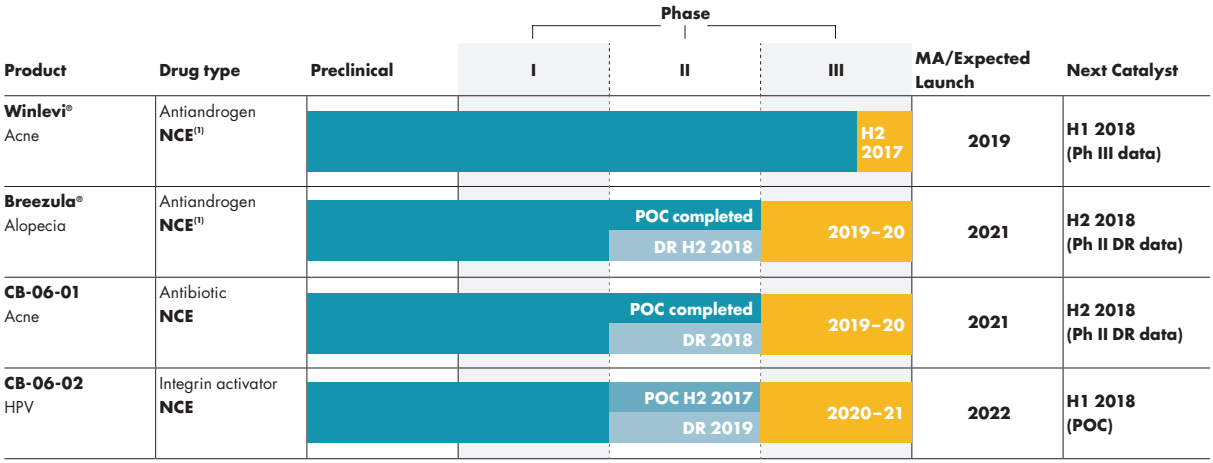
Half-Year Report 2017

Cassiopea

Cassiopea's pipeline



1) Winlevi® and Breezula® are different formulations of the same NCE, for different indications.

POC = Proof of Concept | DR = Dose Ranging

Table of contents

Cassiopea at a glance

Cassiopea is a clinical-stage specialty pharmaceutical company focused on developing and commercializing innovative and differentiated medical dermatology products. The Company's initial focus is on the topical treatment of acne; androgenic alopecia, or AGA; and genital warts. The portfolio comprises four unencumbered clinical candidates, for which the Company owns the worldwide rights. These drug candidates are based on three new chemical entities, or NCEs. They target unmet medical needs and address significant market opportunities in the medical dermatology market. The Company's management team has extensive experience in product development and commercialization, having served in prominent roles at several leading pharmaceutical and medical dermatology companies. The strategy is to leverage this expertise to establish Cassiopea as a pure-play, dermatology company whose mission is to identify, develop and commercialize treatments for skin diseases and has the potential for full vertical integration.

Key figures

EUR 1,000	30.06.2017	30.06.2016
Income statement		
Revenue	–	–
Other income	–	–
Cost of sales	–	–
R&D costs	(6,452)	(6,602)
SG&A costs	(818)	(1,035)
Operating result	(7,270)	(7,637)
Profit (loss) before taxes	(9,267)	(8,478)
Profit (loss) for the period	(9,267)	(8,478)
Shares		
Weighted average number shares	10,000,000	10,000,000
Basic earnings (loss) per share (in EUR)	(0.927)	(0.848)
Statement of financial position	**30.06.2017**	**31.12.2016**
Non-current assets	5,391	5,941
Cash and cash equivalents	25,083	33,656
Other current assets	2,555	2,328
Liabilities	2,744	2,776
Equity	30,285	39,149
Equity ratio	91.7%	93.4%

Dear Shareholder

The first half of 2017 has been a very productive period for Cassiopea, as the company keeps a sharp focus in clinical development. Three of our programs are engaged in active clinical trials, Winlevi® in two Phase 3 pivotal trials, Breezula® in a Phase 2 Dose Ranging trial, and CB-06-02 in a Phase 2 Proof of Concept trial.

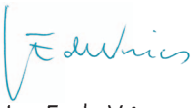
Most importantly, we have advanced our Phase III pivotal trials for Winlevi® in the treatment of acne. This 1400 patient program is being run in 67 sites in the US and Europe. As of 30 June, 74% of all planned subjects have been enrolled and we believe that we are on track to complete enrollment later this year. The additional required open label long term safety study in 100 patients is also progressing as planned so that we feel comfortable that we will have the data to announce our Phase 3 topline results in H1 2018 and file the NDA in H2 2018.

During the last week in June, we began screening patients in our Phase 2 Dose Ranging Trial of Breezula® in androgenic alopecia (AGA). This is a twelve month, 400 subject, 5 arm trial in male subjects 18–55 years of age in mild to moderate AGA. We expect to complete enrollment in by the end of the year and have six month interim data mid next year.

Meanwhile, our phase II proof of concept trial in 60 subjects with genital warts using a tellurium based ointment continues to enroll albeit slowly and we expect to results H1 2018.

We thank you for your continued confidence. We are convinced that we have one of the most innovative pipelines in the dermatology industry and view the future with great optimism.

Lainate, 20 July 2017



Jan E. de Vries
Chairman

Diana Harbort
CEO

Business Strategy

It is our intention to focus on therapies for the treatment of skin diseases and to focus solely on innovative new treatments, containing new chemical entities.

