Committee meetings as appropriate. The Audit Committee also met the Company's Statutory Auditors without management present.

Responsibilities

As stated in the Internal Regulations of the Board of Directors of Stallergenes Greer plc (a complete copy of which can be found at www.stallergenesgreer.com), the Audit Committee is responsible for:

- monitoring the integrity of the Company's financial statements and financial reporting process;
- reviewing and, where necessary challenging, the proposed financial statements and all the material information presented within them;
- reviewing the adequacy and effectiveness of the Company's internal financial controls and its internal control and risk management systems;
- monitoring the statutory audit of the annual financial statements and the consolidated financial statements prepared by the Statutory Auditors; and
- ensuring the independence of the Statutory Auditors.

The Audit Committee also makes a recommendation to the Annual General Meeting regarding the appointment of the Statutory Auditors.

The Company's Statutory Auditor, PricewaterhouseCoopers LLP, was appointed in 2014 for a term of two fiscal years. This will expire at the end of the Annual General Meeting in June 2016.

Committee activities during 2015

The Audit Committee met twice in 2015. Attendance at these meetings is set out in the table on page 38.

Here is a summary of the issues covered at each meeting in 2015 in addition to those relating to its responsibilities as described above:

In September, the Audit Committee:

- reviewed the financial statements of the Company for the six-month period ending 30 June 2015, which were issued in September.

In December, the Audit Committee:

- reviewed the adequacy and effectiveness of the Company's internal financial controls and internal control and risk management systems; and
- reviewed the external audit plan that the Statutory Auditor presented in advance of the audit for the year ended 31 December 2015.

Remuneration Committee

Composition

The Remuneration Committee consists of three Non-Executive Directors, two of whom are independent. The members of the Remuneration Committee are Patrick Langlois (independent), Jean-Luc Bélingard (independent) and Stefan Meister. The Chairman is Patrick Langlois.

All of these individuals have the necessary accounting and financial expertise required to qualify as Remuneration Committee members.

Responsibilities

As stated in the Internal Regulations of the Board of Directors of Stallergenes Greer plc (a complete copy of which can be found at www.stallergenesgreer.com), the Remuneration Committee is responsible for advising the Board of Directors on matters relating to the remuneration of senior executives, Directors and employees. These include matters involving:

- the level and structure of remuneration for senior executives and Directors;
- the ongoing appropriateness and relevance of the Company's remuneration policy;
- the design of, and targets for, any performance-related pay schemes operated by the Company;
- the design of all share incentive plans;
- the policy for, and scope of, pension arrangements for senior management; and
- contractual terms relating to termination, and any payments made upon termination.

Committee activities during 2015
The Remuneration Committee met three times in 2015. Attendance at these meetings is set out in the table on page 38.

A detailed report on the work of the Remuneration Committee during in 2015 is set out on pages 46 to 62:

Appointment Committee
Composition
The Appointment Committee consists of three Non-Executive Directors, two of whom are independent. The members of the Appointment Committee are Patrick Langlois (independent), Jean-Luc Bélingard (independent) and Stefan Meister. The Chairman is Jean-Luc Bélingard.

Responsibilities
As described in the Internal Regulations of the Board of Directors of Stallergenes Greer plc (a complete copy of which can be found at www.stallergenesgreer.com), the role of the Appointment Committee is to advise the Board of Directors on matters regarding the appointment of senior executives, Directors and employees. This includes matters relating to:

- the composition and make-up of the Board of Directors and any of its committees;
- the periodic review of the Board of Directors' structure and the identification as the need arises of potential candidates for appointment as Directors or committee members;
- the succession planning for Directors and senior executives;
- the leadership needs of the organisation, both executive and non-executive, with a view to ensuring the continued ability of the Company to remain competitive in the marketplace; and
- the consideration and development of appropriate corporate governance principles, including those relating to the regulation of related party transactions (that is, dealings with subsidiaries, associates and other closely aligned organisations or individuals).

Committee activities during 2015
The Appointment Committee did not meet in 2015.

Directors' Report

Information disclosed elsewhere in this Annual Report

The Directors have included certain information required to be disclosed in other sections of this Annual Report.

The statements and reviews on pages 1 to 29 comprise the Strategic Report. This contains certain information, outlined below, that is incorporated by reference into this Directors' Report, including:

- particulars of important events that have occurred since the end of the financial year;
- an indication of the Company's likely future business developments;
- an indication of the Company's research and development (R&D) activities;
- information on the Company's policies for employing disabled persons and employee involvement; and
- the Company's disclosures regarding Greenhouse Gas (GHG) emissions.

In addition, the Corporate Governance Report (pages 35 to 45), the Directors' Remuneration Report (pages 57 to 62), the Directors' Remuneration Policy (pages 48 to 56) and the Company Financial Statements (pages 109 to 120) should be read in conjunction with this Directors' Report and are incorporated herein by reference.

Directors

Our current Directors and all other Directors who held office during 2015 are identified on pages 30 to 34 of the Governance Report, along with biographies of our current Directors.

Dividends

No dividends have been declared by the Board of Directors.

Capital structure

As of 31 December 2015, the share capital of the Company was allocated as follows:

Shareholders	Number of shares	% of capital	% of voting rights
Ares Life Sciences I SARL	16,550,910	83.64%	84.03%
Public	3,146,055	15.90%	15.97%
Treasury shares	90,588	0.46%	0%
Total	**19,787,553**	**100%**	**100%**

To the knowledge of the Company, as of the date of this Report, there are no shareholders other than those mentioned in the table above who, directly or indirectly, alone or jointly, hold more than 3% of the capital and/or the voting rights of the Company.

Voting and distribution rights

The Company has a single class of ordinary shares, all of which rank pari passu with each other in all respects.

With regard to voting, at any general meeting, voting on all resolutions shall be taken by poll in which every attending member present either in person or by proxy shall have one vote for every share of which he or she is the holder.

No securities exist that carry special rights with regard to the control of the Company.

There are no restrictions on voting rights, nor are there any agreements between holders of securities, that can result in restrictions on the transfer of securities or on voting rights.

With regard to distributions, the ordinary shares shall entitle holders to full participation in respect of equity and in the event of a winding up of the Company. The ordinary shares may be considered by the Directors when considering dividends from time to time. Dividends shall be declared and paid according to the amounts paid up (otherwise than in advance of calls) on the shares on which the dividend is paid and shall be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms that it shall rank for dividends as from a particular date, it shall rank for dividends accordingly.

Transfer of shares

Under the Company's Articles of Association, there are no limitations that restrict the rights of members to hold the Company's shares. From time to time, certain restrictions may be imposed on the transfer of the Company's shares by laws and regulations such as insider trading laws. In limited situations, as permitted by the Company's Articles of Association, the Board may also decline to register a transfer. The Company is not aware of any agreements between holders of its shares that may result in restrictions on the transfer of securities.

Employee share schemes

Stallergenes Greer has six outstanding stock option plans and five outstanding free share plans in place that are currently vesting. Further information regarding employee share schemes is given in note 5.5 to the financial statements.

Other required disclosures

In accordance with Section 992 of the Companies Act 2006 the Directors disclose the following information:

- there exist no agreements to which the Company is party that may affect its control following a takeover bid; and
- there exist no agreements between the Company and its Directors that provide for compensation for loss of office resulting from a takeover bid.

Appointment and replacement of Directors

The appointment and replacement of Directors is governed by the Company's Articles of Association, the corporate governance rules adopted by the Board of Directors, the Companies Act 2006 and related legislation. In accordance with the corporate governance rules adopted by the Board of Directors, the Directors of Stallergenes Greer are required to resign from office at each Annual General Meeting. The Directors may offer themselves for re-appointment.

Amendment of the Company's Articles of Association

The Company's Articles of Association may be amended by a special resolution of the shareholders, which requires a majority of at least three-quarters of the shareholders to be present or represented.

Powers of the Board of Directors: governance controls

The Board of Directors is responsible for the management of the business of the Company. It may exercise all the powers of the Company, in accordance with the provisions of the Company's Articles of Association and the Internal Regulations of the Board of Directors.

The Company's Articles of Association set out the rights of shareholders, including voting rights, distribution rights, attendance at general meetings and the powers and proceedings of Directors, as well as borrowing limits and other governance controls.

A copy of the Company's Articles of Association is available at www.stallergenesgreer.com.

Acquisition or disposal of own shares

Liquidity agreement

On 8 September 2015 the Company reached an agreement with investment service provider Oddo Corporate Finance. This was to implement a liquidity agreement on Company shares, in accordance with the Charter of Ethics established by the AMAFI (Association Française des Marchés Financiers), and approved by the AMF's decision of 21 March 2011. The agreement was concluded following its approval, in accordance with the provisions of Part 18 of the Companies Act 2006, at a general meeting of shareholders held on 4 September 2015. The purpose of the liquidity agreement is to trade on the Company's behalf in the market to foster regular and liquid trading in the Company's shares and to avoid price swings that are not warranted by market trends.

Summary of transactions under the liquidity agreement

	Purchased	Sold	Held*
Number of shares	54,569	24,651	29,918
Average transaction price**	€41.2275	€39.3847	€39.05489
Total	**€2,249,742.89**	**€970,872.12**	**€1,168,444.20**

* As of 31 December 2015

** Par value of €1 each

Acquisitions by the Company

In addition to the transactions conducted by Oddo under the liquidity agreement described above, the Company purchased into treasury 60,670 ordinary shares of €1 each at an aggregate price of €1 (representing €0.0000164826 per share). This was by way of an off-market share buyback under Part 18 of the Companies Act 2006. The buyback was made following an agreement dated 3 July 2015 between the Company and Ares Life Sciences I SARL, which was approved at a general meeting of the Company held on the same date. The 60,670 treasury shares were transferred to Euroclear France SA on 7 September 2015, to be held by Euroclear as nominee on behalf of the Company. This position remained as at 31 December 2015.

Directors' and Officers' liability insurance and indemnification of Directors

The Company maintains Directors' and Officers' liability insurance which gives appropriate cover for any legal action brought against its Directors. The Company's Articles of Association require the Company to indemnify each of its Directors to the extent permitted by law against liability incurred in connection with a claim by third parties.

Political donations

The Directors confirm that no political donations were made in the year ended 31 December 2015.

Financial instruments

The financial risk-management objectives and policies of the Company and its exposure to foreign currency risk, interest rate risk, and liquidity risks are outlined on page 85.

Going concern

The Directors have made appropriate enquiries and consider that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Directors continue to adopt the going concern basis in preparing the financial statements.

Disclosure of information to auditors

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information (as defined in Section 418[2] of the Companies Act 2006) of which the Company's auditors are unaware. Each Director has also taken the required steps to make him or herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Statement of Directors' responsibilities in respect of the Annual Report and the financial statements

The Directors are responsible for preparing the Annual Report and the Group and parent company financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and parent company financial statements for each financial year. Under that law, they are required to prepare the Group financial statements in accordance with IFRSs as adopted by the EU and applicable law. They have also elected to prepare the parent company financial statements in accordance with UK accounting standards, including FRS 102, the financial reporting standard applicable in the UK and Republic of Ireland.

Under Company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the Group and parent company's state of affairs and of their profit or loss for the relevant accounting period. In preparing each of the Group and parent company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- for the Group financial statements, state whether they have been prepared in accordance with IFRSs as adopted by the EU;
- for the parent company financial statements, state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the parent company financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the parent company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance Statement that comply with that law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK and France governing the preparation and dissemination of financial statements of the Company may differ from legislation in other jurisdictions.

In addition, each of the Directors considers that the Annual Report, taken as a whole, is fair, balanced and understandable and that it provides all the information necessary for shareholders to assess the Company's performance, business model and strategy.

The Directors' Report was approved by the Board of Directors on 26 April 2016 and signed on its behalf by

Fereydoun Firouz
Chairman and Chief Executive Officer

26 April 2016

Registered Office
1 Curzon Street
London
United Kingdom
W1J 5HD

Directors' Remuneration Report Chairman's letter

Dear Shareholders,

I am pleased to present to you the first Directors' Remuneration Report for Stallergenes Greer plc. This provides me with the opportunity to explain the background to the Remuneration Committee's work up until and after the Company's admission to trading on the Euronext in Paris.

In the lead-up to the admission the Committee reviewed the underlying policies and remuneration structures of companies in the competitive marketplace in which we operate. We considered the approach necessary to attract and retain individuals with the relevant experience and skills to help drive future value creation and achieve our strategic goals and objectives.

As a result, our compensation philosophy focuses on four key areas:

1. pay for performance;
2. market competitive pay programmes;
3. attracting and retaining the right level of talent for long-term development; and
4. growth-focused training and development programmes to build and ensure bench strength and capability.

Our Directors' Remuneration Policy

Our overall goal is to have a Remuneration Policy that stimulates sustainable value, creates growth and performance for the business and rewards the performance of management accordingly.

The policy is to be applied for three years from the date of the Annual General Meeting (AGM), unless a new policy is presented to and approved by the shareholders before then. The policy is set out in appropriate detail over the following pages, and a summary of its key areas is provided below:

- The Committee will set fixed levels of remuneration at an appropriate level for each individual. In doing so, the Committee will take into account the levels of fixed remuneration for similar positions with comparable status, responsibility and skills. This will ensure we can attract and retain the individuals needed to grow the Company.
- Recognising our growth aspirations and the need to deliver ongoing superior returns for shareholders, both our Executive Directors are eligible to participate in market-competitive incentive arrangements. They will have the opportunity to receive appropriate levels of remuneration based on the achievement of quantitative and qualitative objectives and measures that are relevant for their roles. Our Chairman and Chief Executive Officer will be required to develop and maintain a stake in the Company.

Business context and Committee decisions

The bonus for 2015 recognises the performance delivered by our Executive Directors from 1 August 2015 to 31 December 2015. The focus in this period was to put in place the structure and governance to create the platform for our future growth. The Committee has taken a holistic view of performance across a broad range of qualitative measures as well as the suspension of production and distribution at the Stallergenes SAS facility in Antony, France. In view of this, it took the decision at year-end to award Fereydoun Firouz a prorated bonus of €427,804, representing 125% of target bonus on a pro rata basis. Paola Ricci received a prorated bonus of €93,216, representing 100% of target bonus on a pro rata basis. Both of these bonuses were conditioned on the resumption of production and distribution in Antony. Further detail is provided in the Annual Report on Remuneration.

The Committee's policy in relation to salaries is to position them broadly in line with the global marketplace in which we operate. As explained in the prospectus, the base salary for Fereydoun Firouz was set at €673,129 and for Paola Ricci at €387,679. The intention is that these salaries will remain unchanged in 2016.

During the year the Committee considered the implementation of a long-term incentive plan (LTIP) which will be linked to the sustainable growth in value of the Company. It is our intention that the plan, which forms part of our Remuneration Policy, will be finalised during 2016.

Format of report and matters to be approved at our Annual General Meeting (AGM) on 9 June 2016

The remainder of this report is split into the following two sections:

- Directors' Remuneration Policy, setting out the Company's forward-looking remuneration policy (pages 48 to 56); and
- Annual Report on Remuneration, providing details of the payments made to Directors in 2015, as well as other statutory disclosures (pages 57 to 62).

At our 2016 AGM, resolutions to approve the new Directors' Remuneration Policy, the Annual Report on Remuneration and this letter will be put to shareholders.

My goal has been to be thoughtful and clear in the layout of both parts of the Directors' Remuneration Report, and I ask for your support on both resolutions.

On behalf of the Remuneration Committee and Board,

Patrick Langlois
Chairman of the Remuneration Committee
26 April 2016

Remuneration Policy

We will be presenting our Remuneration Policy to shareholders for approval at our AGM on 9 June 2016. It will take effect from this date, subject to shareholder approval.

It is our intention that the policy will apply for the three years following the date of approval. The Remuneration Committee will continue to review the Remuneration Policy each year to confirm that the compensation framework aligns with the strategy and objectives of the business.

In developing the Directors' Remuneration Policy, the Remuneration Committee has taken into account the best interests of the business and the agreed terms and conditions of employment for each Director of the Company.

Our overall remuneration philosophy for the Company's aims

- to operate a Remuneration Policy that is a mix of fixed and variable pay. Variable pay is both short term and long term;
- to have a pay-for-performance approach; and
- to provide a market-competitive level of remuneration to enable the Company to attract and retain high-level individuals.

Remuneration Policy table – Executive Directors

The following table provides an overview of the Company's policy on the different elements of the remuneration package.

Purpose and link to strategy	Operation	Maximum award opportunity	Performance measures
Base salary			
Element of fixed pay that reflects the size and scope of the role and its responsibilities. Its purpose is to attract and retain the right individuals and levels of talent required to support the achievement of both short and long-term value creation.	There may be reviews and changes to base salary during the year if considered appropriate by the Committee. The Remuneration Committee will take account of relevant comparator group data as well as pay increases awarded to other groups of employees in the Company.	No specific maximum salary or maximum salary increase applies to base salaries. Pay levels will be appropriate to market.	n/a

Purpose and link to strategy	Operation	Maximum award opportunity	Performance measures
Benefits			
To attract and retain the right individuals and levels of talent required to support achievement of both short and long-term value creation.	Benefits and allowances include but are not limited to: cost of living; housing allowance; property management (home country); tax assistance; international supplementary medical coverage; home leave; and tax equalisation. There is also a one-time relocation allowance paid to the Chairman and Chief Executive Officer. Other benefits may be provided to the Directors if considered appropriate by the Committee. The additional benefits will be disclosed in the Annual Report for the relevant year.	There are maximum benefit levels for the Chairman and Chief Executive Officer: – Annual housing allowance has been capped at £76,800 net of taxes; – Home leave will not exceed $20,000 per annum; – Property management will not exceed $5,000 per annum; – The value of a one-time relocation allowance will not exceed £8,000 and will not be a recurring benefit; – The annual cost of living adjustment will not exceed $20,000 net of taxes and will be reviewed annually. Other benefits have no maximum value. The value of these benefits will be determined by the Committee.	n/a
Pension			
To attract and retain the right individuals and levels of talent required to support achievement of both short and long-term value creation.	The Company may make a pension contribution for individual Directors if this is required as part of a competitive remuneration package.	The Chairman and Chief Executive Officer receives a pension contribution based on IRS limits, which currently equates to a 1:1 match for the first 3% of employee contribution and a ½:1 match for the next 2% of employee contribution (giving an effective employer contribution rate of 4%). The other Executive Director is a member of a defined contribution pension scheme and currently receives a contribution of 16% of base salary.	n/a

Purpose and link to strategy	Operation	Maximum award opportunity	Performance measures
Annual bonus			
To incentivise the delivery of the Company's business plan and key performance measures on an annual basis.	Annual bonus performance measures and targets are determined by the Committee at the start of each financial year. Annual bonus awards will be paid out in cash on an annual basis. The Remuneration Committee retains the discretion to adjust the bonus pay-out.	Chairman and Chief Executive Officer: maximum 150% of base salary. Other Executive Directors: maximum 75% of base salary. The current annual bonus operates with a target of 120% of base salary for the Chairman and Chief Executive Officer, and 60% of base salary for the other Executive Director. These target percentages may be adjusted by the Remuneration Committee. There is no defined threshold pay-out for bonus.	Performance is measured against a combination of key quantitative and qualitative objectives. The Remuneration Committee will consider and agree relative weightings in respect of each financial year. Performance measures and targets will be disclosed in the Annual Remuneration Report unless they are deemed by the Remuneration Committee to be commercially sensitive.
Long-term incentive plan			
To incentivise the delivery of key performance measures over the long term. To retain key executives and ultimately align their interests with those of shareholders.	It is the intention of the Company to implement a long-term incentive plan (LTIP) during 2016. The Remuneration Committee retains the discretion to determine the design and operation of such awards. Awards will typically vest over a three-year period. However in respect of 2016 only, an additional award will be made to take account of the fact that no award was made in 2015. This additional award will have a two-year vesting period. Full details of awards made in 2016 will be included in the Directors' Remuneration Report in the Annual Report for 2016. Full details of the LTIP for future years will be included in a revised Directors' Remuneration Policy in the Annual Report for 2016 for the shareholders' approval at the 2017 AGM.	The normal maximum annual value of an award (other than awards granted as market value options) will be equivalent to no more than $4m. However in respect of 2016 only, as noted there will be an additional award to take account of the fact that no award was made in 2015. This additional award will also have a value of $4m, unless the award is granted as a market value option. With respect to awards that are granted as market value options, the Remuneration Committee retains the discretion to determine their maximum value, taking account of the business context and competitive market norms for such awards.	Performance measures will be determined by the Remuneration Committee each year and disclosed in the Annual Report on remuneration unless deemed to be commercially sensitive. If awards are granted as market value options then no additional performance measures will be attached to the awards.