Currently, we have a lean organization that is managing the ongoing clinical trials and development programs for our pipeline as efficiently as possible. Under our Service Agreement with Cosmo, we have ready access to a team, which is very knowledgeable in the history of our programs and is very experienced in product development and manufacturing, thereby mitigating our need to build an expensive organization of our own.

It is our intention to generate the full value of our products in the US market. The organizational expansion necessary for an integrated specialty pharma company will be executed when we have strong indications that our lead product will have a high likelihood of FDA approval.

According to VisionGain, the global medical dermatology market generated revenues of US$ 22.6 billion in 2013, an increase of 7.3% over 2012. Management's analysis of IMS data indicates that the US acne market generated Retail sales of US$ 5.1 billion in 2014, growing at a 10.5% CAGR from 2012. Global sales of drugs for alopecia amounted to approximately US$ 600 million in 2013 according to data from Evaluate Pharma; however, most drugs currently in the alopecia market are off-patent and have low effectiveness. The global hair restoration surgery market amounted to US$ 1.9 billion in 2012, an increase of 48% since 2008 according to a 2014 survey by the International Society of Hair Restoration Surgery. In 2012, 35 million men and 21 million women in the US experienced hair loss. According to the Centers for Disease Control and Prevention, in the US approximately 14 million people are newly infected with Human Papillomavirus ("HPV"), the causative pathogen of anogenital warts, each year.

We believe that an overall lack of innovation in the research and development of new dermatology products has resulted in a limited number of effective treatment options. For example, the three mechanisms of action most commonly used to treat acne have been available for over 30 years and a new chemical entity has not been approved for acne since the mid-1990s when Differin and Tazorac were approved. Consequently, the few truly innovative therapies launched over the past few decades have resulted in significant sales. Furthermore, as dermatology medications have relatively short clinical trials compared to other pharmaceuticals, development costs are relatively contained.

We believe that the field of dermatology offers an exceptional opportunity to build relationships with opinion leaders, advocacy groups and medical practitioners. We believe that consolidation in the dermatology industry has resulted in an enhanced opportunity for a medical dermatology-focused company to build relationships with these stakeholders and has made available a large and growing talent pool of experienced employees who can make significant contributions to our company.

In addition, the fact that the US acne market is served by a relatively small, addressable number of practicing dermatologists, could allow a small and dedicated sales force to efficiently cover the customer base.

Key value drivers

Winlevi®

Winlevi®, a NCE, is an anti-androgen that is topically applied, penetrates the skin and displaces androgen from the androgen receptor of the sebaceous glands. This displacement helps prevent the cascade of events that leads to acne. Once in the bloodstream, Winlevi® metabolizes rapidly to cortexolone, a substance produced naturally by the human body, with no clinically relevant safety issues noted to date. If successful, this would be the first topically applicable anti-androgen that treats acne. Winlevi®, if approved, would be a first-in-class medication with a novel mechanism of action and we expect that it will be able to both compete with and to complement existing acne therapies.

Currently, four clinical trials are being conducted for Winlevi®. The phase III program is targeting the treatment of 1400 subjects nine years old or older, with moderate to severe acne with 1% cream applied twice daily for 12 weeks in 67 sites in both the US and Europe. Per 30 June, 1033 patients had been randomized and 652 had completed the trial. The schedule calls for enrollment, both in the US and Europe, to be completed in H2 2017. In the long-term safety study, which is to determine the safety of the treatment in 300 subjects for a total of six months and a further 100 subjects treated for a total of twelve months, 437 patients were enrolled.

Breezula®

Breezula® is a different formulation and a different strength of the same NCE in Winlevi®. In androgenic alopecia (AGA), high concentrations of dihydrotestosterone (DHT) at the hair-follicle level shorten the hair cycle and gradually miniaturize scalp follicles inducing them to produce progressively smaller, thinner hairs until they become unable to produce new hair. These DHT-dependent effects are considered, in most cases, reversible, so that AGA could be susceptible to medical treatment with drugs such as Breezula® by blocking DHT interaction with the specific hair-follicle androgen receptors. If successful, Breezula® would be the only topical anti-androgen approved for use in AGA for both men and women. We believe that Breezula® will not have the contraindications and safety warnings of the only other anti-androgen approved for the treatment of AGA, which is administered orally and indicated only for men. Breezula® can be exposed to direct sun. Breezula® does not interfere with the hormonal profile of patients and libido and sexual behavior are unaffected in clinical trials to date. The phase II dose ranging clinical trial is a single 12 month trial with an interim analysis after 6 months treating male subjects 18–55 years of age with mild to moderate androgenic alopecia (AGA). The Co-primary endpoints are the total average hair count (TAHC) at month 12, and the subjects' evaluation of treatments benefit via the hair growth assessment (HGA). 400 subjects will be treated in 5 arms; 2,5%, 5%, 7,5% vehicle BID (twice a day) and 7.5% QD (once a day).

After a series of questions from the German medical authorities were cleared, this study started recruiting patients in Germany with a 6 months delay. Per 30 June 2017, 6 patients have been enrolled.

CB-06-01

CB-06-01, a NCE, is a topical antibiotic, licensed from Naicons, an Italian company, that is highly effective on bacteria implicated in acne, including strains resistant to some other antibiotics. We aim to market the product to replace the current topical antibiotics used in the treatment of acne.

After the analysis of the proof of concept trial testing a 3% gel against placebo BID for 12 weeks in Slovakia on 90 subjects, it was decided to continue the program with an improved formulation. To this end, a new GMP API batch had to be produced. The optimization of the synthesis and purification is currently ongoing. The target is to receive the fully released API in September 2017. In parallel, a development program is being drafted for a new formulation that is to be used in the future dose ranging clinical trial.

CB-06-02

CB-06-02, also a NCE, is for the treatment of genital warts, licensed from BioMas, an Israeli company.

We believe that it is the first potential treatment for this condition based on tellurium, a rare element. It acts as a low-toxicity immunomodulator in supporting the natural immune response against Human Papilloma Virus, or HPV. Based on the drug profiling we have performed to date, we believe that CB-06-02 has the potential to have a faster onset of action and a lower recurrence rate than currently available treatments.

Currently, a proof of concept trial is underway in Israel testing 15% CB-06-02 QD for up to 14 weeks against placebo on 60 subjects. Following the cessation of the Israeli licensors activity, the management of the clinical trials in Israel had to be reorganized and enrollment is thus behind schedule. To date, 44 patients have been enrolled. Enrollment is planned to be completed in H2 2017.

Because all our product candidates are based on NCEs, if approved, they will enjoy regulatory exclusivity for five years. In addition, each of our candidates has long-term patent protection.

Financials

Half-year financial statements as at 30 June 2017

Income Statement

EUR 1,000	Notes	30.06.2017	30.06.2016
Revenue		**–**	**–**
Other income		–	–
Cost of sales		–	–
Research and development costs		(6,452)	(6,602)
Selling, general and administrative costs		(818)	(1,035)
Net operating expenses	4	**(7,270)**	**(7,637)**
Operating result		**(7,270)**	**(7,637)**
Financial income	5	265	152
Financial expenses	5	(2,262)	(993)
Profit (loss) before taxes		**(9,267)**	**(8,478)**
Income tax expenses	6	–	–
Profit (loss) for the period		**(9,267)**	**(8,478)**
Earnings (loss) per share		EUR	EUR
Basic	7	(0.927)	(0.848)
Diluted	7	(0.927)	(0.848)

The accompanying notes are an integral part of the half-year condensed financial statements.

Statement of Comprehensive Income

EUR 1,000	Notes	30.06.2017	30.06.2016
Profit (loss) for the period (A)		**(9,267)**	**(8,478)**
Total other comprehensive income that will not be reclassified subsequently to profit or loss, net of tax (B1)		–	–
Total other comprehensive income that will be reclassified subsequently to profit or loss, net of tax (B2)		–	–
Total other comprehensive income, net of tax (B)=(B1+B2)		**–**	**–**
Total comprehensive income (A)+(B)		**(9,267)**	**(8,478)**

The accompanying notes are an integral part of the half-year condensed financial statements.

Statement of Financial Position

EUR 1,000	Notes	30.06.2017	31.12.2016
Assets			
Non-current assets			
Property, plant and equipment		2	2
Other intangible assets	8	378	356
Tax receivables	9	5,011	5,583
Total non-current assets		**5,391**	**5,941**
Current assets			
Current tax assets	10	313	313
Other receivables and other assets	11	2,242	2,015
Cash and cash equivalents	12	25,083	33,656
Total current assets		**27,638**	**35,984**
Total assets		**33,029**	**41,925**

The accompanying notes are an integral part of the half-year condensed financial statements.

EUR 1,000	Notes	30.06.2017	31.12.2016
Equity			
Share capital		10,000	10,000
Share premium		27,884	37,380
Capital contribution		52	–
Stock option plan reserve		1,616	1,265
Profit/(Loss) for the period		(9,267)	(9,496)
Total equity	13	**30,285**	**39,149**
Liabilities			
Non-current liabilities			
Total non-current liabilities		**–**	**–**
Current liabilities			
Trade payables	14	2,671	2,739
Current tax liabilities	15	18	16
Other current liabilities	16	55	21
Total current liabilities		**2,744**	**2,776**
Total liabilities		**2,744**	**2,776**
Total equity and liabilities		**33,029**	**41,925**

The accompanying notes are an integral part of the half-year condensed financial statements.

Cash Flow Statement

EUR 1,000	Notes	30.06.2017	30.06.2016
Profit (loss) before taxes		**(9,267)**	**(8,478)**
Income taxes paid (net)		–	–
Depreciation and amortization	4	14	12
Share payment based expenses	17	403	747
Unrealised foreign exchange (gain) losses on cash and cash equivalents		2,033	767
		(6,817)	**(6,952)**
Change in trade payables		(68)	(327)
Change in other receivables and other assets		(227)	123
Change in tax receivables (non current)		572	–
Change in other current liabilities		34	9
Change in current tax assets		–	(4)
Change in current tax liabilities		2	(6)
Cash flows from operating activities		**(6,504)**	**(7,157)**
Investments in property, plant and equipment		–	(1)
Investments in other intangible assets	8	(36)	(106)
Cash flows from investing activities		**(36)**	**(107)**
Cash flows from financing activities		**–**	**–**
Unrealised foreign exchange gain (losses) on cash and cash equivalents		**(2,033)**	**(767)**
Net increase/(decrease) in cash and cash equivalents		**(8,573)**	**(8,031)**
Cash and cash equivalents at the beginning of the period	12	**33,656**	**48,113**
Cash and cash equivalents at the end of the period	12	**25,083**	**40,082**
Cash at hand		–	–
Bank accounts		25,083	40,082
Advances on invoices and bank overdraft		–	–
Total cash and cash equivalents at the end of the period	12	**25,083**	**40,082**

The accompanying notes are an integral part of the half-year condensed financial statements.