Shareholding guidelines

The Chairman and Chief Executive Officer is required to hold a shareholding in the Company over a period of time determined by the Committee. The Chairman and Chief Executive Officer will be required to invest at least 10% of any long-term incentive payment after taxes in shares of the Company.

Remuneration Policy notes to the table

Differences in Remuneration Policy for all employees

When setting pay for the Executive Directors, the Remuneration Committee also takes into consideration the remuneration of employees below Board level. All elements of pay are based on relevant roles and responsibilities, as well as market norms for comparable roles.

Not all Company employees will be eligible for the benefits and variable pay arrangements described for Executive Directors in the Remuneration Policy. Other employees, however, may be offered some form of variable pay to drive performance at all levels. Some senior employees may also be eligible for share-based awards, as deemed necessary by the Committee.

Formal consultation on executive remuneration is not undertaken with colleagues.

Setting performance measures and targets

The Remuneration Committee has selected the performance measures and targets in line with the short-term and long-term business objectives of the Company. The Committee reviews the performance measures and targets each year to ensure they remain relevant and continue to challenge the Executive Directors.

To set the agreed performance targets for variable pay, the Committee takes into account:

- short-term and long-term strategic goals;
- business plans for the coming years; and
- underlying financial performance.

Long-term incentives will be based on delivering greater value to our shareholders.

Committee discretion

The Committee retains the right to make discretionary amendments to the annual bonus plan and LTIP arrangements. If, having taken account of performance during the year, the Committee feels a variable award produced an unfair result, then it may make amendments to the vesting of an award. Similarly, if the Committee feels that the performance conditions have become irrelevant due to an unforeseeable change in circumstances, it may amend the performance conditions of the annual bonus plan or LTIP. When this happens, the Committee will take account of all circumstances to ensure that any new or revised performance measures are appropriate.

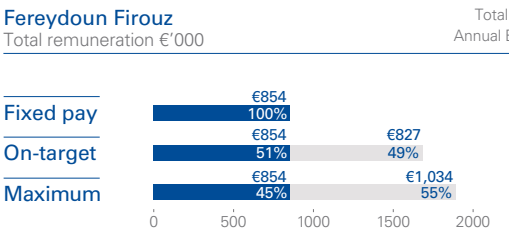
If the Committee decides to use any of the discretions set out above, details of those used will be disclosed in the relevant Annual Report. Discretion will not be used to increase awards above the maximum levels set out in the Remuneration Policy.

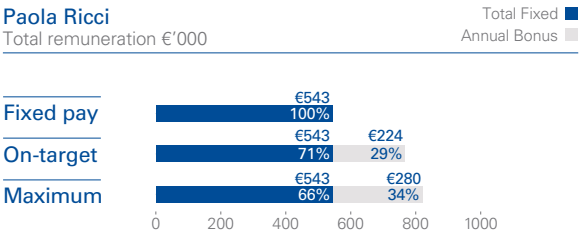
Remuneration Policy table – Non-Executive Directors

Purpose and link to strategy	Operation	Maximum award opportunity	Performance measures
Non-Executive Director fees			
To attract and retain individuals of the calibre required to fulfil the Company's strategic and business objectives.	Fees for Non-Executive Directors are based on market practice and are reviewed by the Board each year. All Non-Executive Directors receive a basic fee each year with an additional fee provided for each committee chairmanship and membership. An additional fee is provided to the chairmen and members of each committee according to each committee meeting they attend during the year.	The maximum award opportunity is €200,000 in aggregate for all Non-Executive Directors, and an additional €100,000 for any new Non-Executive Director	n/a

Illustration of application of Remuneration Policy

The charts below set out the potential future remuneration receivable by the Executive Directors for the year commencing 1 January 2016. The potential reward scenarios provide an insight into the levels of fixed and variable pay receivable by a Director, depending upon performance against key performance measures.





The following assumptions were made to produce the potential remuneration scenarios:

	Base salary €'000	Benefits €'000	Pension €'000	Total fixed €'000
Fereydoun Firouz	689	155	10	854
Paola Ricci	373	110	60	543

Base salary, benefits and pension (Fixed pay)	Base salaries are as at 1 January 2016. Total benefits are estimated to be received by the Directors throughout the year.
On-target	– On-target bonus is calculated as 120% of base salary for the Chairman and Chief Executive Officer and 60% of base salary for the other current Executive Director. – As no LTIP has been implemented yet and its details are still to be agreed no value has been included in these charts. Updated charts will be included in the Directors' Remuneration Report in the Annual Report for 2016.
Maximum	– Full pay-out of the annual bonus will be 150% of base salary for the Chairman and Chief Executive Officer and 75% of base salary for the other current Executive Director. – As no LTIP has been implemented yet and its details are still to be agreed no value has been included in these charts. Updated charts will be included in the Directors' Remuneration Report in the Annual Report for 2016.

Other appointments

The Committee understands the benefit to the Executive Directors of holding external non-executive directorships. An Executive Director may therefore accept an external appointment as a non-executive director, depending on the Committee's acceptance of the role and the responsibilities that the position will entail. The Committee will review the time commitment required to fulfil the duties associated with an outside appointment to ensure that the role will not have a negative effect on the Executive Director's performance at Stallergenes Greer.

Both of our Executive Directors hold external appointments, details of which are provided in the Governance Report on pages 32 to 33 of this Annual Report.

Recruitment Policy

The Recruitment Policy for newly hired Directors is set by the Remuneration Committee. It is crucial in attracting high-level individuals of the calibre required to fulfil the Company's strategic and business objectives. It is imperative that the Committee sets out a remuneration structure to attract potential Directors to the Board without exceeding the levels of pay necessary to secure the appropriate talent.

Our Recruitment Policy is aligned with our Remuneration Policy. Details are set out in the table below.

Element of pay	Policy and operation
Base salary and benefits (including pension)	– Base salaries and benefits will be set in accordance as previously detailed. – An Executive Director will be eligible for benefits as set out in the policy table, but these may differ depending on the individual circumstances of the incoming individual and relevant market conditions or practices.
Annual bonus	– The level of potential annual bonus pay-out for Executive Directors is set out in the policy table. – The Committee may decide to review the performance measures and targets for an incoming Director, to reflect the individual's time in the role during the year.
LTIP	– Full details will be included in the Directors' Remuneration Report in the Annual Report for 2016 when the plan has been implemented.
Buy-outs	– If considered appropriate by the Committee to compensate for pre-existing variable incentives, the Board may decide to award a one-off compensatory LTIP award or bonus. – The structure and performance measures of any replacement awards will be disclosed in the Annual Report for the year in question.

Service contracts and loss of office

The table below summarises the notice periods and payments due on termination of an Executive Director's employment. The Company will consider all relevant circumstances in accordance with any relevant rules or contractual provisions. In these circumstances, the Committee will disclose full details of the payments on termination in the relevant year's Annual Report.

Fereydoun Firouz

Element	Policy
Secondment agreement date	1 August 2015
Date of appointment to Board	21 July 2015
Secondment duration	No fixed term[1]
Notice period	– Termination by the Company at any time with written notice – 30 days' notice by the executive if not for good reason – If termination by executive for good reason then executive notifies Company in writing within 45 days of knowledge of event taking place and Company has a 30-day cure period
Termination without cause by Company or for good reason by executive[2] Executive Employment Agreement	– 12 months salary – 12 months target bonus – 12 months company paid medical – LTIP will be governed by the terms of the plan which are not yet agreed. Details will be provided in the Directors' Remuneration Report in the Annual Report for 2016
Severance indemnity Secondment agreement	If the secondment agreement is terminated then the entitlement is as outlined above in respect of termination of the executive employment agreement except that payments are dependent upon an assessment of performance over the two years prior to termination.

1. Fereydoun Firouz is an employee of Stallergenes Greer Holdings Inc. He and Stallergenes Greer plc have entered into a secondment arrangement for his duties as Chairman and Chief Executive Officer at Stallergenes Greer.
2. Reasons deemed acceptable in the case of an employee's termination for good reason
   - Material reduction in annual base pay or target bonus;
   - Relocation of principal place of employment by more than 50 miles;
   - Material reduction in responsibilities; and
   - Company materially breaches obligations.

Paola Ricci

Element	Policy
Secondment agreement date	1 August 2015
Date of appointment to Board	21 July 2015
Secondment duration	Anticipated to be a maximum of five years[1]
Notice period Secondment agreement	The secondment may be terminated either by the executive, the Home Employer or the host company, in each case by giving each of the other named parties at least three months' notice in writing at any time. Base salary only will be paid for the duration of the notice period. There is no entitlement to bonus.

1. Paola Ricci is an employee of Swiss company Ares Life Sciences SA. She and Ares Life Sciences have entered into a secondment arrangement for her duties as Executive Director at Stallergenes Greer.

The table below summarises the contractual position of our Non-Executive Directors.

Element of pay	Policy and operation
Non-Executive Director fees	– The Non-Executive Directors have letters of appointment as opposed to service contracts. – Non-Executive Directors will be entitled to the fees accrued until their date of leaving.

Consideration of shareholder views

As a newly listed company, we have had limited opportunity to discuss and seek feedback on the Remuneration Policy with shareholders. However, the information in this Remuneration Report reflects that disclosed in the Prospectus document, and no shareholder feedback was received when this was published.

Remuneration Review

Annual Report on Remuneration

The following section of the Annual Report provides details of how we applied our Remuneration Policy for 2015. This is in line with the approach outlined in our Prospectus.

Membership of the Remuneration Committee

The table below shows the members of the Remuneration Committee and their attendance at meetings held in 2015:

Member	Position	21 July 2015	28 August 2015	14 December 2015
Patrick Langlois	Chairman	✓	✓	✓
Jean-Luc Bélingard	Member	✓	X	X
Stefan Meister	Member	✓	✓	✓

The Remuneration Committee held three meetings during the year. Its key activities included discussion of the following issues:

- composition of the Board and confirmation of remuneration arrangements;
- 2015 bonus criteria for Board members; and
- compensation programmes.

The Committee may decide to invite other individuals to meetings to provide advice to the Committee. Additional attendees to the Committee in 2015 included:

Attendee	Role
Edward Butler	Company Secretary[1]
Andrew Suchoff	Global Head of People Operations and Talent Development
Fereydoun Firouz	Chairman and Chief Executive Officer
Devin Smith	General Counsel
Emily Duff	Director in the Chairman's Office

1. Devin Smith appointed Company Secretary as of 2016.

No individual was present when his or her own remuneration was discussed.

External advisers

Following a review of external consultants in the market, Willis Towers Watson were retained by the Remuneration Committee to provide advice during the year. This included, but was not limited to, providing support in the design of a long-term incentive plan. Approximately $65,000 in fees were paid to Willis Towers Watson in 2015, which is reflective of the terms and conditions of their agreement with the Company.

The Committee is satisfied that the advice received from Willis Towers Watson was independent. These advisers have no other connection to the Board of Directors or to the Company as a whole.

Remuneration outcomes for 2015

Executive Directors (audited)

The table below sets out the single figure of total remuneration for Executive Directors for the financial year ending 31 December 2015.

	Salary		Benefits		Annual Bonus		LTIP		Pension		Total Remuneration	
	2015 €	2014 €	2015 €	2014 €	2015 €	2014 €	2015 €	2014 €	2015 €	2014 €	2015 €	2014 €
Fereydoun Firouz[1,2]	304,818	–	76,824	–	427,804	–	0	–	7,968	–	817,414	–
Paola Ricci[1,3]	155,359	–	4,377	–	93,216	–	0	–	25,010	–	277,962	–

1. Appointed on 21 July 2015. No Executive Directors were appointed prior to this date.
2. Fereydoun Firouz receives his remuneration in USD and some expenses in GBP. His pay has been calculated in Euros at the rate prevailing on the date of invoice to the plc (USD average rate 1.09).
3. Paola Ricci receives her remuneration in Swiss Francs. Her pay has been calculated in Euros at the rate prevailing on the date of invoice to the plc (CHF average rate 1.08).

Additional footnotes required for the table

i) Benefits

Benefits paid in the year consist of a housing allowance, a one-time relocation allowance for the Chairman and Chief Executive Officer, a cost of living allowance and health insurance.

ii) Annual bonus

The bonus for 2015 represents performance delivered from 1 August 2015 until 31 December 2015. Given these timeframes the Executive Directors had limited opportunity to impact the Company's financial performance for 2015 – their focus was on delivering key tactical goals which focused on the structure and governance necessary to run a global organisation. The overriding aim for 2015 was to put in place the foundations to support future value creation.

The Executive Director's specific goals included:

- constituting and running the new Ares Allergy Holdings Board of directors;
- determining strategic vision and business imperatives and creating a 100-day plan;
- creating and executing the governance structure; and
- creating consolidated P&L.

Taking a holistic view of performance, as well as the suspension of manufacturing and distribution at the Stallergenes SAS plant in Antony, France, the Remuneration Committee has determined that a bonus of €427,804, or 125% of prorated target is paid to the Chairman and Chief Executive Officer and €93,216, or prorated target of 60% of salary, is paid to the other Executive Director, provided, however that payment of these bonuses is conditioned on the resumption of manufacturing and distribution at the Stallergenes SAS plant in Antony, France.

iii) Pension

The Chairman and Chief Executive Officer receives a pension contribution to a 401(k) retirement plan, which is governed by Internal Revenue Service (IRS) rules. These percentages are set out in the policy table. The other current Executive Director is a member of a defined contribution scheme and received an employer contribution of 16% of salary during the year. No Director has an entitlement to a defined benefit pension.

Non-Executive Directors (audited)

The table below sets out the single figure of total remuneration for Non-Executive Directors for the financial year ending 31 December 2015.

	Fixed remuneration				Variable remuneration		Total fees €	
	Fee for Vice-Chairman of the Board €	Independent Director's fee €	Committee Chairman fees €	Committee Membership fees €	Fee for Board meetings attended €	Fee for committee meetings attended €	2015 €	2014 €
Patrick Langlois[1]	11,556	1,562	2,499	625	10,400	10,000	36,642	–
Jean-Luc Bélingard[1]	–	1,562	1,249	1,249	3,900	3,000	10,960	–
Stefan Meister[1]	–	–	–	–	–	–	0[4]	–
Jacques Theurillat[2]	–	–	–	–	–	–	–	0[3]
Patrick Lee[2]	–	–	–	–	–	–	–	0[3]
Emmanuel Floret[2]	–	–	–	–	–	–	–	0[3]

1. Appointed on 21 July 2015.
2. Resigned on 21 July 2015.
3. Jacques Theurillat, Patrick Lee and Emmanuel Floret did not receive any fees in respect of 2014
4. Stefan Meister did not receive any fees for his services to the Board in respect of 2015.

In addition, Patrick Langlois received €18,000 in respect of a consultancy agreement with the Company.

Relative importance of spend on pay

No comparative information is available for 2014 and the Company had no employees until 1 July 2015. It is therefore not possible to provide this information in a meaningful way in this Annual Report. This information will be included in future Annual Reports.

Payments to past Directors (audited)

There were no payments made to past Directors during the year.

Payments for loss of office (audited)

No payments were made for loss of office to Directors during the year.

Scheme interests (audited)

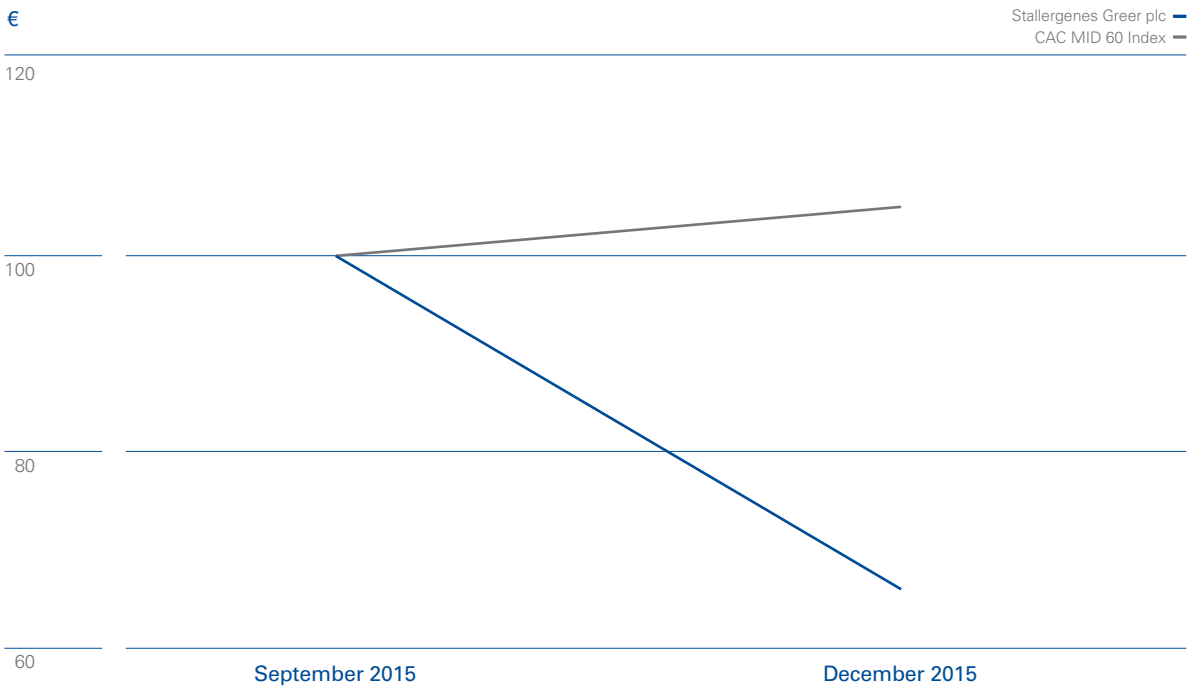
No scheme interests have been granted during the year.

Percentage change in Chief Executive remuneration

It is not possible to provide a comparison of changes between 2014 and 2015 as the Chairman and Chief Executive Officer was not appointed until 21 July 2015.

Review of past performance

This graph shows the value, by 31 December 2015, of €100 invested in Stallergenes Greer on 8 September 2015, compared with €100 invested in CAC MID 60 Index on the same date. The Company feels this is a relevant broad index for comparison purposes.



The table below shows the remuneration of the Chairman and Chief Executive Officer for the period from the date of admission to the end of the financial year, together with the bonus payment as a percentage of maximum.

Chief Executive	2015
Total single figure (€'000)	**817**
Bonus (% of maximum)	**100%**

Directors' shareholding requirements and interests in shares (audited)

The table below shows the Directors' shareholdings as at 31 December 2015.

Director	Ordinary shares Total shares
Fereydoun Firouz	100[1,3]
Paola Ricci	16[2,3]
Patrick Langlois	17[2,3]
Jean-Luc Bélingard	20[2,3]
Stefan Meister	16[2,3]

1. The total shares take into account the exchange ratio of one new Stallergenes Greer SARL share (formerly known as Ares Allergy Holdings plc) for one Stallergenes SA share and on the basis of the number of Stallergenes SA shares held as of the date of admission.
2. The total shares take into account the exchange ratio of one new Stallergenes Greer plc share for one Stallergenes SA share and on the basis of the number of Stallergenes SA shares held as of 31 December 2014.
3. There are no long-term incentive arrangements in place; no outstanding LTIP awards are shown in the table.

Statement of implementation of the Remuneration Policy in 2016

Base salary – FY16

The following base salary increases were determined by the Committee at the year-end review, made with consideration to the disclosed Remuneration Policy.	Salary on appointment 21 July 2015	Salary at 1 January 2016	Percentage increase
Fereydoun Firouz	673[1]	673[1]	0%
Paola Ricci	388[2]	388[2]	0%

1. Fereydoun Firouz receives his base salary in US Dollars (USD 750,000). His salary-on-appointment figure has been calculated using the exchange rate as of 30 June 2015.
2. Paola Ricci receives her base salary in Swiss Francs (CHF 404,000). Her salary-on-appointment figure has been calculated using the exchange rate as of 30 June 2015.

Annual bonus – FY16

The performance conditions set for achieving annual bonus during the year commencing 1 January 2016 are a combination of quantitative and qualitative measures. The weighting for the Chairman and CEO is a 50/50 split, with objectives focused on four key areas:

- financials;
- strategy and innovation;
- people; and
- technical operations.

For the other Board member, the weighting is 100% qualitative, due to the nature of the position.