Statement of Changes in Equity

EUR 1,000	Number of Shares (n)	Share capital	Share premium	Extraordinary reserve	Capital contribution	Available for sale financial assets reserve	Stock option plan reserve	Retained earnings	Total
Net equity as at 1 January 2016	**10,000,000**	**10,000**	**40,000**	**3,526**	**–**	**–**	**106**	**(6,451)**	**47,181**
Allocation of prior year result			(2,925)	(3,526)				6,451	–
Cost for stock options							*747*		*747*
Total comprehensive income for the year								(8,478)	(8,478)
Net equity as at 30 June 2016	**10,000,000**	**10,000**	**37,075**	**–**	**–**	**–**	**853**	**(8,478)**	**39,450**

EUR 1,000	Number of Shares (n)	Share capital	Share premium	Extraordinary reserve	Capital contribution	Available for sale financial assets reserve	Stock option plan reserve	Retained earnings	Total
Net equity as at 1 January 2017	**10,000,000**	**10,000**	**37,380**	**–**	**–**	**–**	**1,265**	**(9,496)**	**39,149**
Allocation of prior year result			(9,496)					9,496	–
Cost for stock options					52		351		403
Total comprehensive income for the period								(9,267)	(9,267)
Net equity as at 30 June 2017	**10,000,000**	**10,000**	**27,884**	**–**	**52**	**–**	**1,616**	**(9,267)**	**30,285**

The accompanying notes are an integral part of the half-year condensed financial statements.

Explanatory notes

1 General information

The company and its core business

Cassiopea S.p.A. ("Cassiopea" or the "Company") is a company established and domiciled in Italy. The address of the registered office is Via Cristoforo Colombo 1, Lainate (MI), Italy.

Cassiopea is a clinical-stage specialty pharmaceutical company focused on developing and commercializing innovative and differentiated medical dermatology products: the initial focus is on the topical treatment of acne, androgenic alopecia, (or AGA), and genital warts. The Company's portfolio comprises four unencumbered clinical candidates, for which the Company owns the worldwide rights. These product candidates are based on three new chemical entities, ("NCEs"), and target unmet medical needs and significant market opportunities in the medical dermatology market. Cassiopea's management team directly and indirectly through the Service Agreement with Cosmo, has extensive experience in product development and commercialization, having served in prominent roles at several leading pharmaceutical and medical dermatology companies.

The Company's strategy is to leverage this expertise to establish Cassiopea as a pure play, fully integrated company whose mission is to identify, develop and commercialize treatments for skin diseases.

The four product candidates that the Company is currently developing represent a diversified portfolio of late and mid stage clinical programs addressing significant market opportunities and unmet needs in the medical dermatology space:

- Winlevi®, which is being developed as first-in-class antiandrogen for the topical treatment of acne;
- Breezula®, which is being developed as the first antiandrogen for the topical treatment of androgenic alopecia;
- CB-06-01, a first-time application of an antibiotic with a targeted antibacterial spectrum for the treatment of acne; and
- CB-06-02, a novel formulation using the rare element tellurium to treat genital warts.

Since 1 July 2015, Cassiopea's shares have been publicly listed on the Swiss Stock Exchange (SIX: SKIN).

The Company's stock market capitalization as at 30 June 2017 was equal to CHF 347,500 thousand.

2 Basis of preparation

These half-year condensed financial statements as at 30 June 2017 together with the notes thereto (the "Half-Year Report 2017) were authorized for issuance on 20 July 2017 and have been prepared in accordance with the International Financial Reporting Standards issued by the International Accounting Standards Board (IASB) and adopted by the European Union (following IFRS) and with the orders issued in implementation of Article 9 of Legislative Decree no 38/2005. The designation IFRS also includes all valid International Accounting Standards (IAS), as well as all interpretations of the International Financial Reporting Interpretations Committee (IFRIC), formerly the Standing Interpretations Committee (SIC).

In particular, these interim condensed financial statements have been prepared in accordance with IAS 34, "Interim Financial Reporting", and accordingly do not include all information and disclosures as required by IFRS for complete financial statements.

The accounting principles and policies used in preparation of the interim financial statements are consistent with those used in the Financial statements for the year ended 31 December 2016, except as otherwise stated under "New accounting standard and IFRIC interpretations" in the following paragraphs.

The preparation of the interim financial statements requires the Management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities and disclosure of contingent assets and liabilities at the date of the interim financial statements. If in the future such estimates and assumptions, which are based on the Management's best judgement at the date of the interim financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the period in which the circumstances change.

These condensed interim financial statements should be read in conjunction with the financial statements for

the year ended 31 December 2016 as they provide an update of previously reported information. Operating results for the six months ended 30 June 2017 are not necessarily indicative of the results that may be expected for the year ending 31 December 2017. The interim financial statements are expressed in thousands of euros unless stated otherwise, rounding the amounts to the nearest thousand.

3 Basis of accounting

3.1 Classification criteria

The financial statements and related classification criteria adopted for the preparation of the Company's Condensed interim financial statements are based on the option allowed by IAS1 – Presentation of financial statements:

- the statement of financial position has been prepared presenting asset and liabilities as current and non current;
- the income statement presents a classification based on the function of expenses ("cost of sales method");
- the statement of comprehensive income includes other changes in equity related to non-owner transactions as well as the profit/loss of the year;
- the statements of cash flows present cash flows from operating activities using the indirect method;
- the statement of changes in equity includes all the changes in equity.

3.2 Measurement criteria

The financial statements have been prepared using the historical cost criterion, except when it mandatory to measure financial assets and liabilities at fair value, an on a going concern basis.

The financial statements have been prepared on a going concern basis as the financial resources made available by the shareholders were considered adequate to meet the cash requirements projected in the business plans. This is despite the fact that, Company has, since it was incorporated, sustained losses mainly because of the massive research and clinical development costs incurred for its products and its business plans project that further operating losses will be incurred at least until one of its products is launched for sale or out-licensed.

3.3 Critical accounting estimates and assumptions

The preparation of the Company financial statements and the related notes requires the use of estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. However, as they are estimates, actual future results could differ from those included in the financial statements. The management exercises judgment in selecting and applying the accounting principles, particularly in cases where the existing IFRS standards offer alternative recognition, valuation or presentation methods.

3.4 Accounting policies

The accounting policies adopted are consistent with those of the previous financial year, as no new IFRS or IFRIC interpretations that became effective on 1 January 2017 are relevant for the Company's operations.

Standards, amendments and interpretations effective from 1 January 2017 but not applicable to the Company

The following new standards and amendments, which were effective from 1 January 2017, were adopted by the Company. The adoption of these amendments had no effect on the Interim Condensed Financial Statements.

- Amendments to IAS 12 – Income Taxes that clarify how to account for deferred tax assets related to debt instruments measured at fair value.
- Amendments to IAS 7 – Statement of Cash Flows introducing additional disclosures that will enable users of financial statements to evaluate changes in liabilities arising from financing activities.
- Amendments to IFRS 12 – Disclosure of Interests in Other Entities

Accounting principles, amendments and interpretations not yet applicable and not early adopted by the Company

Reference should be made to the section – Accounting principles, amendments and interpretations not yet applicable and not early adopted by the Company – within the Cassiopea Financial Statements at

31 December 2016 for a detailed description of new standards not yet effective as of 30 June 2017.

In December 2016, the IASB issued Annual Improvements to IFRS Standards 2014–2016 Cycle which has amendments to three Standards: IFRS 12 – Disclosure of Interests in Other Entities (effective date of 1 January 2017), IFRS 1- First-time Adoption of International Financial Reporting Standards (effective date of 1 January 2018) and IAS 28 – Investments in Associates and Joint Ventures (effective date of 1 January 2018). The amendments clarify, correct or remove redundant wording in the related IFRS Standard.

In December 2016, the IASB issued IFRIC Interpretation 22 – Foreign Currency Transactions and Advance Consideration which addresses the exchange rate to use in transactions that involve advance consideration paid or received in a foreign currency. The interpretation is effective 1 January 2018.

In June 2017, the IASB published IFRIC 23 "Uncertainty over Income Tax Treatments" to clarify the accounting for uncertainties in income taxes. The interpretation addresses the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12. The interpretation is applicable to annual reporting periods beginning on or after 1 January 2019.

Summary of significant accounting policies and practices

The most significant accounting policies and measurement criteria applied to prepare the financial statements are summarized below.

Other intangible assets

Other intangible assets are recognized as assets where it is probable that the use of the asset will generate future economic benefits and where the costs of the asset can be determined reliably. Other intangible assets that are acquired by the Company are stated at cost less accumulated amortization (see below) and impairment losses, if any.

Subsequent expenditures on capitalized intangible assets are capitalized only when they increase the future economic benefits embodied in the specific assets to which they relate. All other expenditure is expensed as incurred.

Other intangible assets with definite useful lives are amortized on a straight-line basis over their useful lives, being the estimated period over which the Company will use the assets. Other intangible assets are amortized from the date they are available for use.

Residual amounts, useful lives and the amortization methods are reviewed at the end of every accounting period. The estimated useful lives are as follows:

- Patents and rights are amortized considering the patents expiry date as their useful life (patents expiry from 2025 to 2036 and their average useful life is equal to 15.8 years).
- Expenditures on research activities, undertaken with the prospect of gaining new technical knowledge and understanding, are recognized in the income statements as an expense as incurred.

Development costs are capitalized as an intangible asset if all of the following criteria are met:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- the asset will generate probable future economic benefits and demonstrate the existence of a market or the usefulness of the intangible asset if it is to be used internally;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell it;
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Following initial recognition of the development expenditure as an intangible asset, the cost model is applied requiring the intangible asset to be carried at cost, less any accumulated amortization and accumulated impairment losses. The intangible asset is amortized on a straight-line basis over the period of its expected benefit, starting from the date of full commercial use of the

product. During the period of development, the asset is tested for impairment annually.

If specific events indicate that impairment of an item of intangible asset may have taken place, the item's recoverability is assessed by comparing its carrying amount with its recoverable amount.

Foreign currency transactions

Transactions in foreign currency are translated into Euros using the exchange rate ruling on the transaction date. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into Euros at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognized in the income statement. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated into Euros at foreign exchange rates ruling at the dates the fair value was determined.

Trade and other receivables and payables

Trade and other receivables are stated at amortized cost net of impairment losses. The impairment loss is calculated on the basis of recovery assessments by analysing each receivable considered unlikely to be collected and the overall risk of non-recovery of the receivables. When the payment of the sum due is postponed beyond normal credit terms offered to customers, it is necessary to discount the receivable.

Trade and other payables are measured at amortized cost which reflects the effective interest rate in the income statement and represents the rate used to discount the expected future cash flows to the carrying value of the assets to which they relate.