The performance measures have been selected to ensure continued alignment between executive remuneration and the achievement of the Company's strategic and business objectives. Details of the targets have not been disclosed due to commercial sensitivity. The Committee will disclose these targets for the relevant year once it considers these performance objectives as no longer commercially sensitive.

As set out in our Remuneration Policy it is the intention of the Remuneration Committee to consider and implement a long-term incentive plan during 2016. Details of this will be included in the Directors' Remuneration Report in the Annual Report for 2016.

In respect of a 2016 LTIP award only the Remuneration Committee may consider a shortened vesting period, in 2017. If this approach is adopted the amount of the award will be reduced from the amount that would have been available under a longer vesting period.

Statement of voting

This is the first year in which we are putting our Remuneration Policy to a binding vote, and our Remuneration Report to an advisory vote, at our AGM. We will publish the voting results in our Directors' Remuneration Report for 2016.

FINANCIAL STATEMENTS

Our opinion

In our opinion, Stallergenes Greer plc Group financial statements (the "financial statements"):

- give a true and fair view of the state of the Group's affairs as at 31 December 2015 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and Article 4 of the IAS Regulation.

What we have audited

The financial statements, included within the Annual Report, comprise:

- the Group statement of financial position as at 31 December 2015;
- the Group income statement and statement of comprehensive income for the year then ended;
- the Group statement of cash flows for the year then ended;
- the Group statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

Certain required disclosures have been presented elsewhere in the Annual Report, rather than in the notes to the financial statements. These are cross-referenced from the financial statements and are identified as audited.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and IFRSs as adopted by the European Union.

In applying the financial reporting framework, the Directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Other required reporting

Consistency of other information

Companies Act 2006 opinions

In our opinion:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the information given in the Corporate Governance Statement set out on page 36 with respect to internal control and risk management systems and about share capital structures is consistent with the financial statements.

ISAs (UK & Ireland) reporting

Under International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)") we are required to report to you if, in our opinion, information in the Annual Report is:

- materially inconsistent with the information in the audited financial statements; or
- apparently materially incorrect based on, or materially inconsistent with, our knowledge of the Company acquired in the course of performing our audit; or
- otherwise misleading.

We have no exceptions to report arising from this responsibility.

Adequacy of information and explanations received
Under the Companies Act 2006 we are required to report to you if, in our opinion, we have not received all the information and explanations we require for our audit. We have no exceptions to report arising from this responsibility.

Directors' remuneration
Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of Directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit
Our responsibilities and those of the Directors
As explained more fully in the Directors' Responsibilities Statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves
We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the Group's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the Directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the Directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Other matter
We have reported separately on the Company financial statements of Stallergenes Greer plc for the year ended 31 December 2015 and on the information in the Directors' Remuneration Report that is described as having been audited.

Simon Ormiston (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Cambridge, UK

26 April 2016

1. FINANCIAL STATEMENTS

2. NOTES TO THE FINANCIAL STATEMENTS

3. NOTES TO THE BALANCE SHEET

4. NOTES TO THE INCOME STATEMENT

5. OTHER NOTES

1. FINANCIAL STATEMENTS

1.1 Consolidated balance sheet as at 31 December 2015

€ thousands	Notes	31 December 2015	31 December 2014
Goodwill	3.1	210,844	–
Other intangible assets	3.2	101,716	–
Property, plant and equipment	3.3	78,059	–
Non-current financial assets	3.4	19,835	–
Deferred tax assets	3.5	4,447	–
Non-current assets		**414,901**	**–**
Inventories	3.6	59,362	–
Trade receivables	3.7	29,669	–
Current financial assets		2	–
Other current assets	3.8	14,034	3
Income tax receivable		17, 608	–
Cash and cash equivalents	3.9	150,183	58
Current assets		**270,858**	**61**
Total assets		**685,759**	**61**

€ thousands	Notes	31 December 2015	31 December 2014
Share capital	3.10	19,788	75
Share premium	3.10	539	–
Merger premium		343,904	–
Revaluation reserve		(1,158)	–
Retained earnings		176,908	(57)
Total shareholders' equity		**539,981**	**18**
Provision for employee retirement obligations and related benefits	3.11	5,333	–
Non-current provisions	3.11	758	–
Deferred tax liabilities	3.5	25,692	–
Non-current liabilities		**31,783**	**–**
Trade payables		27,612	43
Current provisions	3.11	4,922	–
Current financial liabilities	3.9	17,669	–
Income tax payable		1,549	–
Other current liabilities	3.13	62,243	–
Current liabilities		**113,995**	**43**
Total equity and liabilities		**685,759**	**61**

The notes included in Sections 2 to 5 are an integral part of these consolidated financial statements. The Group financial statements from pages 67 to 105 were approved and authorised for issue by the Board of Directors on 26 April 2016 and were signed on its behalf by:

Fereydoun Firouz
Chairman and Chief Executive Officer
Company registration no: 8806009

1.2 Consolidated income statement for the year ended 31 December 2015

€ thousands	Notes	2015	2014
Net sales*	2.9	81,748	–
Other revenue		74	–
Total revenues		**81,822**	**–**
Cost of goods sold		(37,966)	–
Gross margin		**43,856**	**–**
Distribution costs		(8,561)	–
Selling and marketing expenses		(32,639)	–
Administrative expenses		(44,112)	(51)
Other general expenses		(3,568)	(6)
Selling, general and administrative expenses		**(88,880)**	**(57)**
Loss before R&D		**(45,024)**	**(57)**
Research and development costs (R&D)		(20,929)	–
R&D-related income	4.2	1,301	–
Net R&D costs		**(19,628)**	**–**
Operating loss before transformation costs		**(64,652)**	**(57)**
Transformation costs	4.1	(9,211)	–
Operating loss	4.1	**(73,863)**	**(57)**
Financial income		79	–
Financial expenses		(359)	–
Net financial expense		**(280)**	**–**
Loss before tax and associates		**(74,143)**	**(57)**
Income tax	4.6	24,889	–
Share of loss from associated companies	4.5	(27)	–
Loss for the year		**(49,281)**	**(57)**
Attributable to minority interests		–	–
Group share of net loss		**(49,281)**	**(57)**

* The result of the Group includes Stallergenes Greer Holdings Inc. Group from 8 May 2015 and the Stallergenes SA Group from 8 September 2015. Net sales include the full impact of the temporary suspension and product recall including a provision against sales of €24m.

The basic loss and diluted loss per share for 2015 was 612 cents (2014: loss 88 cents) (note 4.7).

All the activities were in respect of continuing operations.

1.3 Consolidated statement of other comprehensive income for the year ended 31 December 2015

€ thousands	2015	2014
Consolidated net loss for the year	**(49,281)**	**(57)**
Translation adjustments	8,909	–
Change in value of available for sale financial assets	(1,766)	–
Impact of change on deferred tax	608	–
Total items liable to be reclassified to the income statement	**7,751**	**–**
Actuarial gains and losses	884	–
Impact of change on deferred tax	(375)	–
Total items not liable to be reclassified to the income statement	**509**	**–**
Gains and losses directly taken to equity	**8,260**	**–**
Consolidated comprehensive income	**(41,021)**	**(57)**

1.4 Consolidated statement of changes in equity

€ thousands	Notes	Share Capital	Share Premium	Merger Premium	Revaluation reserve	Retained Earnings	Shareholder's equity *Group share*
On incorporation		–	–	–	–	–	–
Consolidated net loss for the period		–	–	–	–	(57)	(57)
Consolidated comprehensive income		**–**	**–**	**–**	**–**	**(57)**	**(57)**
Issue of shares	3.10	75	–	–	–	–	75
At 31 December 2014		**75**	**–**	**–**	**–**	**(57)**	**18**
Consolidated net loss for the period		–	–	–	–	(49,281)	(49,281)
Other comprehensive income for the period		–	–	–	(1,158)	9,418	8,260
Consolidated comprehensive income		**–**	**–**	**–**	**(1,158)**	**(39,863)**	**(41,021)**
Issue of shares	3.10	19,691	541,167	–	–	–	560,858
Share premium reduction	3.10	–	(541,167)	–	–	541,167	–
Treasury shares transactions		–	–	–	–	(1,279)	(1,279)
Share-based payments		–	–	–	–	195	195
Stock options exercised	5.5	22	539	–	–	–	561
Loan write off to reserves	5.3	–	–	–	–	503	503
Impact of combinations under common control	5.4	–	–	343,904	–	(323,758)	20,146
At 31 December 2015		**19,788**	**539**	**343,904**	**(1,158)**	**176,908**	**539,981**

1.5 Consolidated cash flow statement

€ thousands	Notes	2015	2014
Cash flow from operating activities			
Operating loss	4.1	**(73,863)**	(57)
Amortisation and depreciation charges		12,892	–
Reversal of impairment losses		(99)	
Change in provisions		3,390	–
Share-based payments	5.5	195	–
Capital losses from disposal of assets		3,980	–
Financial losses excluding interests		71	–
Gross operating profit (EBITDA)		**(53,434)**	(57)
Income tax paid		(3,791)	–
Change in working capital of operating activities	5.1	18,116	40
Change in deferred income		882	–
Net cash flow from operating activities		**(38,227)**	(17)
Cash flow from investing activities			
Acquisition or increase in non-current assets		(17,268)	–
Cash acquired on combinations under common control		196,387	(10)
Proceeds from sale of non-current assets		2,018	–
Change in working capital of investment activities	5.1	6,420	–
Net cash flow from investing activities		**187,557**	(10)
Free cash flow after investing activities		**149,330**	(27)
Cash flow from financing activities			
Proceeds from issuance of ordinary shares		561	85
Treasury shares transactions		(1,279)	–
Net financial interest paid		(351)	–
Use of bank overdrafts		357	–
Repayment of borrowings		(1,936)	–
Proceeds from borrowings		3,090	–
Net cash flow from financing activities		**442**	85
Change in cash and cash equivalents		**149,772**	58
+ Cash and cash equivalents – opening balance		*58*	–
+/- effect of translation adjustment on foreign currency – denominated cash		*353*	–
= Cash and cash equivalents – closing balance	3.9	*150,183*	*58*

2. NOTES TO THE FINANCIAL STATEMENTS

The Stallergenes Greer plc Group (formerly Ares Allergy Holdings plc) ("Stallergenes Greer" or "the Group") is dedicated to the diagnosis and treatment of allergies. The Group provides a comprehensive approach to allergic diseases, offering allergy specialists a wide range of products, from diagnosis to sublingual and subcutaneous allergen immunotherapy medicines, the only long-term allergy treatment to rebalance the immune system.

The parent company, Stallergenes Greer plc, is a public limited company, listed on compartment B of the Euronext Paris Stock Exchange. It is incorporated and domiciled in the UK. Its registered office is located in London at 1 Curzon Street, London, W1J 5HD.

The following significant changes to the Group took place during the 2015 financial year:

- On 12 May 2015 the Company acquired the entire share capital of Stallergenes Greer Holdings Inc. (formerly known as Ares Allergy Holdings Inc.) and its subsidiaries including Greer Laboratories Inc., and Finares Holding AG. The entities were acquired from the Company's immediate parent, Ares Life Sciences I SARL in exchange for shares with a nominal value of €5,658,440 (5,658,440 ordinary shares at €1 each). In addition a further €541,166,652 was recorded in share premium with the total share capital and share premium of €546,825,092 representing the fair value of the entities acquired. This is a common control transaction and therefore outside the scope of IFRS 3 'Business combinations'.

  On 3 June 2015, the Company enacted a capital reduction in which the entirety of the share premium account (€541,166,652) was cancelled and transferred to reserves.

  The Directors have considered the guidance in IAS 8 regarding the selection of an appropriate accounting policy and have consolidated these entities in the Group financial statements from the date of the transaction. This combination has been accounted for using predecessor accounting and as a result the assets and liabilities have been recognised at their historical book value in the consolidated balance sheet.
- On 8 September 2015 the Company completed a cross-border merger with Stallergenes SA. Immediately before the merger Stallergenes SA's immediate parent was also Ares Life Sciences I SARL and so the transaction represents a merger of entities under common control. The share exchange ratio adopted provided for the issuance of one new Stallergenes Greer plc share for one existing Stallergenes SA share (excluding treasury shares). The nominal value of new shares issued by the Group in relation to the merger was €14,032,113 (14,032,113 ordinary shares at €1 each).

  This combination has been accounted for using predecessor accounting and as a result the assets and liabilities have been recognised at their historical book value in the consolidated balance sheet.

  Accordingly the consolidated income statement includes the results of the Greer Laboratories Inc. Group from 12 May 2015 and of the Stallergenes SA Group from 8 September 2015.

On 8 September 2015, immediately following the merger with Stallergenes SA, the Group's shares were admitted for trading on the Euronext, Paris.

2.1 Basis of preparation

The consolidated financial statements of Stallergenes Greer plc have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRS Interpretations Committee (IFRS IC) interpretations as adopted by the European Union and the Companies Act 2006 applicable to companies reporting under IFRS. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, and financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 2.6.

The balance sheet date used for the preparation of the Group's consolidated financial statements and applicable to all companies included in the scope of consolidation is 31 December of each year.

2.2 Going concern

After reviewing the Group's forecasts and projections, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The Group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

2.3 First time adoption of IFRS

The consolidated financial statements were previously prepared under United Kingdom (UK) GAAP. The consolidated financial statements for the Group's first reporting period from 6 December 2013 to 31 December 2014 were approved on 21 April 2015 and submitted to Companies House.

The Group changed accounting framework from UK GAAP to IFRS from 1 January 2015, with 1 January 2014 as the date of transition. This transition has been accounted for in accordance with IFRS 1 First time adoption of IFRS. The adoption of IFRS did not give rise to differences in measurement compared with the previous financial statements prepared under UK GAAP and accordingly no restatement of the prior year has been made.

As part of the listing documentation, the Group prepared unaudited consolidated financial statements for the period from 1 January to 31 December 2014 in accordance with IFRS. These were included within the Prospectus which received visa n° 15-466 from the French securities regulator (the Autorité des marchés financiers or "AMF") on 3 September 2015.

The Group's financial statements are expressed in thousands of euros.

2.4 Changes in accounting policies and disclosures

2.4.1 Standards, amendments and interpretations that are not yet effective and have not been adopted early are as follows:

- Amendment to IAS 1 relating to the first part of the "disclosure initiative": materiality, disintegration of the lines of the income statement and balance sheet, subtotals, order of the notes to the financial statements;
- IFRS 9 – 'Financial instruments' – addresses the classification and measurement of financial assets and financial liabilities. The complete version of IFRS 9 was issued in July 2014. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through Other Comprehensive Income (OCI) and fair value through profit and loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit and loss with the irrevocable option at inception to present changes in fair value in OCI but not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39. For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit and loss. IFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and the hedging instrument and for the "hedged ratio" to be the same as the one management actually uses for risk management purposes. Contemporaneous documentation is still required but is different to that currently prepared under IAS 39. The standard is effective for accounting periods beginning on or after 1 January 2018. Early adoption is permitted, subject to EU endorsement. The Group is currently assessing IFRS 9's full impact.
- IFRS 15 – 'Revenue recognition' – the new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer so the notion of control replaces the existing notion of risks and rewards.
- IFRS 16 – 'Leases' – replaces the current guidance in IAS 17. Under IAS 17 lessees were required to make a distinction between a finance lease (on balance sheet) and an operating lease (off-balance sheet). IFRS 16 now requires lessees to recognise the lease liability reflecting future lease payments and a right to use asset for virtually all lease contracts. The standard applies to annual periods beginning on or after 1 January 2019 with early application permitted.
- IAS 38 – 'Intangible assets' – now includes a rebuttable presumption that the amortisation of intangible assets based on revenue is inappropriate. This presumption can be overcome if either:
  - the intangible asset is expressed as a measure of revenue (i.e. where a measure of revenue is the limiting factor on the value that can be derived from the asset); or
  - it can be shown that revenue and the consumption of economic benefits generated by the asset are highly correlated.

The Group is still working through the implications of these changes.

2.5 Significant accounting policies

2.5.1 Group structure and consolidation method

In accordance with IFRS 10, the consolidated financial statements include Stallergenes Greer plc and entities over which the Group exercises control, directly or indirectly, irrespective of its percentage of equity holding in these entities.

The Group considers that control is exercised when it is exposed to, or has the right to, variable returns from its involvement with the entity and has the ability to affect those returns through its involvement with the entity and has the ability to affect those returns through its power over the entity. Group companies over which Stallergenes Greer plc directly or indirectly exercises exclusive control are fully consolidated from the date exclusive control is transferred to the Group. They are deconsolidated from the date control ceases to exist.

Full consolidation allows recognition of all assets, liabilities and income statement items of the companies concerned after elimination of all intra-group transactions and results. All transactions between consolidated companies and intra-group results (including dividends) are eliminated.

The companies over which the Group exercises significant influence and the joint ventures are consolidated using the equity method. The consolidated financial statements include the Group's share of the total amount of the profits and losses recognised by the equity-accounted entities.

The financial year of all consolidated companies coincides with the calendar year. The accounting methods of all subsidiaries are consistent with those of the Group.

2.5.2 Group companies

The following represent the subsidiaries of the Stallergenes Greer plc Group at 31 December 2015. Details are given of the country of incorporation and its business activities. The equity share capital of these entities is wholly owned by the Group and all companies are incorporated in their principal country of operation.

Entity name	Country of incorporation	Description of activities
Stallergenes Argentina	Argentina	Promotional entity
Alergo Pharma	Argentina	Small manufacturing and distribution
Stallergenes Australia Pty Ltd.	Australia	Promotional entity
Stallergenes Österreich GmbH	Austria	Promotional entity
Stallergenes Belgium SA	Belgium	Distribution entity
Novogen Importaçao e Exportaçao Ltda.	Brazil	Promotional entity
Stallergenes Canada Inc.	Canada	Distribution entity
Stallergenes Hong Kong Ltd.	China	Promotional entity
Stallergenes CZ, s.r.o	Czech Republic & Slovakia	Promotional entity
Stallergenes SAS	France	Manufacturing and distribution/R&D
Stallergenes Gmbh	Germany	Distribution entity
Stallergenes Italia SrL	Italy	Distribution entity
Stallergenes BV	Netherlands	Distribution entity
Stallergenes Polska	Poland	Promotional entity
Stallergènes Portugal LDA	Portugal	Distribution entity
Stallergenes Vostok	Russia	Promotional entity
Stallergenes Ibérica SA	Spain	Distribution entity
Finares Holding AG	Switzerland	Holding entity
Stallergenes AG	Switzerland	Distribution entity
Stallergenes Ilaç Promotion	Turkey	Promotional entity
Stallergenes UK Ltd.	United Kingdom	Distribution entity
Stallergenes Greer Holdings Inc. (formerly Ares Allergy Holdings Inc.)	United States	Service company
Stallergenes Inc.	United States	Promotional entity
Planet Biopharmaceuticals Inc.*	United States	Inactive
Planet ACP Inc.*	United States	Inactive
Antigen Laboratories Inc.*	United States	Small service entity
Albion Medical Holdings Inc.*	United States	Holding Company
Allermed Inc.*	United States	Holding Company
Allermed Laboratories Inc.*	United States	Small manufacturing and distribution
Greer Laboratories Inc.*	United States	Manufacturing and distribution

* Indicates entities indirectly owned by Stallergenes Greer plc

2.5.3 Foreign currency transactions

a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Euros (EUR), which is the Group and Company's functional currency.

b) Foreign currency-denominated transactions

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges. Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income statement within 'finance income or expenses.' All other foreign exchange gains and losses are presented in the income statement within 'other general expenses.'

Expenses and revenues denominated in a currency other than the Group entities' functional currency are converted using the average exchange rate of transactions carried out during the period. Foreign currency-denominated liabilities and receivables are converted at the exchange rate prevailing at the balance sheet date. Exchange differences resulting from these transactions are accounted for in the income statement.

c) Group companies

The presentation currency of the consolidated financial statements is the Euro. The assets and liabilities of foreign subsidiaries (US, Czech, Swiss, British, Turkish, Australian, Polish, Argentinian, Russian, Brazilian, Chinese, American and Canadian) are translated at the prevailing exchange rate on the balance sheet date. Income and expenses for each income statement are translated at the average exchange rate for the period. Translation adjustments resulting from this conversion are directly allocated to a separate item of comprehensive income. Upon the partial or complete disposal of a foreign subsidiary, the translation differences accumulated under other items of comprehensive income are taken to profit and loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

2.5.4 Business combinations

Combinations under common control

The acquisitions of Stallergenes Greer Holdings Inc. and Finares Holdings AG as well as the merger with Stallergenes SA are considered combinations under common control and as such the assets and liabilities recognised by the Group have been included at historical book values.