They are included in current assets or liabilities, except for maturities greater than 12 months after the balance sheet date.

Cash and cash equivalents

Cash and cash equivalents comprises cash balances and call deposits. Advances on invoices and bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Employee benefits

Obligations for contributions to defined contribution pension plans are recognized as an expense in the income statement as incurred.

Forms of remuneration involving participation in stock capital (stock option plans)

The Company grants additional benefits to the Board and senior management and key employees through stock option plans. Pursuant to IFRS 2, "Share-based payment", these plans represent a form of remuneration for the beneficiaries. The cost is equal to the fair value as calculated on the date the option rights are granted and is recorded in the income statement on a straight-line basis over the vesting period, i.e., the date between the date the stock option plan was granted and the date the rights matured. The corresponding entry is made directly to shareholders' equity. Changes in fair value after the grant date do not have an effect on the initial valuation. At each balance sheet date, the Company revises its estimate of the number of options that are expected to become exercisable.

It recognizes the impact of the revision to original estimates, if any, in the income statements, with a corresponding adjustment to equity. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

Revenue and cost recognition

Revenue, income, costs and charges are recorded net of discounts and allowances.

Revenues from licensing contracts for non-refundable up-front fees, in situations where no further performance obligation exists, are recognized on the earlier of when payments are received or collection is assured. Up-front fees related to future performance obligations are either spread over the duration of such obligations or part of the revenue provisioned

therefore. Where continuing significant involvement is required in the form of support, revenues are recognized over the relevant period.

Revenues from licensing contracts for milestones are recognized in the period the outcome can be estimated reliably, which is in general when the milestone is successfully achieved, which is determined when the funding party agrees that the required results stipulated in the agreement have been met.

Government grant income is recognized when it is reasonably certain that it will be received. This takes place when the grant is approved by the relevant public sector bodies. This income is recognized based on the costs actually incurred.

Expenditures on research activities, undertaken with the prospect of gaining new technical knowledge and understanding, as well as development costs not capitalized, are recognized in the income statement as an expense as incurred.

Income tax

The tax charge for the period is determined on the basis of prevailing laws and regulations. Taxes on income are recognized in the income statement except to the extent that they relate to items directly charged or credited to equity, in which case the related income tax effect is recognized in equity.

Deferred tax assets and liabilities are determined on the basis of all the temporary differences between the carrying amount of an asset or liability in the statement of financial position and its corresponding tax basis. Deferred tax assets resulting from unused tax losses and temporary differences are recognized to the extent that it is probable that future taxable profit will be available against which they can be utilized.

Current and deferred income taxes and liabilities are offset when there is a legally enforceable right to offset.

Deferred tax assets and liabilities are measured at the substantively enacted tax rates that are expected to apply to taxable income in the periods in which temporary differences will be reversed.

Earnings per share

Basic earnings per share are calculated dividing the net profit (loss) attributable to the owners of ordinary shares in the Company (the numerator) by the weighted average number of ordinary shares in issue (the denominator) during the year.

Diluted earnings per share is calculated by adjusting the net profit attributable to owners of ordinary shares and the weighted average number of ordinary shares during the year to take account of all potential ordinary shares with a diluting effect. A potential ordinary share is a financial instrument or other contract that could give its owner the right to obtain ordinary shares.

4 Net operating expenses

Net operating expenses presented in the income statements by function are detailed and commented by nature below:

EUR 1,000	30.06.2017	30.06.2016
Raw materials and consumables used	(545)	(204)
Personnel expenses	(627)	(961)
Outsourced preclinical and clinical trial costs	(4,821)	(5,168)
Other operating expenses	(1,263)	(1,292)
Depreciation and amortization	(14)	(12)
Total net operating expenses	**(7,270)**	**(7,637)**

Raw materials and consumables used

The item "Raw materials and consumables used" comprises the following:

EUR 1,000	30.06.2017	30.06.2016
Purchase of consumables	1	1
Purchase of laboratory supplies and materials for clinical trial	544	203
Total raw materials and consumables used	**545**	**204**

Personnel expenses

This item, which includes the cost of the entire staff, comprises the following:

EUR 1,000	30.06.2017	30.06.2016
Salaries and wages	315	500
Social security contributions	47	9
Employee benefits	8	2
Stock options	253	450
Other costs	4	–
Total personnel expenses	**627**	**961**

In 2017, the expense for the value of employees' and executives Directors' services exchanged for stock options amounted to EUR 253 thousand (EUR 450 thousand in 2016) and it refers to the cost accounted in relation to the options granted by the Board of Directors on 3 December 2015, on 23 February 2016 and on 23 February 2017 and to the options granted by Cosmo Pharmaceuticals N.V. (see note 17, "Share-based payments").

The entire staff as at 30 June 2017 and 2016 is shown by category here below:

No. of people	30.06.2017	30.06.2016
Managers	3	3
Junior managers	4	6
Total number	**7**	**9**

In addition, the companies of the Cosmo Pharmaceuticals N.V. group provide the services of two members of the senior management (the CSO and the CFO) at no cost, and the services for research & development, regulatory, secretarial, and accounting services at a cost determined in the Services Agreement.

Outsourced preclinical and clinical trial costs

The item "Outsourced preclinical and clinical trial costs" comprises the following:

EUR 1,000	30.06.2017	30.06.2016
CB-03-01 Winlevi®	4,336	4,824
CB-03-11 Breezula®	428	213
CB-06-01	–	67
CB-06-02	57	64
Outsourced preclinical and clinical trials costs	**4,821**	**5,168**

Other operating expenses

Other operating expenses comprises the following:

EUR 1,000	30.06.2017	30.06.2016
Service costs	1,254	1,288
Operating lease expenses	5	–
Other operating costs	4	4
Total other operating expenses	**1,263**	**1,292**

"Service costs" mainly comprises costs for professional and consultancy services (i.e., scientific and administrative services), cost for the maintenance of the patent, and costs for the investor relations activities.

Service costs in 2017 also include EUR 150 thousand (EUR 297 thousand in 2016) for the Stock Option Plan to the nonexecutive directors and it refers to the cost accounted in relation to the 60,000 options granted by the Board of Directors on 3 December 2015.

EUR 1,000	30.06.2017	30.06.2016
External consultancy services	286	170
Patent costs	133	84
Investor relations and web site maintenance	103	102
Technical assistance	2	2
Utilities, telephone, internet	5	3
Insurance	75	68
Nonexecutive directors	73	72
Stock options nonexecutive directors	150	297
Management control committee	5	5
Auditing	6	6
Advertising and marketing costs	11	6
Freight and customs	24	29
Travel expenses	50	41
External laboratory services	36	69
R&D and Regulatory services	290	327
Other costs	5	7
Total service costs	**1,254**	**1,288**

In the period ended 30 June 2017, the Company has been charged by Cosmo S.p.A. (a subsidiary of Cosmo Pharmaceuticals N.V.) for an amount of EUR 274 thousand (included in R&D and Regulatory services) and EUR 73 thousand (included in External consultancy services) respectively for Research/ Development/Regulatory services and for secretarial and accounting services (EUR 327 thousand and EUR 65 thousand respectively for the period ending 30 June 2016).

Depreciation and amortization

The item comprises the following:

EUR 1,000	30.06.2017	30.06.2016
Depreciation of property, plant and equipment	–	1
Amortization of other intangible assets	14	11
Total depreciation and amortization	**14**	**12**

5 Financial income/expenses

The item comprises the following:

EUR 1,000	30.06.2017	30.06.2016
Financial income:		
Other	265	152
Total financial income	**265**	**152**
Financial expenses:		
Other	2,262	993
Total financial expenses	**2,262**	**993**
Financial income (expense), net	**(1,997)**	**(841)**

Other financial income as at 30 June 2017 includes EUR 122 thousand for foreign exchange differences (EUR 58 thousand in H1 2016) and EUR 143 thousand for interests received on cash and cash equivalents (EUR 93 thousand in H1 2016); financial expenses mainly includes foreign exchange differences.

6 Income tax expenses

On the tax losses and on the Italian fiscal relief "ACE" (Aiuto alla crescita economica) for H1 2017 and H1 2016 no deferred tax assets have been recognized in the Company's financial statements due to uncertainties concerning the availability of future taxable profits against which such an asset may be offset.

7 Basic and diluted earnings (loss) per share

Basic earnings (loss) per share are calculated by dividing the net profit (loss) for the period attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. Basic earnings (loss) per share are as follows:

	30.06.2017	30.06.2016
Net profit (loss) attributable to Shareholders (in EUR 1,000)	(9,267)	(8,478)
Weighted average number shares	10,000,000	10,000,000
Basic earnings (loss) per share (in EUR)	**(0.927)**	**(0.848)**

Diluted earnings (loss) per share are calculated by dividing the net profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year, plus the weighted average number of potential ordinary shares.

Potential ordinary shares from the exercise of stock options only have a dilutive effect if the new ordinary shares from the exercise of stock options led to a lower result per share. Under consideration of the current result of Cassiopea, potential new ordinary shares do therefore not induce a dilutive effect.

8 Other intangible assets

"Patents and rights" refers to the costs for filing and extension of patents owned by the Company, and are amortized considering the patents expiry date as their useful life (patents expiry from 2025 to 2036 and their average useful life is equal to 15.8 years).

EUR 1,000	Patents and rights	Total
Net book value as at 31 December 2015	**230**	**230**
Additions of the period	106	106
Amortization charge for the period	(11)	(11)
Net book value as at 30 June 2016	**325**	**325**
Net book value as at 31 December 2016	**356**	**356**
Additions of the period	36	36
Amortization charge for the period	(14)	(14)
Net book value as at 30 June 2017	**378**	**378**

9 Tax receivables (non current)

The item comprises the following:

EUR 1,000	30.06.2017	31.12.2016
Tax credit R&D costs	5,011	5,583
Total tax receivables	**5,011**	**5,583**

Tax receivables refer to the non-current amount of the tax credit for research and development pursuant to Ministerial Decree of 27 May 2015, implementing Law No. 190 of 23 December 2014 (2015 Stability Law).

10 Current tax assets

The item comprises the following:

EUR 1,000	30.06.2017	31.12.2016
Advance payments of income taxes	13	13
Tax credit R&D costs	300	300
Total current tax assets	**313**	**313**

Tax credit R&D costs refers to the current amount of tax credit for research and development pursuant to Ministerial Decree of 27 May 2015, that will be offset against social security contributions and withholdings tax in the course of the following twelve months.

11 Other receivables and other assets

The item comprises the following:

EUR 1,000	30.06.2017	31.12.2016
VAT receivables	1,519	1,118
Prepaid expenses	515	665
Other prepaid	208	232
Total other receivables and other assets	**2,242**	**2,015**

12 Cash and cash equivalents

The item comprises the following:

EUR 1,000	30.06.2017	31.12.2016
Cash at hand	–	–
Bank accounts	25,083	33,656
Total cash and cash equivalents	**25,083**	**33,656**

"Bank accounts" include availability on current bank accounts and short-term "time deposit" bank contracts.