2.5.5 Goodwill

Positive goodwill is posted to the balance sheet at cost less accumulated impairment.

An impairment test is carried out once a year or more frequently if events or changes in circumstances indicate that goodwill may have been impaired. For the purpose of the test, goodwill is allocated by Cash Generating Unit (or CGU) on a reasonable and consistent basis. As at 31 December 2015 the Group considers there to be only two CGUs. These CGUs are defined as (i) US and (ii) Europe & the rest of the world.

Impairment is recognised as soon as the book value of the CGU to which the goodwill belongs exceeds the recoverable value. Recoverable value is defined as being the higher of value in use and fair value less costs of disposal. Impairment is expensed through the income statement and may not be reversed subsequently where the recoverable value of the CGU exceeds once again its book value.

2.5.6 Minority interests

Minority interests are recognised based on the fair value of net assets acquired. There are no minority interests due to the Group's structure.

2.5.7 Intangible assets

Intangible assets are valued at the Group's acquisition cost or production cost. This cost includes all costs directly attributable to commissioning these intangible assets, or is their fair value on the date of the business combination. Additionally, the Group may capitalise salaries relating to time spent by employees developing and implementing software that is capitalised as an intangible asset. Accumulated amortisation and impairments, if applicable, are deducted from this cost.

The amortisation method and periods of use are reviewed at each balance sheet date.

Intangible assets with a finite useful life are amortised over this period. An impairment test is carried out when there is an internal or external indication of impairment. A provision for impairment is then recognised when the recoverable value of the relevant asset falls below its net book value. The recoverable amount is the higher of the asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash generating units).

a) Research and Development costs acquired

Research and Development costs when acquired relate to payments made for the separate acquisition of Research and Development from a third party.

This type of payment is presumed to fulfil the criteria for recognition as intangible assets.

b) In-house Research and Development costs

Internally-developed Research and Development costs are recognised as intangible assets when it is probable that the future economic benefits expected from the asset will flow to the Group and its cost can be measured reliably.

These conditions are fulfilled if all of the following criteria are met:

a) technical feasibility necessary to complete the development project;

b) intention of the Group to complete the project;

c) ability of the Group to use the intangible asset;

d) evidence of the likelihood of future economic benefits attached to the asset;

e) availability of technical, financial and other resources to complete the project; and

f) reliable measurement of development costs.

Due to the risks and uncertainties relating to regulatory authorisations and the Research and Development process, capitalisation criteria are not considered fulfilled until regulatory authorisation to market the products has been granted.

Capitalised Research and Development costs with a finite useful life are assessed on an individual basis and amortised over their expected useful life.

No Research and Development costs which do not meet the definition above have been capitalised in the period (2014: Nil).

Other in-house Research and Development costs are expensed.

c) Outsourced Research and Development costs

Research and Development costs outsourced to CROs or partners are expensed.

d) Other intangible assets

Other intangible assets include:

- marketing authorisation;
- product technology;
- software, either purchased or designed in-house, and software licences;
- other intangible assets; and
- intangible assets in progress.

Marketing authorisations are capitalised at their acquisition cost and amortised over their useful lives, which corresponds to the lower of the legal protection period and the useful economic life.

Product technology is capitalised based on its acquisition cost. It is amortised on a straight-line basis over 10 years.

Other intangible assets include:

- marketing licences and other contractual commitments are capitalised based on their acquisition cost, which includes costs directly attributable to their acquisition. They are amortised on a straight-line basis over 10-15 years, which corresponds to their useful lives;
- brands/trademarks are capitalised based on their acquisition cost and amortised on a straight-line basis over their useful lives. If they are deemed to have an indefinite useful life they are not amortised but are tested for impairment at least annually and when there is an external or internal indication of impairment; and
- customer lists are amortised on a straight-line basis over 12 years, which corresponds to their probable useful life.

Software has a finite useful life: it is therefore amortised on a straight-line basis from the time the asset is ready to be commissioned, over a period of three to five years, except for integrated professional management software of the "ERP" category, which are amortised over eight years due to their operational significance and probable useful life. Software amortisation is allocated based on usage into cost of goods sold, selling, general and administrative expenses and R&D costs.

Intangible assets in progress are allocated to the relevant category on completion and amortised in line with one of the above policies.

2.5.8 Property, plant and equipment (PPE)

Property, plant and equipment is recognised at acquisition cost, less, if applicable, accumulated depreciation and impairment.

The historical cost includes expenditure that is directly attributable to the acquisition of the items including installation and transfer to their location of use.

In accordance with IAS 23, interest costs are included in asset costs when justified by the significance and timeframe for completion of the relevant non-current assets.

Investment grants relating to property, plant and equipment are posted to balance sheet liabilities under "Grants" and consistently spread over the financial years corresponding to the costs they are supposed to offset in the income statement.

Significant components of property, plant and equipment that have been identified as having different useful lives are recognised separately.

Costs relating to the replacement or renewal of a property, plant or equipment component are recognised as separate assets and the replaced asset is disposed of. Other subsequent expenses relating to property, plant and equipment are only recognised under assets when it is likely that future economic benefits associated with these costs will flow to the Group and the costs may be measured reliably. All other subsequent expenses are recognised as an expense in the financial year they are incurred.

Land is not depreciated. Other assets are depreciated on a straight-line basis when the asset is ready to be commissioned in order to bring the cost of each asset (or its revalued amount) down to its residual value by recognising a constant annual depreciation charge, based on the following useful lives:

– buildings	20 – 39 years
– fixtures & fittings	3 – 10 years
– machinery & equipment	5 – 10 years
– other tangible assets – motor vehicles	3 – 5 years

Depreciation of property, plant and equipment is recognised under the various functional captions of the income statement. Tangible assets under construction are transferred to the relevant category above on completion and depreciated in line with the relevant policy.

An impairment test is carried out when there is an internal or external indication of impairment. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash generating units). A provision for impairment is then recognised when the recoverable value of the concerned asset falls below its net book value.

Capital gains and disposal of losses on property, plant and equipment are measured by the difference between the price and the net book value. They are therefore recognised in the income statement under "Other general expenses."

2.5.9 Leases

Operating leases

Leases for which a substantial portion of the risks and rewards incident to ownership of the assets is effectively retained by the lessor are classified as operating leases. Payments made in respect of contracts of this nature are recognised in the income statement as an expense for the period and on a straight-line basis over the term of the lease.

2.5.10 Financial assets and liabilities

a) Financial assets

The Group classifies its financial assets in the following categories: deposits held to maturity, loans and receivables, at fair value through profit or loss and available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

i. Deposits held to maturity: include financial assets, other than non-derivative financial instruments, featuring determined or determinable instalments and a fixed term, which the Group intends and has the capacity to retain until maturity. They are valued at amortised cost, using the effective interest rate method, and potential impairment is offset against "Financial expenses" in the income statement.

ii. Loans and receivables (excl. trade receivables): are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are valued at amortised cost using the effective interest rate method. Any impairment is recognised in "Financial expenses" in the income statement.

iii. Financial assets at fair value through the income statement: include financial assets which the Group intends, from inception, to resell in the short term, generally within 12 months. Fair value movements are recognised in the income statement of the period in which they occur. This category notably includes money market funds and derivative instruments.

iv. Financial assets available for sale: include financial assets, other than derivative financial instruments, that do not feature in other categories. Fair value movements are recorded under other items of comprehensive income in the period in which they occur, except for impairment. When financial assets available for sale are sold or written down, cumulative fair value movements recognised under other items of comprehensive income are transferred to the income statement.

b) Impairment

Impairment is recognised when there is an objective indication that an asset has been impaired. Impairment indicators are examined for all financial assets at each balance sheet date. These indicators include failure to meet contractual payments, significant financial difficulties of the issuer or debtor, probable bankruptcy or a long-lasting or significant fall in the share price.

Impairment is measured and recognised as follows:

- Impairment of loans and receivables and assets held until maturity, which are recognised at amortised cost, is equal to the difference between the book value of the assets and the value of estimated future cash flow, discounted at the original effective interest rate.
- Impairment of financial assets available for sale corresponds to the change in their fair value. In relation to debt instruments, impairment should only be recognised though the income statement where the loss in value of the security is linked to an objective indication that the amounts due may not be recovered. Increases in value occurring after impairment is recognised and relating to a reversal in the financial situation of the issuer are recognised through the income statement for debt instruments (bonds and other), or through other items of comprehensive income for equity instruments (shares and other).

c) Financial liabilities

Financial liabilities are initially recognised at fair value, less transaction costs directly attributable to the transaction. They are subsequently measured at amortised cost using the effective interest rate method.

d) Determination of fair value

The fair value of financial instruments held for trading and those designated as fair value through the income statement are valued as follows:

- Level 1 – by reference to the share price (unadjusted) for listed financial instruments
- Level 2 – by inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices); or
- Level 3 – by inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The fair value of trade receivables, other current assets, cash and cash equivalents, trade payables, financial liabilities and other current liabilities approximate to their carrying amount.

e) Derecognition

The Group derecognises financial assets when the contractual rights to receive the cash flow of these assets have ceased or have been transferred and the Group has transferred virtually all the risks and rewards incident to ownership of the assets. Moreover, if the Group neither transfers nor retains virtually all the risks and rewards incident to ownership of the financial assets, the latter are derecognised when control is lost.

Financial liabilities are derecognised when contractual obligations are waived, cancelled or extinguished.

2.5.11 Inventory

Inventories are held at the lower of cost or net realisable value. Cost is determined using the first-in, first-out (FIFO) method. Raw materials and other supplies are valued at cost, which includes the purchase price and ancillary expenses.

Inventories of finished goods and work in progress are valued at production cost, which includes the purchase of raw materials and direct production costs, as well as a portion of indirect production costs based on the normal activity level of the facility. The net realisable value represents the estimated selling price under normal business conditions, after deducting selling expenses.

2.5.12 Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently at amortised cost, after deducting provisions for bad debts. A provision for bad debts is recognised when there is an objective indication that the Group may be unable to collect receivables in full as per the conditions initially set down for the transaction. Significant financial difficulties encountered by the debtor, probable bankruptcy or financial restructuring of the debtor and a default or failure to pay are considered as indications that a receivable should be written down. The value of the provision represents the difference between the book value of the asset and estimated future cash flows, discounted at the initial effective interest rate. The value of the provision is recognised in the income statement under "Selling and marketing expenses."

2.5.13 Cash and cash equivalents

"Cash and cash equivalents" include cash, sight deposits and other short-term, highly liquid deposits with initial maturity of three months or less. Bank overdrafts are included under current liabilities in the balance sheet under "Current financial liabilities."

2.5.14 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds. No such costs were recognised in the period (2014: Nil).

2.5.15 Treasury shares

In accordance with IAS 32, treasury shares are deducted from equity regardless of the purpose for which they are held. No gain or loss is recognised in the income statement when purchasing, selling, writing down or cancelling treasury shares.

2.5.16 Dividend distribution

Dividends to be paid by the Group are recognised as a liability in the financial statements in the period they were approved by the shareholders. These amounts are recognised in the statements of changes in equity.

2.5.17 Income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income. Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

2.5.18 Deferred tax

The deferred tax assets and liabilities of consolidated entities are presented under non-current assets and non-current liabilities, respectively.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and impaired to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.5.19 Earnings per share

Basic earnings/loss per share represents the profit/loss on ordinary activities after taxation attributable to the equity shareholders of the parent entity, divided by the weighted average number of ordinary shares in issue during the year, less the weighted average number of ordinary shares held in treasury during the year.

Diluted earnings/loss per share represents the profit/loss on ordinary activities after taxation attributable to the equity shareholders of the parent, divided by the weighted average number of ordinary shares in issue during the year, less the weighted average number of ordinary shares held in treasury during the year, plus the weighted average number of dilutive shares resulting from share options and other potential ordinary shares outstanding during the year.

2.5.20 Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method.

2.5.21 Employee benefits

The Group operates various post-employment schemes, including both defined benefit and defined contribution pension plans and post-employment medical plans.

a) Defined contribution pension obligations

Employees of some subsidiary entities are members of a defined contribution plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

b) Defined benefit pension obligations

Employees of some subsidiary entities are members of defined benefit pension plans, which define an amount of pension benefit they will receive on retirement.

The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries for material pension plans and internally for small schemes using the projected unit credit method, which takes into account the following assumptions: life expectancy, personnel turnover rate and salary increase. Amounts payable are discounted and a financial discounting coefficient is applied to future payments. The selected discount rate is a market rate at the balance sheet date based on first rate corporate bonds ("Eurozone AA rated corporate bonds + 10 years") extrapolated over the average period observed. Provisions are recognised for the full value of the commitments or their net value, which only includes accrued benefits not covered by a fund. Actuarial gains and losses are recognised in other comprehensive income. Current service costs, past service costs and net interest costs are classified under "Other general expenses."

c) Other long-term employee obligations

Within the Group, commitments not covered by plan assets and relating to long-term employee benefits include seniority awards for employees of some subsidiary entities.

2.5.22 Share-based payments

The Group operates a number of equity-settled, share-based compensation plans, under which the entity receives services from employees as consideration for share options or free shares of Stallergenes Greer plc's shares. These plans are measured at fair value, subject to social contributions, and recognised as an expense in the income statement over the vesting period of the rights associated with these plans.

The fair value of option plans is measured using the "Black-Scholes" or "binomial" valuation model, taking account of an annual review of options effectively exercised and acquired, as well as the expected number of exercisable options. The corresponding costs are classified as "Other general expenses."

Details of stock option and free share plans in effect and their measurement under IFRS are provided in note 5.5. These schemes relate to existing schemes acquired by the Group following the merger with Stallergenes SA. No new share options or free shares were granted in the year.

2.5.23 Provisions

A provision is recognised when the Group has an actual, legal or implicit obligation resulting from a past event, the value of which can be measured reliably and the settlement of which is expected to result in an outflow from the Group of resources embodying economic benefits. Forecast outflows likely to occur in more than 12 months are classified as non-current liabilities. Other provisions are classified as current liabilities: in case of doubt, the classification as current liabilities is favoured. Charges and reversals relating to the use of other provisions are recognised in the functional items of the income statement. Reversals of lapsed provisions are classified as "Other general expenses."

2.5.24 Revenue recognition and cost allocation

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods supplied, stated net of discounts, returns and value added taxes. The Group recognises revenue when the amount of revenue can be reliably measured and when it is probable that future economic benefits will flow to the entity.

Revenues arising from product sales are recognised as "Net sales" when the significant risks and rewards incidental to ownership of the products have been transferred to a third party. This is normally on delivery to the customer.

Other revenues arising in particular from licence agreement royalties or from the distribution of products are presented under "Other revenues." Royalty revenues are recognised in accordance with the substance of the relevant agreement.

Research and Development income linked to the partnership with Shionogi & Co. Ltd. and in relation to development agreements are accounted for in the income statement based on the percentage of completion of development work. Consequently, upfront payments received early in the contract are recognised as deferred income and spread over the duration of the work.

The Group has a contract with DBV Technologies to provide and monitor the Active Pharmaceutical Ingredient (API) that DBV Technologies uses in their clinical trials. Revenues from sales of API are accounted for in the income statement when significant risks and rewards incidental to ownership of the products have been transferred to DBV Technologies and income related to the monitoring of the API is recognised as R&D income on a monthly basis in accordance with the service contract.

Costs are classified as follows:

- Expenses corresponding to the cost of resources used by the various departments are classified as "Cost of goods sold," "Distribution costs," "Selling and marketing expenses," "Administrative expenses," and "Research and development costs" based on an analysis of their activities;
- General expenses that cannot be attributed to the operations of the various departments are classified as "Other general expenses." They notably include pension, employee bonuses and profit sharing, share based personnel payments, translation differences, capital gains and losses on non-current assets and income and charges not directly relating to the activities of operational departments (costs or income from litigations and restructuring costs). Due to its significance, this caption is analysed in greater detail in a specific note (see note 4.1).

2.5.25 Research tax credit

Research and Development costs incurred by Stallergenes SAS, an entity in the Group, entitle the Group to a government grant calculated on the basis of eligible research costs, pursuant to a support scheme applicable in France. The grant received may be deducted from income tax payable in respect of the year in which research costs are incurred. The potential excess tax credit is treated as a receivable from the French State, which can be offset against income tax over the three years that follow the year of recognition. The residual unused portion at the end of this period is then repayable to the Company. This receivable is offset against the tax liability and recognised as grants receivable. The grant is classified in the income statement as "R&D related income" (see note 4.2).

2.5.26 Transformation costs

Transformation costs represent significant expenses that are exceptional in nature. These include one-off items such as transaction fees and restructuring costs. Details of transformation costs incurred in the year are shown in note 4.1.

2.6 Critical accounting estimates and judgements

During the preparation and presentation of the financial statements, Group management uses its own judgement to value or estimate certain items presented in the financial statements. The likelihood that future events will occur is also assessed. These valuations and estimates are reviewed at each balance sheet date and compared to actual events, in order to restate the assumptions made if necessary.

2.6.1 Taxation

Current tax is provided at the amounts expected to be paid, and deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted by the balance sheet date. The Group is subject to taxation in numerous jurisdictions and therefore significant judgement is required when determining the Group's worldwide provision for income taxes.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised, based on management's assumptions relating to the amounts and timing of future taxable profits.

Where the final tax outcome is different from the amounts originally estimated and recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

2.6.2 Goodwill and other intangible impairments

Goodwill is deemed to have an indefinite life and so is not amortised. Annual impairment tests of the cash generating units to which goodwill is allocated are performed. Impairment tests are based on risk-adjusted future cash flows discounted using appropriate interest rates. The assumptions used in these impairment tests are set out in note 3.1, "Goodwill."

In each case the valuations indicate sufficient headroom such that a reasonably possible change to key assumptions is unlikely to result in an impairment of the related goodwill.

Impairment tests on other intangible assets are undertaken if events occur which call into question the carrying values of the assets.

The assumptions relating to future cash flows, estimated useful lives and discount rates are based on business forecasts and are therefore inherently judgemental. Future events could cause the assumptions used in these impairment tests to change with a consequent adverse effect on the future results of the Group.

2.6.3 Pensions and other post-employment benefits

The costs of providing pensions and other post-employment benefits are charged to the income statement in accordance with IAS 19 'Employee benefits' over the period during which benefit is derived from the employee's services. The costs are assessed on the basis of assumptions selected by management. These assumptions include future earnings and pension increases, discount rates, expected long-term rates of return on assets and mortality rates.

2.6.4 Legal and other disputes

The Group provides for anticipated settlement costs where an outflow of resources is considered probable and a reliable estimate may be made of the likely outcome of the dispute and legal and other expenses arising from claims against the Group. These estimates take into account the specific circumstances of each dispute and relevant external advice, are inherently judgmental and could change substantially over time as new facts emerge and each dispute progresses.

2.6.5 Temporary suspension of production and distribution

The temporary suspension of production and distribution at the Antony site has had a material impact on the financial results of the Group. The amount recognised as a provision, including lost revenue, legal, contractual and other exposures or obligations, is the best estimate of the consideration required to settle the related liability, taking into account the risks and uncertainties surrounding the event. The Group assesses its liabilities and contingencies based upon the best information available including relevant contractual, legal and regulatory requirements and other appropriate information. The net sales provision has been calculated with reference to the proportion of products that were returned to the Group following the recall, and takes into account the Group's anticipated obligations towards its customers whose course of treatment was interrupted. Other amounts, including potential fines, included in the provision were calculated based on expert legal and regulatory advice. There is some uncertainty in the calculation of these amounts as the product return period is still open and legal, contractual and regulatory negotiations are ongoing. However, the Group has continued to monitor the level of returns following year end to ensure the level of provision is adequate. The provision has not been discounted as the Group anticipates that the time value of money will not be material. Further information is provided in notes 3.11 and 3.13.

2.6.6 Outsourced clinical trials

Outsourced clinical trials to CROs (Clinical Research Organisations) are subject to percentage of completion contracts over several years. Financial information relating to the percentage of completion of these contracts may only be available several months after completion. Under these conditions, management is required to make an estimate based on the revised contractual budgets of the trials in question and their estimated percentage of completion. Variances with expenses effectively invoiced are recognised as invoices pending or prepaid expenses on the balance sheet.

2.7 Financial risk management

2.7.1 Market risks

The foreign exchange risk to the Group is not considered significant even though it makes sales in several foreign currencies as income and the expenses are mainly denominated in Euros and USD. In 2015, the currency split is unusual due to the date of acquisitions and merger in the year and also due to the temporary suspension and product recall in France. It is anticipated that as sales normalise a much greater proportion of the Group's income and expenditure will be in Euros. Therefore, the Group will be able to match a significant portion of its income against expenditure.

In 2015, 27% of the Group's sales were denominated in Euros and 69% in US Dollars in the period and 52% of the Group's expenses were denominated in Euros and 43% in US Dollars. 4% of income and 5% of expenses were incurred in a mix of other foreign currencies.

The Group regularly reviews its foreign exchange risk and hedging instruments are used when the risk is considered significant and specifically when the foreign exchange markets are particularly volatile. Net foreign exchange gains for the year were recognised as "Other general expenses" and totalled €266k (2014: Nil). No foreign exchange risk hedging derivatives were left unwound at 31 December 2015.

The US Dollar is the main currency to which the Group is exposed and if Euro strengthened against US Dollars by 10% the impact on net sales would be a decrease of €5m.

2.7.2 Credit risk

The credit risk on trade receivables primarily concerns hospitals and distributors. These are long-term partners and no significant default has been noted over the past 10 years. Any significant delay in payment is subject to corrective action and, if applicable, provisions are recognised by the sales department.

The credit risk on financial deposits is managed by only dealing with first-rate banking institutions.

2.7.3 Interest rate and liquidity risk

As at 31 December 2015 the Group's interest bearing debt totalled €17,699k. A change in the interest rate level by one percentage point would consequently equal a change of interest expense in the period by €122k. The interest rate exposure is not currently hedged but this will be reviewed as required.

2.8 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets and reduce debt.

At 31 December 2015, the Group had very limited external debt with an external loan of €17,298k and overdrafts of €371k, totalling €17,669k. The Group's cash and cash equivalents are €150,183k with a resulting net cash position of €132,514k. It is not anticipated that the Group will require any new external debt to fund day-to-day operations in 2016. In the future, if the Group takes on additional external debt to fund future investment, the Group will monitor its capital on the basis of its gearing ratio.

2.9 Segment reporting

Stallergenes Greer plc operates in a single business activity of allergy immunotherapy. The "Chief Operating Decision Maker" (CODM) is considered to be the Chairman and Chief Executive Officer and the Executive Committee (EC) which corresponds to the Group's management organisation. The Company operates under a matrix structure whereby individual members of the EC are responsible for geographic segments of the Group's total allergy immunotherapy business. In assessing the Group performance, the CODM and the EC review the financial information on an integrated basis for the Group as a whole, substantially on the same basis as the Group's IFRS Financial Statements.

Resources are allocated on a Group-wide basis according to need. In particular, commercial spend, capital expenditures and R&D resources are allocated based on the overall Group priorities and strategic choice. As a result, there is a single operating segment as defined under IFRS 8. Revenues for this operating segment are analysed into four product lines and four geographic regions as disclosed below.

Sales were as follows, by product line:

€ thousands	2015	%	2014	%
Sublingual route	21,163	26	–	
Subcutaneous route	40,263	49	–	
Other products	12,480	15	–	
Veterinary	7,842	10	–	
Net sales	**81,748**	**100**	–	

The products marketed by the Group are split into four categories: sublingual products, subcutaneous products, veterinary products, and other products.

i. The sublingual products represent the core product line of the Group and currently offer two forms of treatment: liquid sublingual (drops placed under the tongue, STALORAL®) and solid sublingual (rapidly dissolving tablets placed under the tongue, ORALAIR®). In 2015, net sales for this product line are lower than anticipated due to the impact of the product recall.

ii. In order to better respond to the needs of each patient, the Group also offers a range of subcutaneous allergen extracts including allergen extracts from the Greer Group, allergen extracts absorbed by calcium phosphate with PHOSTAL®, or by aluminium hydroxide with ALUSTAL®, as well as the hymenoptera venom range with ALYOSTAL® venom and ALBEY®, the recommended treatments for hymenoptera venom allergies (the allergy immunotherapy is a particularly effective treatment for hymenoptera venom allergies, which can be life-threatening).

iii. The Group also proposes skin testing devices enabling the identification of the allergen or allergens responsible for the allergy, sterile diluents and sterile empty vials, syringes and other compendial products.

iv. The Group proposes products and services to veterinary dermatologists and reference laboratories on the US market, and to non US distributors. Bulk extracts represent the majority of sales to these customers; however, ancillary products such as sterile empty vials are also sold. The Group also offers Enzyme-linked Immunosorbent Assay (ELISA) components and prescription services.

The Group does not have any significant customers accounting for more than 5% of Group sales.

Sales analysed by geographic region:

€ thousands	2015	%	2014	%
Southern Europe[1]	16,016	19	–	
Northern & Central Europe[2]	9,918	12	–	
International markets	3,747	5	–	
United States	52,067	64	–	
Net sales	**81,748**	**100**	–	

(1) Portugal, Spain, France, Italy

(2) Including Greece and Switzerland

2.10 Subsequent events

On 1 February 2016 the Group announced that the manufacturing and distribution of ORALAIR®, ACTAIR® and ALYOSTAL® venom had restarted following the temporary suspension at its Stallergenes SAS plant in Antony, France.

On 10 March 2016 the Group announced that it had been authorised to restart the manufacturing of its Named Patient Products including STALORAL®.

Further details relating to the temporary suspension and restart of manufacture and distribution can be found in the Strategic Report on pages 12 to 13.

No other material event had occurred after the balance sheet date at the date the 2015 consolidated financial statements were approved by the Board of Directors on 26 April 2016.

3. NOTES TO THE BALANCE SHEET

3.1 Goodwill

€ thousands	Gross value	Impairment	Net goodwill
On incorporation	–	–	–
31 December 2014	–	–	–
Addition on acquisition of subsidiary	205,400	–	205,400
Translation adjustment	5,444	–	5,444
31 December 2015	**210,844**	**–**	**210,844**

During the year the Group completed the acquisition of Stallergenes Greer Holdings Inc. and the merger with Stallergenes SA which resulted in the addition of €205,400k of goodwill. The majority of this goodwill relates to prior acquisitions made by the Stallergenes Greer Holdings Inc. Group. This goodwill was allocated to two separate CGUs (cash generating units) which have been defined as the US CGU and Europe & Rest of the World CGU.

The carrying value of goodwill translated at year-end exchange rates, is allocated to the following CGUs:

€ thousands	2015	2014
US	173,811	–
Europe and Rest of World	37,033	–
Total	**210,844**	–

In accordance with IAS 36, the Group carries out annual impairment tests on the goodwill by comparing the value in use or the fair value less cost to sell of the CGU to which the goodwill has been allocated with its book value (net assets and goodwill). The value in use or fair value of each CGU is calculated as the net present value of the projected risk-adjusted post-tax cash flows plus a terminal value. There would be no material difference in valuation if the Group assessed the pre-tax cash flows using a pre-tax discount rate.

The discount rate used by the Group in accordance with the valuations validated by qualified third parties during the recent acquisition and merger process are shown in the table below.

Details relating to the discounted cash flow models used in the impairment tests of the US and Europe and Rest of the World impairment tests are as follows:

Valuation basis	Value in use (Europe and Rest of World) and fair value less cost to sell (US)
Key assumptions	– Sales growth forecasts – EBITDA margin – Terminal growth rate – Discount rate – Tax rate
Period of specific projected cash flows	5 and 10 years
Determination of assumptions	– Sales growth is forecast based on both internal and external market information – EBITDA margin reflects past experience, adjusted for future changes – Terminal growth rate is based on management's estimates of long-term growth rates for each CGU – Discount rate is based on externally verified valuations with adjustments for risk – Taxation rates are based on current tax rates for each tax jurisdiction

Terminal growth and discount rate	Terminal growth rate	Discount rate
US	2.5%	10.5%
Europe and Rest of World	1.5%	10.1%

The Group typically uses business plans covering a five-year period for the purposes of impairment reviews. However, forecast cash flows over a ten-year period have been used to assess the value in use of the US CGU in order to reflect the anticipated growth in sales of ORALAIR® following its launch in 2014 and the long-term nature of the business model. If a five-year period had been used, no impairment would have been indicated.

Sensitivity analyses have been carried out on the impairment tests assuming a difference in some of the calculation parameters:

- sensitivity to sales – net sales were reduced by 5% and 10% or certain revenue streams were eliminated from the forecasts;
- sensitivity to terminal growth rate – the growth rate was reduced to 1% and 1.5%; and
- sensitivity to discount rate – the discount rate was increased to 14.0%.

In each case the valuations indicate sufficient headroom such that a reasonably possible change to key assumptions is unlikely to result in impairment of goodwill.

Thus, no goodwill impairment was recognised in respect of the year ended 2015 (2014: N/A).

3.2 Other intangible assets

€ thousands	Marketing authorisation	Product technology	Software	Other intangible assets*	Advance and downpayment on intangible assets	Intangible assets in progress	Total intangible assets
Gross value on incorporation	–	–	–	–	–	–	–
Gross value at 31 December 2014	–	–	–	–	–	–	–
Addition on acquisition of subsidiary	661	35,891	23,366	79,426	–	12,876	152,220
Additions	–	–	1,977	–	73	2,405	4,455
Disposals and other decreases	–	–	–	(4,518)	(73)	(303)	(4,894)
Transfers	–	–	11,762	–	–	(11,762)	–
Translation adjustment	–	834	14	2,447	–	–	3,295
Gross value at 31 December 2015	**661**	**36,725**	**37,119**	**77,355**	**–**	**3,216**	**155,076**
Accumulated amortisation and impairment at 31 December 2014	–	–	–	–	–	–	–
Addition on acquisition of subsidiary	(627)	(12,517)	(17,933)	(14,686)	–	–	(45,763)
Amortisation expense	(16)	(1,899)	(1,451)	(4,515)	–	–	(7,881)
Disposal	–	–	–	877	–	–	877
Translation adjustment	–	(200)	(4)	(488)	–	–	(692)
Impairment losses, net or reversals	–	–	–	99	–	–	99
Accumulated amortisation and impairment at 31 December 2015	**(643)**	**(14,616)**	**(19,388)**	**(18,713)**	**–**	**–**	**(53,360)**
Net value on incorporation	–	–	–	–	–	–	–
Net value at 31 December 2014	–	–	–	–	–	–	–
Net value at 31 December 2015	**18**	**22,109**	**17,731**	**58,642**	**–**	**3,216**	**101,716**

* Other intangible assets mainly include customer relationships and a trademark and trade name acquired by Stallergenes Greer Holdings Inc. Group prior to its acquisition by the Group on 8 May 2015.

3.3 Property, plant and equipment

€ thousands	Land and buildings	Fixtures and fittings	Machinery & equipment	Other tangible assets	Advance and downpayment on intangible assets	Tangible assets in progress	Total tangible assets
Gross value on incorporation	–	–	–	–	–	–	–
Gross value at 31 December 2014	–	–	–	–	–	–	–
Addition on acquisition of subsidiary	30,973	6,863	56,998	41,776	–	9,513	146,123
Additions	2,360	54	1,754	1,464	–	3,957	9,589
Disposals and other decreases	–	–	(12)	(261)	–	(2)	(275)
Transfers	–	–	–	22	–	(22)	–
Translation adjustment	226	5	368	84	–	107	790
Gross value at 31 December 2015	**33,559**	**6,922**	**59,108**	**43,085**	**–**	**13,553**	**156,227**
Accumulated depreciation and impairment at 31 December 2014	–	–	–	–	–	–	–
Addition on acquisition of subsidiary	(8,339)	(1,477)	(36,812)	(26,389)	–	–	(73,017)
Depreciation expenses	(392)	(127)	(2,902)	(1,590)	–	–	(5,011)
Disposals	–	–	3	30	–	–	33
Translation adjustment	(3)	(2)	(148)	(20)	–	–	(173)
Accumulated depreciation and impairment at 31 December 2015	**(8,734)**	**(1,606)**	**(39,859)**	**(27,969)**	**–**	**–**	**(78,168)**
Net value on incorporation	–	–	–	–	–	–	–
Net value at 31 December 2014	–	–	–	–	–	–	–
Net value at 31 December 2015	**24,825**	**5,316**	**19,249**	**15,116**	**–**	**13,553**	**78,059**

Property, plant and equipment does not include any leased assets.

There are no impairment charges included in 2014 or 2015.

3.4 Non-current financial assets

€ thousands	Non-current loans and receivables	Financial assets available-for-sale	Total non-current financial assets
Gross value at 31 December 2014	–	–	–
Addition on acquisition of subsidiary	1,244	18,839	20,083
Acquisitions and other increases	3,247	–	3,247
Disposals and other decreases	(1,740)	–	(1,740)
Fair value		(1,766)	(1,766)
Translation adjustment	11	–	11
Gross value at 31 December 2015	**2,762**	**17,073**	**19,835**

Financial assets available-for-sale correspond to the 257,000 shares in DBV Technologies (a listed company) acquired on 15 October 2013 by Stallergenes SA for €1,999,383 and transferred to Stallergenes Greer plc at the time of the merger. The level 1 fair value of these shares was €17,072,510 at 31 December 2015.

3.5 Deferred tax assets and liabilities

The movements in deferred tax assets and liabilities during the year are shown below. Deferred tax assets and liabilities are only off-set where there is a legally enforceable right of offset and there is an intention to settle the balances net.

€ thousands	Deferred tax asset	Deferred tax liability
On incorporation	–	–
31 December 2014	–	–
Change recognised in income statement	(2,837)	(16,169)
Deferred tax booked in other comprehensive income	–	(233)
Addition on acquisition of subsidiary	7,122	40,976
Translation adjustment	162	894
Other	–	224
31 December 2015	**4,447**	**25,692**

€ thousands	**31 December 2015**	31 December 2014
Provisions for pensions and other employee benefits	337	–
Fair value of available-for-sale assets	(5,190)	–
Tax losses available for carry-forward	8,308	–
Temporary differences	(22,291)	–
Other	(2,408)	–
Total net deferred tax asset /(liability)	**(21,244)**	–

The net deferred tax liability of €22,291 on temporary differences relates mainly to deferred tax liabilities on intangible assets and property, plant and equipment offset by deferred tax assets on inventories and on accrued expenses held by Greer Laboratories Inc.

The Group has not recognised €2,158,288 of potential deferred tax assets as at 31 December 2015 of which €1,242,345 arose on temporary differences and €915,943 to losses carried forward. Deferred tax assets are recognised for tax losses and temporary differences carried forward to the extent that the realisation of the related tax benefit through future taxable profits is probable.

3.6 Inventories

€ thousands	Raw materials	Merchandise	In progress	Finished goods	Total inventories
Net value at 31 December 2014	–	–	–	–	–
Net value at 31 December 2015	**27,623**	**5,732**	**14,045**	**11,962**	**59,362**

The total amount of raw materials included in cost of goods is specified in note 4.1.

Inventory write-offs in the year amounted to €5m relating primarily to expired products.

3.7 Trade receivables

€ thousands	**31 December 2015**	31 December 2014
Gross value	31,830	–
Provision	(2,161)	–
Net value	**29,669**	–

€ thousands	Trade receivables not yet due	Overdue < 3 months	Overdue > 3 months < 1 year	Overdue > 1 year	Total overdue	Total gross trade receivables	Provision	Total net trade receivables
Gross value at end 2014	–	–	–	–	–	–	–	–
as number of days of net sales	–	–	–	–	–	–	–	–
Gross value at end 2015	**10,841**	**18,752**	**1,730**	**507**	**20,989**	**31,830**	**(2,161)**	**29,669**
as number of days of net sales	48	83	8	2	92	140	(10)	131

The fair value of trade and other receivables equals carrying value.

3.8 Other current assets

€ thousands	**31 December 2015**	31 December 2014
Tax (excluding income tax) and employee-related receivables	9,940	2
Prepaid expenses	2,999	1
Other receivables	1,095	
Total	**14,034**	3

3.9 Cash and borrowings

€ thousands	More than five years	One to five years	Less than one year	2015	2014
Cash equivalents	–	–	29,237	29,237	–
Cash	–	–	120,946	120,946	58
Cash and cash equivalents (A)	–	–	**150,183**	**150,183**	58
Bank overdrafts	–	–	371	371	–
Borrowings	–	–	17,298	17,298	–
Total borrowings (B)	–	–	**17,669**	**17,669**	–
NET CASH POSITION (A) – (B)	–	–	**132,514**	**132,514**	58

The Group borrowings of €17,669k represent a term loan with a bank in the US. A credit agreement was entered into by the Stallergenes Greer Holdings Inc. Group on 20 December 2013 and includes a term loan and a revolving credit facility. The Credit Agreement is collateralised by substantially all assets of the Stallergenes Greer Holdings Inc. Group.

The Term Loan had an original principal amount of $10m. On 2 January 2015 the Stallergenes Greer Holdings Inc. Group borrowed an additional $10m. The Group is required to pay $714k per quarter in principal payments plus interest based on one-month London Interbank Offered Rate (LIBOR) plus 2.25% per annum (2.75% as of December 2015). For the period the repayment made against the principal sum was the full $2,142k or €1,936k. The required payments commenced on 31 March 2014. The Term Loan matures on 15 January 2019. Under the Credit Agreement, the Group has an option to borrow up to a maximum aggregate term principal amount of $25m.

The Revolving Credit Facility provides for loans or letters of credit up to $20m and matures on 13 January 2017. Interest is payable quarterly based on one-month LIBOR plus 2.00% per annum. As of 31 December 2015 the Group had drawn $6,364k against this facility, and there were no outstanding letters of credit. The Revolving Credit Facility includes an unused line fee of 0.25%.

The Credit Agreement contains certain quantitative covenants related to debt coverage and net worth. In addition, the agreements contain certain restrictions which, among other things, limit the amounts of annual capital expenditures of the Stallergenes Greer Holdings Inc. Group.

The Group also has bank overdrafts corresponding to simple credit facilities with banks at 31 December 2015 for an amount of €371k.

The credit ratings of the institutions in which the Group holds its cash and short-term deposits are as follows:

Cash and cash equivalents	€'000
A1	52,170
A2	33,030
AA2	34,590
AA3	17,071
BA2	1,974
Unrated private bank	6,225
Other-BB+	5,123
Total	150,183

3.10 Share capital and share premium

€ thousands	No of shares (thousands)*	Ordinary shares	Share premium
On incorporation	–	–	–
Share capital issued	75	75	–
31 December 2014	75	75	–
Shares issued on acquisition on subsidiaries	5,658	5,658	–
Shares issued on merger	14,032	14,032	–
Share options exercised	22	22	539
31 December 2015	**19,788**	**19,788**	**539**

* includes 91k treasury shares as at 31 December 2015

The Company is authorised to issue an unlimited number of ordinary shares at no par value. All of the shares of the Company are classed as equity.

The ordinary shares have attached to them full rights in respect of voting and participation in dividends or distributions of capital (including on winding up). The ordinary shares do not confer any rights of redemption. At a general meeting of the Company, on a vote on a show of hands, every member present in person or by proxy shall have one vote, and on a vote on a poll, every member present in person or by proxy shall have one vote for every share of which they are the holder or the duly appointed proxy.

Voting rights attached to a share shall not be exercisable at any general meeting, adjournment thereof or on a poll called at or in relation to that meeting unless all amounts payable to the Company in respect of that share have been paid.

a) Movements in share capital in the period from incorporation to 31 December 2014

On 6 December 2013, the Company was incorporated by Ares Life Sciences LP, the parent company of Ares Life Sciences I SARL, with 25,000 ordinary shares of US$1 each. On 19 March 2014, the initial share capital of 25,000 ordinary shares of US$1 was re-denominated into 25,000 ordinary shares of €0.7293, and then sub-divided into 182,325 ordinary shares of EUR 0.1 each. A further 567,675 ordinary shares of EUR 0.1 each were then issued to Ares Life Sciences L.P.

The aggregate numbers of shares then in issue, being 750,000 ordinary shares of EUR 0.1 each, were consolidated into 75,000 ordinary shares of EUR 1 each in the capital of the Company. The total issued share capital was fully paid at 31 December 2014.

b) Movements in share capital in the period to 31 December 2015

On 12 May 2015, the Company issued shares with a nominal value of €5,658,440 (5,658,440 ordinary shares at €1 each) to its immediate parent, Ares Life Sciences I SARL in exchange for the total (direct and indirect) issued share capital of Stallergenes Greer Holdings Inc. and Finares Holdings AG. €541,166,652 was also recorded in share premium. On 3 June 2015, the Company enacted a capital reduction in which the entirety of the share premium account (€541,166,652) was cancelled and transferred to reserves.

On 3 July 2015 the Company bought back 60,670 ordinary shares from Ares Life Sciences I SARL for €1. These shares are held as treasury shares by the Company.

On 8 September 2015 the Group completed a cross-border merger with Stallergenes SA Group. The share exchange ratio adopted provides for the issuance of one new Stallergenes Greer plc share for one existing Stallergenes SA share (excluding treasury shares). The nominal value of new shares issued by the Group in relation to the merger was €14,032,113 (14,032,113 ordinary shares at €1 each).

In the period following the merger with Stallergenes SA Group and 31 December 2015 employee share options were exercised at a price of €560,780. As a result €22,000 (22,000 ordinary shares at €1 each) was booked to share capital, with the remaining €538,780 booked to share premium.

In the period the Group entered into an agreement with a liquidity provider to trade on its behalf in the market so as to foster regular and liquid trading in its shares and to avoid price swings that are not warranted by market trends. The Group funded a liquidity account with €2,000,000 to fund this liquidity agreement. In the period since listing a net purchase of 29,918 shares has been made under this agreement at a price of €1,105,105. Shares held in the liquidity account do not carry voting rights or receive dividends.

3.11 Provisions

€ thousands	31 December 2015	31 December 2014
Provisions for pensions and other benefits	**5,333**	–
Provisions for litigation	**–**	–
Restructuring provisions	**–**	–
Other provisions for liabilities	**614**	–
Other provisions for charges	**144**	–
Non current provisions	**6,091**	–
Provisions for litigation	**–**	–
Other provisions for liabilities	4,922	–
Other provisions for charges	**–**	–
Current provisions	**4,922**	–
Total provisions	**11,013**	–

Other provisions for liabilities of €4.9m include employee-related provisions of €1.9 m. It also includes further provisions related to the unpaid external fees in relation to product recall of €2.8 m. This amount is an estimate of external professional fees and is in addition to the €2.7m of invoiced expenses included in accounts payable. The total external legal and professional fees in relation to the recall are therefore estimated as €5.5m. For other expenses in relation to the recall please refer to note 3.13.

Other recall related provisions includes the unpaid portion of legal, regulatory and other external fees relating to the temporary suspension and recall event. The key assumptions are around the level of liability of the Group and the magnitude of fines that may be imposed. The estimate is based on expert legal and regulatory advice. The provision has not been discounted as management expects the majority of claims and expenses to be incurred during 2016.

Charges relating to the acquisitions of entitlements on the provisions for pensions and other benefits are recognised under "Other general expenses."

Actuarial gains and losses were due to the change in legal regulations for the calculation of benefits, the change in mortality table and changes in discount rates.

€ thousands	Provisions for pensions and other benefits	Provisions for litigation	Restructuring provisions	Other provisions for liabilities	Other provisions for charges	**Total provisions**
On incorporation	–	–	–	–	–	–
31 December 2014	–	–	–	–	–	–
Additional provisions	1,009	–	–	3,552	–	**4,561**
Used during year	(121)	–	–	(1,050)	–	**(1,171)**
Transfers	–	–	–	–	141	**141**
Actuarial gains and losses recognised in other comprehensive income	(884)	–	–	–	–	**(884)**
Translation adjustment	15	–	–	(13)	–	**2**
Additions on acquisition of subsidiaries	5,314	–	–	3,047	3	**8,364**
31 December 2015	**5,333**	**–**	**–**	**5,536**	**144**	**11,013**

3.12 Post-employment related benefits

Defined benefit pension schemes

Following the merger transaction, the Group operates three defined benefit pension plans in France, Switzerland and Italy. These plans have been aggregated for the purposes of this disclosure note.

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit pension plans and other post-employment benefits is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets (at bid price) are deducted. The Group determines the net interest on the net defined benefit liability/asset for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability/(asset).

The discount rate is the yield at the reporting date on bonds that have a credit rating of at least AA, that have maturity dates approximating the terms of the Group's obligations and that are denominated in the currency in which the benefits are expected to be paid.

Re-measurements arising from defined benefit plans comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest). The Group recognises them immediately in other comprehensive income and all other expenses related to defined benefit plans in employee benefit expenses in profit or loss.

The calculation of the defined benefit obligations is performed by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Group, the recognised asset is limited to the present value of benefits available in the form of any future refunds from the plan or reductions in future contributions and takes into account the adverse effect of any minimum funding requirements.

The movements in the net defined benefit assets/liabilities in the year are as follows:

€ thousands	Plan liabilities	Plan assets	Balance sheet provision
Balance at 31 December 2014	–	–	–
Additions on acquisitions of subsidiaries	16,022	(10,233)	5,789
Cost of services provided during the year	1,223	–	1,223
Financial costs (discounting effect)	247	15	262
Actual return of plan assets	–	(338)	(338)
Benefits paid	(13)	(125)	(138)
Employer contributions	74	(223)	(149)
Actuarial gains and losses from changes in demographic assumptions	(777)	–	(777)
Actuarial gains and losses from changes in financial assumptions	(156)	–	(156)
Experience-based actuarial gains and losses	65	(27)	38
Plan curtailment / termination	(421)	–	(421)
Balance at 31 December 2015	**16,264**	**(10,931)**	**5,333**

The Group commissions an actuarial review of its defined pension obligations on an annual basis and as a result the full impact of the revaluation gains and losses from 1 January 2015 for the plans acquired on the merger with Stallergenes SA have been recognised in the period. The value of the balances acquired from business combinations is based on the actuarial valuation performed as at 31 December 2014.

The actuarial calculations took account of the following assumptions:

- for employees in non-managerial positions, a retirement age of 63 years and for managers and executives a retirement age of 65 years;
- an expected salary increase ranging between 2% and 2.75%;
- an inflation rate ranging between 1% and 2%; and
- a discount rate ranging between 0.9% and 2%.

Life expectancy in years at the age of retirement (man/woman) are taken from INSEE TD/TV 2011-2013 and BCG 2010 GT. The average life expectancy assumed for an individual retiring at the age of 60 for a man is expected to be 22.7 years and for a female 27.3 years in France.

The sensitivity analysis is based on a change in assumption while holding all other assumptions constant. In practice this is unlikely to occur and a change in some of the assumptions is likely to be correlated. The sensitivity analysis of pension schemes and other post-employment benefits shows that a 0.25% reduction in the discount rate would result in an increase of approximately €338k in obligations in France.

Defined contribution pension schemes

A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement in the periods during which services are rendered by employees.

The cost relating to defined contribution pension schemes for the year is detailed in note 4.4.

3.13 Other current liabilities

€ thousands	31 December 2015	31 December 2014
Fixed asset payables	5,500	–
Provision for recall	24,736	–
Social security taxes payable	20,157	–
Other taxes payable	4,026	–
Deferred income and accrued expenses [1]	7,824	–
Total	**62,243**	–

(1) Deferred income only relates to the deferred revenues of the Shionogi contract milestone instalments.

The provisions for recall of €24,736k reflects management's best estimate of the reduction in 2015 net sales arising as a direct result of the recall of products and temporary suspension of production and distribution at the Antony site. The provision is calculated based on the volume of returns received from customers and certain key assumptions around the legal and contractual obligation that the Company may have to its customers who have returned products. There is inherent uncertainty in this calculation due to the proximity of the recall event to the year-end date, as the Group continues to process and assess the returns received. Negotiations with customers are also ongoing. The uncertainty will only be resolved as negotiations with customers are completed. It is anticipated that this uncertainty will be resolved during 2016 and the provision utilised. As such, the provision has not been discounted. External costs relating to the recall are disclosed in note 3.11.

4. NOTES TO THE INCOME STATEMENT

4.1 Operating loss by nature of expense

€ thousands	2015	2014
Net sales	**81,748**	–
Other revenue	74	–
Other operating revenue	1,301	–
Raw materials consumed	(20,984)	–
Personnel costs	(45,275)	–
External charges	(48,443)	–
Amortisation and depreciation charges	(12,892)	–
Change in provisions	99	–
Operating leases	(2,978)	–
Other expenses and income	(26,513)	–
Total expenses	**(156,986)**	–
Operating loss	**(73,863)**	–

Transformation costs are analysed as follows:

€ thousands	2015	2014
Personnel costs	(1,256)	–
External charges	(7,955)	–
Total transformation costs	**(9,211)**	–

The transformation costs of €9.2m in the income statement mainly reflect the costs of the merger transaction with Stallergenes SA incurred during the year. This cost includes legal, tax and accounting advice and other professional fees associated with the transaction. No costs were recognised in relation to the transaction by the Company in 2014.

4.2 Income from Research and Development

€ thousands	2015	2014
Research tax credit	2,106	–
Income from Shionogi & Co. Ltd contract	(882)	–
Other net R&D related income	77	–
R&D-related income	**1,301**	–

In the period income recognised under the contract with Shionogi & Co. Ltd. was reversed to ensure the remaining milestone income was recognised over the life of the contract. The balance acquired on the merger with Stallergenes SA was €1,151k and following the reversal of €882k the closing balance as at 31 December 2015 was €2,033k.

4.3 Auditor remuneration

During the year the Group (including its subsidiaries) obtained the following services from the Company's auditors:

	2015 € '000	2014 € '000
Fees payable to the Company's auditors and associates for the audit of the parent company and consolidated financial statements:	423	19
Fees payable to the Company's auditors and its associates in respect of other services:		
The audit of the subsidiary companies:	323	–
Audit related assurance (included in the transformation costs):	872	–
Audit related assurance services other:	27	–
Total auditor remuneration	**1,645**	19

4.4 Employees and Directors

a) Employee benefit expense

Please note the employee benefit expenses include Executive Directors.

€ thousands	2015	2014
Wages & salaries, including restructuring costs and other termination benefits	(33,578)	–
Social security costs	(10,614)	–
Share options granted to Directors and employees	(195)	–
Pension costs and other post-employment benefits	(888)	–
Total employee benefit expense	**(45,275)**	–

Employee benefit expense by department

€ thousands	2015	2014
Manufacturing	(11,600)	–
Distribution	(3,246)	–
Marketing and sales	(11,927)	–
Administration	(9,708)	–
Research and Development	(5,839)	–
Head office	(1,699)	–
Transformation cost	(1,256)	–
Total personnel costs	**(45,275)**	–

b) Average number of people employed

	2015	2014
Manufacturing	236	–
Distribution	64	–
Marketing and sales	148	–
Administration	61	–
Research and Development	82	–
Average number of people (including Executive Directors):	**591**	–

The above table reflects the average headcount employed by the Group during the year, but due to the timing of the acquisition of Stallergenes Greer Holdings Inc. on 12 May 2015 and the merger with Stallergenes SA on 8 September 2015 the average headcount does not reflect the size of the combined Group when reviewed over a 12 month period. Therefore, the following table shows combined average employees calculated over the time period the entities were part of the Group (i.e. Stallergenes Greer Holdings Inc. employees have been recognised over eight months and Stallergenes SA employees over four months):

	2015	2014
Manufacturing	512	–
Distribution	153	–
Marketing and sales	348	–
Administration	153	–
Research and Development	229	–
Combined average number of people (including Executive Directors):	**1,395**	–

c) Directors' emoluments

The Directors' emoluments were as follows:

	2015 € '000	2014 € '000
Aggregate emoluments	**1,161**	–

No amounts were recognised under long-term incentive schemes or for post-employment benefits.

For the period from 1 January to 21 July 2015 Directors and other key management personnel were remunerated by affiliates of the general partner/fund manager of Ares Life Sciences L.P.. Thus, the Group did not incur any costs in respect of these services. These Directors resigned on 21 July 2015.

Highest paid Director

The highest paid Director's emoluments were as follows:

	2015 € '000	2014 € '000
Total amount of emoluments	809	–
Company contributions to defined contribution pension scheme	8	–
Total	**817**	–

4.5 Investments in equity-accounted entities

The following table presents the total assets, liabilities and shareholders' equity of the equity-accounted entity and the Group's share of the net result:

€ thousands	31 December 2015	31 December 2014
Total Assets	1,508	–
Liabilities (except shareholders' equity)	2,074	–
Shareholders' equity	(566)	–
Net result – Group	(27)	–

At 31 December 2015, investments in equity-accounted entities related solely to the Mobile Chambers Gmbh joint venture which is 25%-owned by the Company.

4.6 Income tax

a) Breakdown of income tax charge

€ thousands	Operating result (EBIT)	Net financial income/(expense)	Net loss
2014 loss before tax	(57)	0	(57)
Current tax	–	–	–
Deferred tax	–	–	–
Income tax	–	–	–
2014 consolidated net loss before share of loss from associated companies	(57)	0	(57)
2015 loss before tax	(73,863)	(280)	(74,143)
Current tax	11,463	94	11,557
Deferred tax	13,332	–	13,332
Income tax	24,795	94	24,889
2015 consolidated net loss before share of loss from associated companies	**(49,068)**	**(186)**	**(49,254)**

b) Tax reconciliation

€ thousands	31 December 2015	31 December 2014
Loss before tax	**(74,143)**	(57)
Research tax credit	(2,114)	–
Other permanent differences	6,747	–
Permanent differences	**4,633**	–
Taxable loss	**(69,510)**	(57)
Parent company tax rate	*20.25%*	*20.25%*
Theoretical tax charge on loss before tax	(15,014)	(12)
Impact of above-mentioned permanent differences	938	–
Tax rate differences between parent company and subsidiaries	(12,048)	–
Differences related to losses carried forward	63	–
Deferred tax limitation	1,282	–
Other tax adjustments	(110)	12
Income tax charge	**(24,889)**	–
Net loss before share of loss from associated companies	**(49,254)**	(57)
Effective tax rate on profit before tax	*33.5%*	*0.0%*

The tax rate differences between the parent company and subsidiaries is due mainly to the tax rate of 34.43% in France and 35% in the US.

The permanent differences relate mainly to disallowable expenses included in transformation costs relating to the business combinations by the Company.

4.7 Earnings per share

A calculation of basic earnings per share has been based on the following loss attributable to ordinary shareholders and weighted average number of ordinary shares outstanding:

	2015	2014
Loss after tax in € '000	(49,281)	(57)
Weighted average number of ordinary shares outstanding	8,058,037	64,423
Basic and diluted loss per share in cents	**(612c)**	(88c)

The weighted average number of ordinary shares outstanding comprises the ordinary shares in issue less the weighted average number of shares held in treasury during the year.

The basic and diluted loss per share is based on a loss for the year attributable to equity holders of the parent company. Shares that may be issued under share options and free share plans (see note 5.5) could potentially dilute earnings per share in the future, but were excluded from the calculated weighted average number of ordinary shares because their effect would have been anti-dilutive.

5. OTHER NOTES

5.1 Change in working capital requirements

€ thousands	31 December 2015	31 December 2014	(Increase)/ decrease 2015	Translation adjustment	Other movements
Inventories	59,362	–	1,122	766	57,474
Trade receivables	29,669	–	5,838	166	23,665
Other current assets	14,006	3	(3,539)	444	17,098
Current financial assets	–		(38)	–	38
Trade payables	(27,612)	(43)	(6,775)	(129)	(20,665)
Other current liabilities	(54,711)	–	(14,724)	(10)	(39,977)
Operating WCR	**20,714**	(40)	**(18,116)**	**1,237**	**37,633**
Deferred income	(2,033)	–	(882)	–	(1,151)
Liabilities to non-current asset providers	(5,499)		(6,420)	(1)	922
Other WCR	**(7,532)**	–	**(7,302)**	**(1)**	**(229)**
Total WCR	**13,182**	(40)	**(25,418)**	**1,236**	**37,404**
Inventories	59,362	–	1,122	766	57,474
Trade and other receivables	43,675	3	2,261	609	40,802
Trade and other payables	(89,855)	(43)	(28,801)	(139)	(60,872)
Balance sheet WCR for control	**13,182**	(40)	**(25,418)**	**1,236**	**37,404**

5.2 Commitments and contingent assets and liabilities

5.2.1 Off-balance sheet commitments related to the Group's operating activities

The following table provides a breakdown of the Group's off-balance sheet commitments related to its operating activities at 31 December 2015:

€ thousands	Total	Less than one year	1 – 5 years	More than 5 years
Operating leases[1]	21,845	5,233	14,338	2,274
Firm and irrevocable purchase commitments[2]:				
– non current assets	1,346	1,346	–	–
– raw materials	7,091	7,091	–	–
Research and Development licensing agreements:				
– future services commitments[3]	170	170	–	–
– potential milestone payments payable[4]	14,325	–	8,325	6,000
– potential milestone payments receivable[4]	(16,000)	–	(4,000)	(12,000)
Total	**28,777**	**13,840**	**18,663**	**(3,726)**

(1) Includes commitments given as part of rentals of movable and immovable property. The commitment corresponds to rent payable over the non-cancellable period of the lease.

(2) Irrevocable purchase commitments include firm commitments to suppliers of non-current assets and raw materials.

(3) Commitments to provide future benefits related to Research and Development agreements correspond to commitments to finance Research and Development work.

(4) Commitments corresponding to potential milestone payments on projects at development stage deemed to be reasonably feasible. Contingent payments related to the achievement of a certain level of sales once the product is being marketed are excluded from this item.

Operating leases

As part of its day-to-day operations, the Group rents some of its premises and equipment. Minimum future rental charges over the non-cancellable period of operating leases were €21,845k at 31 December 2015.

Firm commitments to acquire assets

As part of its production activity, the Group is committed to raw material procurement contracts of €7,091k.

Future Group capital expenditure resulting from existing commitments at 31 December 2015 totals €1,346k.

Research and Development licensing agreements

As part of its operations, the Group concludes Research and Development licensing agreements. These agreements provide for payments to be made upon signing the agreement and when various development milestones are achieved, as well as royalties: commitments to financing research work over the next few years, payments conditional upon the achievement of certain development milestones, securing marketing authorisations or achieving sales targets once the product is being marketed.

The line "Potential milestone payments" on Research and Development agreements includes commitments for the future provision of Research and Development or technology financing, potential milestone payments associated with projects currently being developed whose future financial effects are either known or probable and which can be reliably estimated. Contingent payments related to the achievement of certain levels of sales once the product is being marketed are excluded from this item.

Potential milestone payments payable in relation to Research and Development projects totalled €14,325k at 31 December 2015. This milestone is related to the partnership agreement commenced on 2 December 2013 with ActoGeniX for the development of oral treatments of allergic diseases based on ActoGeniX's exclusive technologies.

Potential milestone payments receivable in relation to Research and Development projects totalled €16,000k at 31 December 2015. This milestone is related to the partnership agreement commenced on 6 September 2010 with Shionogi & Co. Ltd. for the development and the distribution of two immunotherapy tablets in Japan: house dust mite tablets and Japanese cedar pollen tablets.

5.2.2 Off-balance sheet commitments related to the Group's financing activities

Guarantees

€ thousands	2015
Guarantees given:	
– Guarantees given to banks on loan facilities*	61,720
– Guarantees given to banks on credit facilities	90
– Other guarantees given	1,028
Guarantees received	–

* The guarantees given to banks on loan facilities of €61,720k are secured against the assets of Greer Laboratories Inc..

5.3 Related parties

The Group's parent entity Ares Life Sciences I SARL (incorporated in Luxembourg) owns 83.64% of the Company's shares. The remaining 16.36% of the shares are widely held. The ultimate controlling party of the Group is the Bertarelli family.

The following transactions were carried out with related parties:

a) In the year the Company paid €666,348 (2014: Nil) under a transitional service agreement to Waypoint Corporate Services Limited, an entity under common control, of which €202,833 was outstanding at year end.

b) In the year the Group paid €273,750 and €589,243 (2014: Nil) under support services agreements to Bemido SA and Waypoint Corporate Services Inc. respectively. Amounts of €148,500 and €29,904 were outstanding at year end.

c) In the year the Group reimbursed €1,753,818 (2014: Nil) of disbursements to Ares Life Sciences Fund Management Limited, an entity under common control, which were paid under a cost support agreement. The full amount was paid in the year.

d) In the year the Group paid €262,009 (2014: Nil) to Ares Life Sciences S.A., an entity under common control, for the secondment of staff. The full amount was paid in the year.

e) In the period 8 May to 7 September 2015 the Group made €960k of sales to the Stallergenes SA Group.

f) On 18 May Ares Life Sciences L.P., the immediate parent company of Ares Life Sciences I SARL, forgave a shareholder loan of $222.0m or €197m in respect of Finares Holding AG which has been credited to reserves as a capital contribution. This loan was interest free, payable in 99 years and contained a none-fixed-for-fixed conversion option which has been separated from the host contract at initial recognition and accounted as an embedded derivative at fair value through 'profit or loss.' Therefore, at the date of conversion, the fair value of the loan written off was $556k or €503k and of the total amount written off materially all related to the embedded derivative. These amounts were credited to other reserves in the period.

g) Key management compensation
Key management includes Directors (Executive and Non-Executive), the CFO and the Group General Counsel/Company Secretary.

€ thousands	2015	2014
Fixed remuneration(1)	782	–
Pension	62	–
Variable remuneration(2)	644	–
Senior executives' total remuneration	**1,488**	–
Attendance fees of other Board members	48	–
Services rendered by members of the Board	18	–
Total remuneration of Non-Executive Directors	**66**	–
Key management total remuneration	**1,554**	–

(1) Includes base salaries and other employee benefits

(2) Variable remuneration represents cash bonuses

5.4 Combinations under common control

a) Acquisition of Stallergenes Greer Holdings Inc. and Finares Holdings AG

On 12 May 2015 the Company acquired the entire share capital of Stallergenes Greer Holdings Inc. Group (formerly known as Ares Allergy Holdings Inc.) and Finares Holding AG. The entities were acquired from the Company's immediate parent, Ares Life Sciences I SARL in exchange for shares with a nominal value of €5,658k (5,658,440 ordinary shares at €1 each). In addition a further €541,167k was recorded in share premium. The total share capital and share premium of €546,825k represents the fair value of the entities acquired.

The acquisition has been accounted for as a combination under common control and accordingly the net assets acquired were not recognised at fair value. Instead the assets and liabilities acquired as a result of this combination have been recognised at historical book values.

No special reserves were recognised as a result of the combination and the impact on consolidated reserves due to the combination was a retained loss of €273,372k. On 3 June 2015, the Company enacted a capital reduction in which the entirety of the share premium account (€541,167k) was cancelled and transferred to reserves.

No changes to Group accounting policies were required as a result of the combination.

b) Merger with Stallergenes SA

On 8 September 2015 the Company completed a cross-border merger with Stallergenes SA. Immediately before the merger Stallergenes SA's immediate parent was also Ares Life Sciences I SARL and so the transaction represents a merger of entities under common control.

The consideration for the merger was satisfied by the issue of new equity shares. The share exchange ratio adopted provided for the issuance of one new Stallergenes Greer plc share for one existing Stallergenes SA share (excluding treasury shares). The nominal value of new shares issued by the Group in relation to the merger was €14,032k (14,032,113 ordinary shares at €1 each). The fair value of the consideration was €680.6m based on the market share price of €48.50 per share.

The transaction was accounted for using merger accounting and therefore the carrying values of the assets and liabilities of Stallergenes SA were not adjusted to fair value. No adjustments were made to the assets and liabilities of Stallergenes SA which have been recorded at their book values immediately prior to the merger and no adjustments were made to the net assets of the Company.

As a result of the transaction a merger reserve of €343,904k was recognised by the Group. This reserve represents the difference between the cost of the investment and the nominal value of the share capital that was acquired. No further special reserves were created as a result of the transaction and the impact on consolidated retained earnings due to the merger was a retained loss of €50,386k.

No changes to Group accounting policies were required as a result of the merger.

5.5 Share-based payments

	Share options No.	Free shares No.	Total No.
On incorporation	–	–	–
31 December 2014	–	–	–
Additions on merger with STA	85,300	13,545	**98,845**
Shares lapsed	10,000	1,845	**11,845**
Share options exercised	22,000	–	**22,000**
31 December 2015	**53,300**	**11,700**	**65,000**

In 2015, the Group acquired existing share option and free share schemes following the merger with Stallergenes SA. No new share option of free share schemes were issued in the year (2014: Nil). Details of the schemes acquired are as follows:

Date of option allocation	Performance conditions	Date options lapse	Subscription price	Allocated but not exercised	of which exercisable at 1 January 2016	Fair value of 1 option[1]	Cost (€K) 2015
14 November 2005	yes	14/11/15	24.83 €	–	–	–	–
27 September 2006	no	27/9/16	27.25 €	7,500	7,500	9.12 €	–
4 May 2007	yes for 20,000	4/5/17	53.96 €	30,800	30,800	18.12 €	–
28 March 2008	no	28/3/18	42.08 €	–	–	13.03 €	–
29 May 2009	yes	29/5/19	48.00 €	–	–	13.40 €	–
15 December 2009	yes	15/12/19	60.50 €	–	–	15.93 €	–
12 November 2010	yes	12/11/20	62.00 €	15,000	15,000	10.20 €	8
16 September 2011	no	16/9/21	48.20 €	–	–	10.81 €	–
Stocks options	–	–	52.46 €	**53,300**	53,300	–	8

Date of allocation of free shares	Performance conditions	Date shares vested	Date available for sale	Number of free shares outstanding	To be vested in 2016	Fair value of 1 share[1]	Cost (€K) 2015
12 November 2010	yes	7/3/13	7/3/15	–	–	57.67 €	–
12 December 2011	yes	12/12/13 to 12/12/16	12/12/15 to 12/12/18	11,700	11,700	0.00 €	–
26 September 2012	no	26/9/15	26/9/17	–	–	42.24 €	17
23 July 2013	no	23/7/16	23/7/18	10,623	–	51.21 €	60
14 April 2014	no	14/4/17	14/4/19	18,950	–	53.34 €	110
Free shares	–	–	–	**41,273**	11,700	–	187
Total cost calculated	–	–	–	–	–	–	195
Social security contributions on allocation	–	–	–	–	–	–	–
Total cost recognised	–	–	–	–	–		195

(1) Excluding social contributions. Valued using the Black-Scholes model.

Performance conditions of the existing plans measure either an increase of EBITDA or of the share price and were transferred to the newly created entity. As at 31 December 2015 it is anticipated that the performance conditions relating to the above schemes will likely not be met and as a result these schemes will not vest. The weighted average exercise price of the remaining unexercised share options is €52.46.

Contents

Our opinion

In our opinion, Stallergenes Greer plc Company financial statements (the "financial statements"):

- give a true and fair view of the state of the Company's affairs as at 31 December 2015 and of its cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice: and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements, included within the Annual Report, comprise:

- the Company balance sheet as at 31 December 2015;
- the Company statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

Certain required disclosures have been presented elsewhere in the Annual Report, rather than in the notes to the financial statements. These are cross-referenced from the financial statements and are identified as audited.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland."

Other required reporting

Consistency of other information

Companies Act 2006

In our opinion, the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

ISAs (UK & Ireland) reporting

Under International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)") we are required to report to you if, in our opinion, information in the Annual Report is:

- materially inconsistent with the information in the audited financial statements;
- apparently materially incorrect based on, or materially inconsistent with, our knowledge of the Company acquired in the course of performing our audit; or
- otherwise misleading.

We have no exceptions to report arising from this responsibility.

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit;
- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Directors' remuneration report - Companies Act 2006 opinion

In our opinion, the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

Other Companies Act 2006 reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of Directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the Directors

As explained more fully in the Directors' Responsibilities Statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the Directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the Directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Other matter

We have reported separately on the Group financial statements of Stallergenes Greer plc for the year ended 31 December 2015.

Simon Ormiston (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Cambridge, UK

26 April 2016

€ thousands	Notes	31 December 2015	31 December 2014
Intangible assets	4.3	303	–
Tangible assets	4.4	190	–
Investments in subsidiaries'	4.5	790,777	2
Non-current financial assets	4.6	20,902	–
Non-current assets		**812,172**	2
Trade and other receivables	4.7	11,604	3
Cash and cash equivalents		93,014	48
Current assets		**104,618**	51
Total assets		**916,790**	53

€ thousands	Notes	31 December 2015	31 December 2014
Share capital	4.11	19,788	75
Share premium	4.11	539	–
Merger premium		343,904	–
Revaluation reserve		(1,158)	–
Retained earnings		527,588	(57)
Total shareholders' funds		890,661	18
Deferred tax liabilities	4.9	5,167	–
Non current liabilities		**5,167**	–
Trade and other payables	4.8	20,962	35
Current liabilities		**20,962**	35
Total equity and liabilities		**916,790**	53

The Company financial statements from pages 63 to 124 were approved and authorised for issue by the Board on 26 April 2016 and were signed on its behalf by:

Fereydoun Firouz
Chairman and Chief Executive Officer
Company registration no: 8806009

(€ thousands)	Share capital	Share premium	Merger premium	Revaluation reserve	Retained earnings	Total equity
At 6 December 2013	–	–	–	–	–	
Net loss for period	–	–	–	–	(57)	**(57)**
Proceeds from shares issued	75	–	–	–	–	**75**
At 31 December 2014	75	–	–	–	(57)	**18**
Net loss for period	–	–	–		(12,289)	**(12,289)**
Other comprehensive income for period	–	–	–	(1,158)		**(1,158)**
Total comprehensive income	**–**	**–**	**–**	**(1,158)**	**(12,289)**	**(13,447)**
Proceeds from shares issued	19,691	541,167	–	–	–	560,858
Share premium reduction	–	(541,167)	–	–	541,167	–
Stock options exercised	22	539	–	–	–	561
Share-based payments	–	–	–	–	195	195
Treasury shares purchased under liquidity agreement	–	–	–	–	(1,279)	(1,279)
Impact of combinations under common control	–	–	343,904	–	(149)	343,755
At 31 December 2015	**19,788**	**539**	**343,904**	**(1,158)**	**527,588**	**890,661**

1. General information

Stallergenes Greer plc (formerly known as Ares Allergy Holdings plc) (the 'Company') is a public limited company incorporated and domiciled in the United Kingdom. Its head office is located in London at 1 Curzon Street, London, W1J 5HD.

On 8 September 2015 the Company was listed on Compartment B of the Euronext Paris Stock Exchange.

2. Statement of compliance

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 'Reduced disclosure framework' – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006.

3. Summary of significant accounting policies

3.1 Basis of preparation

The financial statements have been prepared on a going concern basis, under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value. These policies have been consistently applied to all the years presented, unless otherwise stated.

These financial statements for the period from 1 January to 31 December 2015 are prepared in accordance with FRS 102 'Reduced disclosure framework.' The financial statements were previously prepared under United Kingdom (UK) GAAP and the financial statements for the Company's first reporting period from 6 December 2013 to 31 December 2014 were approved on 21 April 2015 and submitted to Companies House.

The Company changed accounting framework from UK GAAP to FRS 102 'Reduced disclosure framework' from 1 January 2015. The adoption of FRS 102 'Reduced disclosure framework' did not give rise to differences in measurement compared with the previous financial statements prepared under UK GAAP and accordingly no reconciliation has been presented.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the Group and Company's accounting policies.

The Company has taken advantage of the exemption in section 408 of the Companies Act 2006 from disclosing its individual profit and loss account. The loss for year was €12,289k (2014: €57k).

3.2 Going concern

After reviewing the Company's forecasts and projections, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

3.3 Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the Company's shareholders.

The Company has taken advantage of the following exemptions:

i. from preparing a statement of cash flows, on the basis that it is a qualifying entity and the consolidated statement of cash flows, included in these financial statements, includes the Company's cash flows;

ii. from the financial instrument disclosures, required under FRS 102 paragraphs 11.39 to 11.48A and paragraphs 12.26 to 12.29, as the information is provided in the consolidated financial statement disclosures;

iii. from disclosing share-based payment arrangements, required under FRS 102 paragraphs 26.18(c), 26.19 to 26.21 and 26.23, concerning its own equity instruments. The Company financial statements are presented with the consolidated financial statements and the relevant disclosures are included therein; and

iv. from disclosing the Company key management personnel compensation, as required by FRS 102 paragraph 33.7.

3.4 Foreign currency

a) Functional and presentational currency

The financial statements are presented in Euros (EUR), which is the Company's functional and presentation currency.

b) Transactions and balances

Expenses and revenues denominated in a currency other than the Company's functional currency are converted using the average exchange rate of transactions carried out during the period. Foreign currency-denominated liabilities and receivables are converted at the exchange rate prevailing at the balance sheet date. Exchange differences resulting from these transactions are accounted for in the income statement.

3.5 Investments in subsidiary companies

Investments in subsidiaries are initially measured at cost and are subsequently accounted for at either the lower of cost or fair value with gains and losses reported in the income statement. Gains and losses arising on the disposal of investments are also included in the income statement in the period to which they relate.

Investments in subsidiaries are reviewed for impairment on an annual basis.

3.6 Intangible assets

Intangible assets are valued at the Group's acquisition cost or production cost. This cost includes all costs directly attributable to commissioning these intangible assets, or is their fair value on the date of the business combination. Additionally, the Group may capitalise salaries relating to time spent by employees developing and implementing software that is capitalised as an intangible asset. Accumulated amortisation and impairments, if applicable, are deducted from this cost.

The amortisation method and periods of use are reviewed at each balance sheet date.

Intangible assets with a finite value useful life are amortised over this period. An impairment test is carried out when there is an internal or external indication of impairment. A provision for impairment is then recognised when the recoverable value of the concerned assets falls below its net book value. The recoverable amount is the higher of the assets' fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash generating units).

Software

Software has a finite useful life. It is therefore amortised on a straight-line basis from the time the asset is ready to be commissioned, over a period of three to five years, except for integrated professional management software of the "ERP" category, which is amortised over eight years due to its operational significance and probable useful life. Software amortisation is allocated based on usage into cost of goods sold, selling, general and administrative expenses and R&D costs.

3.7 Tangible assets

Tangible assets are recognised at acquisition cost, less, if applicable, accumulated depreciation and write-downs.

The acquisition cost of property, plant and equipment includes all costs directly attributable to its creation or acquisition and its transfer to the location of operation for commissioning as intended by management.

Interest costs are included in asset costs when justified by the significance and timeframe for completion of the relevant non-current assets.

Significant components of property, plant and equipment that have been identified as having different useful lives are recognised separately.

Costs relating to the replacement or renewal of a property, plant or equipment component are recognised as separate assets and the replaced asset is disposed of. Other subsequent expenses relating to property, plant and equipment are only recognised under assets when it is likely that future economic benefits associated with these costs will flow to the Company and the costs may be measured reliably. All other subsequent expenses are recognised as an expense in the financial year they are incurred.

Assets are depreciated on a straight-line basis when the asset is ready to be commissioned in order to bring the cost of each asset (or its re-valued amount) down to its residual value by recognising a constant annual depreciation charge, based on the following useful lives:

– fixtures & fittings	3 - 10 years
– office equipment	5 - 10 years

For the purpose of assessing impairment, assets are assessed at the lowest levels for which there are largely independent cash inflows (cash generating units). A provision for write-down is then recognised when the recoverable value of the concerned asset falls below its net book value.

3.8 Leased assets

Operating leased assets

Leases for which a substantial portion of the risks and rewards incidental to ownership of the assets is effectively retained by the lessor are classified as operating leases. Payments made in respect of contracts of this nature are recognised in the income statement as an expense for the period and on a straight-line basis over the term of the lease.

3.9 Financial instruments

The Company has elected to apply the 'Recognition and Measurement' standard included under IAS 39.

a) Financial assets

The Group classifies its financial assets in the following categories: deposits held to maturity, trade and other receivables, loans and receivables, at fair value through profit or loss and available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

i. Deposits held to maturity: include financial assets, other than non-derivative financial instruments, featuring determined or determinable instalments and a fixed term, which the Company intends and has the capacity to retain until maturity. They are valued at amortised cost, using the effective interest rate method, and potential impairment is offset against "Financial expenses" in the income statement.

ii. Trade and other receivables: Trade receivables are initially recognised at fair value and subsequently at amortised cost, after deducting provisions for bad debts. A provision for bad debts is recognised when there is an objective indication that the Company may be unable to collect receivables in full as per the conditions initially set down for the transaction. The value of the provision represents the difference between the book value of the asset and estimated future cash flows, discounted at the initial effective interest rate.

iii. Loans and receivables (excl. trade receivables): include financial assets, other than non-derivative financial instruments, featuring determined or determinable instalments and which are not listed on an active market. They are valued at amortised cost using the effective interest rate method and potential impairment is offset against "other financial income and expenses" in the income statement.

iv. Financial assets available for sale: include financial assets, other than derivative financial instruments, that do not feature in other categories. Fair value movements are recorded under other items of comprehensive income in the period in which they occur, except for impairment. When financial assets available for sale are sold or written down, cumulative fair value movements recognised under other items of comprehensive income are transferred to the income statement.

Impairment is recognised when there is an objective indication that an asset has been impaired. Impairment indicators are examined for all financial assets at each balance sheet date. These indicators include failure to meet contractual payments, significant financial difficulties of the issuer or debtor, probable bankruptcy or a long-lasting or significant fall in the share price.

Impairment is measured and recognised as follows:

– impairment of loans and receivables and assets held until maturity, which are recognised at amortised cost, is equal to the difference between the book value of the assets and the value of estimated future cash flow, discounted at the original effective interest rate; and

– in relation to equity instruments, impairment of financial assets available for sale corresponds to the change in their fair value. In relation to debt instruments, impairment should only be recognised through the income statement where the loss in value of the security is linked to an objective indication that the amounts due may not be recovered. Increases in value occurring after impairment is recognised and relating to a reversal in the financial situation of the issuer are recognised through the income statement for debt instruments (bonds and other), or through other items of comprehensive income for equity instruments (shares and other).

b) Financial liabilities

Financial liabilities are initially recognised at the fair value of the counterpart received, less transaction costs directly attributable to the transaction. They are subsequently measured at amortised cost using the effective interest rate method.

c) Financial instrument fair value

Financial instruments are carried at fair value, which is determined by the following methods, by preference:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The fair value of trade receivables, other current assets, cash and cash equivalents, trade payables, financial liabilities and other current liabilities approximates to their carrying amount.

d) Derecognition

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities are derecognised when contractual obligations are waived, cancelled or extinguished.

3.10 Share-based payments

The Group operates a number of equity-settled, share-based compensation plans, under which the entity receives services from employees as consideration for share options or free shares of Stallergenes Greer plc's shares. These plans are measured at fair value, subject to social contributions, and recognised as an expense in the income statement over the vesting period of the rights associated with these plans.

The fair value of option plans is measured using the "Black-Scholes" or "binomial" valuation model, taking account of an annual review of options effectively exercised and acquired, as well as the expected number of exercisable options. The corresponding costs are classified as "Other general expenses".

Details of stock option and free share plans in effect and their measurement under IFRS are included in note 5.5 of the Group consolidated financial statements. These schemes relate to existing schemes acquired by the Group following the merger with Stallergenes SA. No new share options or free shares were granted in the year.

3.11 Cash and cash equivalents

"Cash and cash equivalents" include cash, sight deposits and other short-term, highly liquid deposits with original maturity of three months or less. Bank overdrafts are shown within borrowings in current liabilities.

3.12 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

3.13 Treasury shares

Treasury shares are deducted from equity regardless of the purpose for which they are held. No gain or loss is recognised in the income statement when purchasing, selling, writing down or cancelling treasury shares.

3.14 Distributions to equity holders

Dividends and other distributions to the Group's shareholders are recognised as a liability in the financial statements in the period they were approved by the shareholders. These amounts are recognised in the statements of changes in equity.

3.15 Taxation

a) Current tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income. Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

b) Deferred tax

The deferred tax assets and liabilities of consolidated entities are presented under non-current assets and non-current liabilities, respectively.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and impaired to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

3.16 Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method.

3.17 Provisions

A provision is recognised when the Company has an actual, legal or implicit obligation resulting from a past event, the value of which can be measured reliably and the settlement of which is expected to result in an outflow from the Company of resources embodying economic benefits. Forecast outflows likely to occur in more than 12 months are classified as non-current liabilities. Other provisions are classified as current liabilities: in case of doubt, the classification as current liabilities is favoured. Charges and reversals relating to the use of other provisions are recognised in the functional items of the income statement. Reversals of lapsed provisions are classified as "Other general expenses."

3.18 Critical accounting judgements and estimation uncertainty

During the preparation and presentation of the financial statements, Company management uses its own judgement to value or estimate certain items presented in the financial statements. The likelihood that future events will occur is also assessed. These valuations and estimates are reviewed at each balance sheet date and compared to actual events, in order to restate the assumptions made if necessary.

- Taxation

  Current tax is provided at the amounts expected to be paid, and deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted by the balance sheet date.

  Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised, based on management's assumptions relating to the amounts and timing of future taxable profits.

  Where the final tax outcome is different from the amounts originally estimated and recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

- Legal and other disputes

  The Company provides for anticipated settlement costs where an outflow of resources is considered probable and a reliable estimate may be made of the likely outcome of the dispute and legal and other expenses arising from claims against the Company. These estimates take into account the specific circumstances of each dispute and relevant external advice, are inherently judgmental and could change substantially over time as new facts emerge and each dispute progresses.

4. Notes to the financial statements

4.1 Operating loss

Included in operating loss is auditor's remuneration of €423,000 (2104: €19,000) for audit services.

4.2 Directors' emoluments

The Directors' emoluments were as follows:

€ thousands	2015	2014
Aggregate emoluments	**1,161**	–

The Directors' emoluments disclosed above are paid and borne by the Company but include remuneration for services provided to the consolidated Group. Due to the nature of the services rendered and fee charged by the Company to the Group undertakings, the Directors do not consider it possible to identify separately the amounts of the emoluments relating solely to the services provided to the Company.

No amounts were recognised under long-term incentive schemes or for post-employment benefits. No Directors exercised any share options in the year (2014: Nil) or participated in a defined benefit pension scheme.

Highest paid Director

The highest paid Director's emoluments were as follows:

€ thousands	2015	2014
Total amount of emoluments	809	–
Company contributions to defined contribution pension scheme	8	–
	817	–

4.3 Intangible assets

€ thousands	Software
Cost at 31 Dec 2014	–
Additions	303
Cost at 31 Dec 2015	**303**
Accumulated amortisation and impairment at 31 Dec 2014	–
Amortisation	–
Accumulated amortisation and impairment at 31 Dec 2015	**–**
Closing net book value as 31 Dec 2014	–
Closing net book value as 31 Dec 2015	**303**

Intangible assets represent software costs relating to the implementation of a new accounting consolidation tool.

4.4 Tangible fixed assets

€ thousands	Fixtures & fittings	Machinery & equipment	Total fixed assets
Cost at 31 Dec 2014	–	–	–
Additions	148	42	190
Cost at 31 Dec 2015	**148**	**42**	**190**
Accumulated depreciation and impairment at 31 Dec 2014	–	–	–
Charge for the year	–	–	–
Accumulated depreciation and impairment at 31 Dec 2015	**–**	**–**	**–**
Net book value of Fixed assets as 31 Dec 2014	–	–	–
Net book value of Fixed assets as 31 Dec 2015	**148**	**42**	**190**

4.5 Investments in subsidiaries

A complete list of the Company's subsidiaries is included in note 2.5.2 of the Group consolidated financial statements included in this Annual Report.

The carrying value of the Company's investment in subsidiary companies was as follows:

€ thousands	2015
At 1 January	2
Additions in year	790,777
Disposals	(2)
Total	**790,777**

Finares Holdings AG and Stallergenes Greer Holdings Inc. were acquired by the Company on 12 May 2015. The Company merged with Stallergenes SA on 8 September 2015 and as a result acquired its subsidiaries.

On 17 December 2015 Ares Allergy Applied Research, France was wound-up and the €10,000 capital invested returned to the Company. The entity had been dormant since it was incorporated.

4.6 Non-current financial assets

€ thousands	2015	2014
Long-term loans due from Group undertakings	1,467	–
Amounts due from associated companies	809	–
Rental deposits	832	–
Assets available for sale	17,073	–
Liquidity contract	721	–
Total	**20,902**	–

The long-term loan from Group companies represents loans to Group entities which have no fixed repayment date and are non-interest bearing.

The amounts due from associated companies represent amounts due from Mobile Chambers Gmbh with which the Group has formed a joint venture and owns 25% of its share capital. The amount consists of a loan for €475k and free capital of €325k plus €9k of interest capitalised. The loan bears interest at the aggregate of the applicable EURIBOR with a margin of 3.12% per annum. The interest income for the period was €13.4k.

Assets available-for-sale correspond to the 257,000 shares in DBV Technologies (a listed company) acquired on 15 October 2013 by Stallergenes SA for €1,999,383 and transferred to Stallergenes Greer plc at the time of the merger. The level 1 fair value of these shares was €17,072,510 at 31 December 2015.

The amount of €721k relates to cash held by a liquidity provider on behalf of the Company at year end. The purpose of this contract is to enable the liquidity provider to trade on behalf of the Company in the market so as to foster regular and liquid trading in its shares and to avoid price swings that are not warranted by market trends.

4.7 Trade and other receivables

€ thousands	2015	2014
Amounts due from Group undertakings	5,654	–
Short-term loans due from Group undertakings	4,314	–
Tax and VAT receivable	1,539	–
Other current assets	–	3
Prepayments and accrued income	97	–
Total	**11,604**	3

The short-term loans due from Group undertakings are part of the Group's treasury management process where excess cash reserves are pooled and managed centrally. These loans are repayable on demand and non-interest bearing.

4.8 Trade and other payables

€ thousands	2015	2014
Trade payables	3,465	35
Amounts due to Group undertakings	2,164	–
Loans due to Group undertakings	12,439	–
Accruals and deferred income	750	–
Corporate tax payable	223	–
Other current liabilities	1,921	–
Total	**20,962**	35

The loans due to Group undertakings include €7,794k of short-term loans which are managed as part of the Group's treasury management process as detailed above. These loans are repayable on demand and non-interest bearing.

The remaining €4,645k represents a short-term loan from Greer Laboratories Inc. for US€5,000k. This loan was issued on 24 July 2015 and repaid on 19 January 2016. For the period from issue to 31 December 2015 interest of €52k was accrued and added to the balance of the loan.

Accruals and deferred income represents a provision of €750k in respect of post-employment benefits for an employee of the French branch.

4.9 Deferred taxation

Deferred taxation liabilities recognised represent corporation tax in France on the activities of the French branch:

€ thousands	2015	2014
Fair value of available-for-sale assets	(5,190)	–
Tax losses carried forward	23	–
Total deferred tax liability	**(5,167)**	–

At 31 December 2015 the Company had a deferred tax asset in the UK of €1,141,982 (2014: €11,479). The deferred tax asset has not been recognised as there is insufficient evidence that it is recoverable. The deferred tax asset would be recoverable if the Company were to generate profits in the UK in the future.

4.10 Acquisitions and mergers

For details of the acquisitions and mergers during the year please refer to note 5.4 of the Group consolidated financial statements.

4.11 Share capital

	2015		2014	
Allotted and fully paid*	No. thousands	€'000	No. thousands	€'000
At 1 January	75	75	–	–
Issued during year	19,713	19,713	75	75
At 31 December	**19,788**	**19,788**	75	75

* Included in share capital at year end are 91k treasury shares detailed below.

The Company is authorised to issue an unlimited number of ordinary shares at no par value. All of the shares of the Company are classed as equity.

The ordinary shares have attached to them full rights in respect of voting and participation in dividends or distributions of capital (including on winding up). The ordinary shares do not confer any rights of redemption. At a general meeting of the Company, on a vote of a show of hands, every member present in person or by proxy shall have one vote, and on a vote on a poll, every member present in person or by proxy shall have one vote for every share of which they are the holder or the duly appointed proxy.

Voting rights attached to a share shall not be exercisable at any general meeting, adjournment thereof or on a poll called at or in relation to that meeting unless all amounts payable to the Company in respect of that share have been paid.

a) Movements in share capital in the period from incorporation to 31 December 2014

On 6 December 2013, the Company was incorporated by Ares Life Sciences LP, the parent company of Ares Life Sciences I SARL, with 25,000 ordinary shares of US$1 each. On 19 March 2014, the initial share capital of 25,000 ordinary shares of US$1 each were re-denominated into 25,000 ordinary shares of €0.7293, and then sub-divided into 182,325 ordinary shares of €0.1 each. A further 567,675 ordinary shares of € 0.1 each were then issued to Ares Life Sciences L.P.

The aggregate numbers of shares then in issue, being 750,000 ordinary shares of €0.1 each, were consolidated into 75,000 ordinary shares of EUR 1 each in the capital of the Company. The total issued share capital was fully paid at 31 December 2014.

b) Movements in share capital in the period to 31 December 2015

On 12 May 2015, the Company issued shares with a nominal value of €5,658,440 (5,658,440 ordinary shares at €1 each) to its immediate parent, Ares Life Sciences I SARL in exchange for the total (direct and indirect) issued share capital of Stallergenes Greer Holdings Inc. (formerly known as Ares Allergy Holdings Inc.) and Finares Holding AG. €541,166,652 was also recorded in share premium. On 3 June 2015, the Company enacted a capital reduction in which the entirety of the share premium account (€541,166,652) was cancelled and transferred to reserves.

On 3 July 2015 the Company bought back 60,670 ordinary shares from Ares Life Sciences I SARL for €1. These shares are held as treasury shares by the Company.

On 8 September 2015 the Company completed a cross-border merger with Stallergenes SA Group. The share exchange ratio adopted provides for the issuance of one new Stallergenes Greer plc share for one existing Stallergenes SA share (excluding treasury shares). The nominal value of new shares issued by the Group in relation to the merger was €14,032,113 (14,032,113 ordinary shares at €1 each).

In the period following the merger with Stallergenes SA Group and 31 December 2015 employee share options were exercised at a price of €560,780. As a result €22,000 (22,000 ordinary shares at €1 each) was booked to share capital, with the remaining €538,780 booked to share premium.

In the period the Company entered into an agreement with a liquidity provider to trade on its behalf in the market so as to foster regular and liquid trading in its shares and to avoid price swings that are not warranted by market trends. The Company funded a liquidity account with €2,000,000 to fund this liquidity agreement. In the period since listing a net purchase of 29,918 shares has been made under this agreement at a price of €1,105,105. Shares held in the liquidity account do not carry voting rights or receive dividends.

4.12 Capital and other commitments

The Company had the following commitments under non-cancellable operating leases:

€ thousands	2015	2014
Operating leases payments due:		
In less than one year	1,127	–
In one to five years	3,882	–
Total	**5,009**	–

The amounts due under operating leases represent rental lease contracts in the UK and France.

In addition the Company has guarantees in place with other Group entities for deposits on office leases and bank guarantees totalling €336,296 (2014: €Nil).

4.13 Related party transactions

The Company has taken the exemption from disclosing transactions with its wholly-owned subsidiaries.

The following transactions were carried out with related parties:

a) In the year the Company paid €666,348 (2014: Nil) under a transitional service agreement to Waypoint Corporate Services Limited, an entity under common control, of which €202,833 was outstanding at year end.

b) In the year the Company reimbursed €1,753,818 (2014: Nil) of disbursements to Ares Life Sciences Fund Management Limited, an entity under common control, which were paid under a cost support agreement. The full amount was paid in the year.

c) In the year the Company paid €262,009 (2014: Nil) to Ares Life Sciences S.A., an entity under common control, for the secondment of staff. The full amount was paid in the year.

4.14 Controlling parties

The Group's parent entity Ares Life Sciences I SARL (incorporated in Luxembourg) owns 83.64% of the Company's shares. The remaining 16.36% of the shares are widely held. The ultimate controlling party of the Group is the Bertarelli family.

The following unaudited pro forma consolidated income statement for the year ended 2015 with a comparative for the period ended 2014 has been prepared on the basis that the Merger was effected on 1 January 2014. The Merger represents the following:

- the contribution of Finares Holdings AG and Stallergenes Greer Holdings Inc. (formerly Ares Allergy Holdings Inc.) which occurred as of 12 May 2015; and
- the combination of Stallergenes Greer plc with the Stallergenes SA Group which occurred as of 8 September 2015.

The unaudited pro forma consolidated income statement has been prepared in accordance with the basis of preparation described in the accompanying "Notes to the unaudited pro forma income statement." The pro forma adjustments are based upon available information and certain assumptions that the Directors believe are reasonable, directly attributable and factually supportable.

The Group's audited consolidated financial statements reflect the timing of the acquisition and merger during the year and therefore sales and expenses include the results of Stallergenes Greer Holdings Inc. Group for 7.5 months from 12 May 2015 and Stallergenes SA Group for 3.75 months from 8 September 2015. This unaudited pro forma consolidated income statement has been prepared in order to give the Group's shareholders and other key stakeholders a better view of the performance of the Group had the acquisition and merger occurred on 1 January 2014.

The unaudited pro forma consolidated income statement is presented for illustrative purposes only and is not indicative of the operating profit that the Group would have achieved had the Merger occurred as of 1 January 2014.

The unaudited pro forma consolidated income statement for the year ended 31 December 2014, which has been prepared under IFRS, was included in the Group's listing Prospectus for admission to the Euronext, Paris. It has been derived from and should be read in conjunction with the following documents which are available in that Prospectus:

- Stallergenes Greer plc Group – audited financial statements for the period from incorporation to 31 December 2014 prepared in accordance with IFRS and the audited accounting records for the year ended 2015 prepared in accordance with IFRS.
- Stallergenes Greer Holdings Inc. Group – audited financial statements for the year ended 31 December 2014 prepared in accordance with US GAAP and the unaudited accounting records for the period from 1 January 2015 to 11 May 2015 before acquisition by the Group.
- Finares Holding AG – audited financial statements for the year ended 31 December 2014 prepared in accordance with Swiss GAAP and the unaudited accounting records for the period from 1 January 2015 to 11 May 2015 before acquisition by the Group.
- Stallergenes SA Group – audited financial statements for the year ended 31 December 2014 prepared in accordance with IFRS and the unaudited accounting records for the period from 1 January 2015 to 7 September 2015 before merger with the Group.
- The Prospectus for admission to trading on the regulated market of the Euronext in Paris – unaudited consolidated income statement for the Group for the year ended 31 December 2014.

The historical financial statements in relation to Stallergenes Greer Holdings Inc. and Finares Holding AG for the period ended 31 December 2014 have been adjusted to reflect IFRS for the purposes of the unaudited pro forma consolidated income statement. The unaudited pro forma consolidated income statement should be read in conjunction with the accompanying note thereto as well as the historical financial statements listed above.

Certain numerical figures set out in this unaudited pro forma consolidated income statement have been subject to rounding adjustments. As a result, the given totals of these figures may differ very slightly from their actual arithmetic totals.

Transactions between the Group and the other entities for the periods presented have been eliminated.

In EUR m	2015	2014
Net sales*	**272.9**	312.5
Other revenue	0.2	0.2
Total revenues	**273.1**	312.7
Cost of goods sold	(90.2)	(82.8)
Gross margin	**182.9**	229.9
Selling, general and administrative expenses	(169.4)	(132.4)
(Loss)/profit before R&D	**13.5**	97.5
Research and development costs (R&D)	(52.4)	(50.8)
R&D-related income	19.5	20.1
Net R&D costs	**(32.9)**	(30.7)
Current operating (loss)/profit before transformation costs	**(19.4)**	66.8
Transformation costs	(12.4)	(4.6)
Operating (loss)/profit	**(31.8)**	62.2
Financial income	0.9	3.2
Financial expenses	(0.7)	(0.6)
Net financial income	**0.2**	2.6
(Loss)/profit before tax and associates	**(31.6)**	64.8
Income tax	22.9	(17.2)
Share of profit (loss) from associated companies	(0.1)	–
Net (loss)/profit for the year	**(8.8)**	47.6
Attributable to minority interests	0.0	0.0
Net (loss)/profit for the year	**(8.8)**	47.6

* Net sales for 2015 reflect the impact of the temporary suspension and product recall including a provision against sales of €24m.

Note 1: Basis of preparation

The consolidated financial statements of the Group and its subsidiaries are prepared in accordance with IFRS as adopted by the European Union ("IFRS"). Accordingly this unaudited pro forma consolidated income statement has been prepared in accordance with IFRS.

On 12 May 2015 AAH acquired the businesses of Stallergenes Greer Holdings Inc. and Finares Holdings AG and subsequently merged with Stallergenes SA on 8 September 2015. The Group has chosen to account for the Acquisition and the Merger as transactions under common control and therefore the consolidation uses the predecessor values of each entity as of the date of the Acquisition and Merger. No fair values will be ascribed to any assets and liabilities being acquired or contributed.

The unaudited pro forma income statements presented are compiled by taking the individual results of operations of the Stallergenes Greer Holdings Inc. and Finares Holdings AG for the periods ended 31 December 2014 and 2015 adjusted for IFRS and any accounting policy differences, less any intra group eliminations. The individual results of operations of Stallergenes SA Group for the periods ended 31 December 2014 and 2015 are then also included, less any further adjustments and intra group eliminations, to form the unaudited pro forma consolidated income statement.

The unaudited consolidated income statement is converted into euros using the average EUR/USD exchange rate for the year and period, respectively.

The applicable exchange rates used to convert the financial information into euros are as disclosed below and have been sourced from Bloomberg rates for 2014 and from Banque de France for 2015.

Exchange rates used:	Average for the period ended 31 December 2014	**Average for the year ended 31 December 2015**
EUR/USD	1.3290	**1.1096**

PAGE 8

1. http://stallergenesgreer.com/allergy/allergic-diseases/
2. National Institute of Allergy and Infectious Disease. Airborne allergens. Something in the air. NIH Publication No. 03-7045.
3. Allergic Rhinitis Drugs Market Forecast 2014-2024: Future Prospects for Companies in Antihistamines, Corticosteroids, Immunotherapy & Vaccines. Visiongain 2014
4. Bousquet J, et al. Allergic Rhinitis and its Impact on Asthma (ARIA) 2008 update (in collaboration with the World Health Organization, GA(2)LEN and AllerGen). Allergy. 2008 Apr;63 Suppl 86:8-160.
   Also found in: Asher MI, et al. ISAAC Phase Three Study Group. Worldwide time trends in the prevalence of symptoms of asthma, allergic rhinoconjunctivitis, and eczema in childhood: ISAAC Phases One and Three repeat multi-country cross-sectional surveys. Lancet. 2006;368:733-43
5. Internal data (estimated)
6. Hankin, C., L. Cox, et al. (2008). "Health economics of allergy immunotherapy." Drug Benefit and Trends 20: 7-13
7. American College of Allergy, Asthma & Immunology – Allergy Facts: http://acaai.org/news/facts-statistics/allergies
8. Global Data Allergic Rhinitis Specific Immunotherapies: Global Forecast 2013-2018. Issued in 2014

PAGE 9

1. Internal data (estimated)

PAGE 13

1. Bousquet J, et al. Allergic Rhinitis and its Impact on Asthma (ARIA) 2008 update (in collaboration with the World Health Organization, GA(2)LEN and AllerGen). Allergy. 2008 Apr;63 Suppl 86:8-160.
   Also found in: Asher MI, et al. ISAAC Phase Three Study Group. Worldwide time trends in the prevalence of symptoms of asthma, allergic rhinoconjunctivitis, and eczema in childhood: ISAAC Phases One and Three repeat multi-country cross-sectional surveys. Lancet. 2006;368:733-43.
2. Pawankar R, Canonica GW, Holgate ST, Lockey RF (eds). The WAO White Book On Allergy 2011 (Update. 2013). Milwaukee, World Allergy Organization, 2011, p.23
3. Global Data Allergic Rhinitis Specific Immunotherapies – Global Forecast 2013-2018, issued 2014

PAGE 16

1. Academic collaborations include Institut Pasteur, Harvard Medical School, CEA, Inserm and GA2LEN. Early-stage partnerships include Intrexon, Biomay and Biomed.
2. Pfaar O, Bachert C, Bufe A, Buhl R, Ebner C, Eng P, et al. Guideline on allergen-specific immunotherapy in IgE-mediated allergic diseases—S2k. Guideline of the German Society for Allergology and Clinical Immunology (DGAKI), the Society for Pediatric Allergy and Environmental Medicine (GPA), the Medical Association of German Allergologists (AeDA), the Austrian Society for Allergy and Immunology (ÖGAI), the Swiss Society for Allergy and Immunology (SGAI), the German Society of Dermatology (DDG), the German Society of Oto-Rhino-Laryngology, Head and Neck Surgery (DGHNO-KHC), the German Society of Pediatrics and Adolescent Medicine (DGKJ), the Society for Pediatric Pneumology (GPP), the German Respiratory Society (DGP), the German Association of ENT Surgeons (BV-HNO), the Professional Federation of Paediatricians and Youth Doctors (BVKJ), the Federal Association of Pulmonologists (BDP) and the German Dermatologists Association (BVDD). Allergo J Int. 2014;23:282–319. doi: 10.1007/s40629-014-0032-2.

Printed on Colourplan Pristine White and Muken Polar paper which is FSC® certified and was manufactured at a mills that are certified to the ISO14001 environmental standards.

Printed by Pureprint Group Limited, a Carbon Neutral Printing Company.

Pureprint Group Limited is FSC certified and ISO 14001 certified showing that it is committed to all round excellence and improving environmental performance is an important part of this strategy.

The inks used are vegetable oil-based.

Designed and produced by Black Sun Plc.

STALLERGENES GREER

Stallergenes Greer plc
1 Curzon Street
London
W1J 5HD
www.stallergenesgreer.com