Part of the availability are held in US$ and in particular as at 30 June 2017, the amount includes US$ 28,084 thousand equal to EUR 24,609 thousand at 30 June 2017 exchange rate.

13 Total shareholders' equity

The item comprises the following:

EUR 1,000	30.06.2017	31.12.2016
Share capital	10,000	10,000
Share premium	27,884	37,380
Capital contribution	52	–
Stock option plan reserve	1,616	1,265
Profit/(Loss) for the period	(9,267)	(9,496)
Total Equity	**30,285**	**39,149**

Share capital

As at 30 June 2017 and 31 December 2016, Cassiopea S.p.A. had 10,000,000 shares issued, fully subscribed and paid up, each share with a nominal value of EUR 1.00, for a total share capital of EUR 10,000 thousand.

Share premium

"Share premium" refers to the proceeds from April 2015 capital increase, partially reduced in relation to the allocation of the 2015 and 2016 losses.

Capital contribution

"Capital contribution" has accounted in relation to the stock option of Cosmo Pharmaceuticals N.V. granted to the employees of the Company.

Stock option plan reserve

In H1 2017, the expense for the stock options allocated in December 2015, February 2016 and February 2017, amounted to EUR 351 thousand of which EUR 201 thousand for management and personnel and EUR 150 thousand for non-executive Directors (in H1 2016 EUR 450 thousand and EUR 297 thousand respectively).

14 Trade payables

The item comprises the following:

EUR 1,000	30.06.2017	31.12.2016
Trade payables	2,324	2,482
Trade payables related company	347	257
Total trade payables	**2,671**	**2,739**

Trade payables related company refers to the payables for the services rendered by Cosmo Pharmaceuticals Group.

15 Current tax liabilities

The item comprises the following:

EUR 1,000	30.06.2017	31.12.2016
Withholding tax for employees	10	4
Withholding tax for consultants	8	12
Total current tax liabilities	**18**	**16**

16 Other current liabilities

The item comprises the following:

EUR 1,000	30.06.2017	31.12.2016
Social security payables	18	4
Other liabilities	37	17
Total other current liabilities	**55**	**21**

17 Share-based payment

The extraordinary shareholders' meeting of 27 May 2015 authorized the Board of Directors to increase the capital by a nominal amount of EUR 500 thousand by issuing 500,000 new common shares with a nominal value of EUR 1 each to service an ESOP according to terms to be set by the Board of Directors.

On 3 December 2015, the Board of Directors granted a total of 140,000 options of which:

- 49,800 with a vesting period of 1 year, expiring on 3 December 2021 and an exercise price of CHF 34 ("Option series 1a")
- 46,600 with a vesting period of 2 years, expiring on 3 December 2022 and an exercise price of CHF 34 ("Option series 1b")
- 43,600 with a vesting period of 3 years, expiring on 3 December 2023 and an exercise price of CHF 34 ("Option series 1c")

The fair value of options granted, determined on the basis of a binomial tree generated by the Fincad program – technique similar to the Black-Scholes valuation model, resulted in a value of CHF 14.45 per option ("Option series 1a"), of CHF 19.28 per option ("Option series 1b") and of CHF 22.56 per option ("Option series 1c").

On 23 February 2016, the Board of Directors granted a total of 20,000 options of which:

- 6,800 with a vesting period of 1 year, expiring on 23 February 2022 and an exercise price of CHF 34 ("Option series 2a")
- 6,700 with a vesting period of 2 years, expiring on 23 February 2023 and an exercise price of CHF 34 ("Option series 2b")
- 6,500 with a vesting period of 3 years, expiring on 23 February 2024 and an exercise price of CHF 34 ("Option series 2c")

The fair value of options granted, determined on the basis of a binomial tree generated by the Fincad program – technique similar to the Black-Scholes valuation model, resulted in a value of CHF 11.28 per option ("Option series 2a"), of CHF 15.87 per option ("Option series 2b") and of CHF 18.98 per option ("Option series 2c").

On 23 February 2017, the Board of Directors granted a total of 12,000 options of which:

- 6,800 with a vesting period of 1 year, expiring on 23 February 2023 and an exercise price of CHF 34 ("Option series 3a")
- 6,700 with a vesting period of 2 years, expiring on 23 February 2024 and an exercise price of CHF 34 ("Option series 3b")
- 6,500 with a vesting period of 3 years, expiring on 23 February 2025 and an exercise price of CHF 34 ("Option series 3c")

The fair value of options granted, determined on the basis of a binomial tree generated by the Fincad program – technique similar to the Black-Scholes valuation model, resulted in a value of CHF 11.59 per option ("Option series 3a"), of CHF 15.84 per option ("Option series 3b") and of CHF 18.84 per option ("Option series 3c").

The options granted are recognized as costs over the vesting period.

In H1 2017, in relation to the "Option series 1a,b,c", to the "Option series 2a,b,c" and to the "Option series 3a,b,c" the expense for the value of employees' and Directors' services exchanged for stock options amounted to EUR 351 thousand of which EUR 201 thousand for management and personnel and EUR 150 thousand for nonexecutive Directors.

Option series	Number	Grant date	Vesting date	Expiry date	Exercise price	Fair value of the option at the grant date
					CHF	CHF
1a) Issued 3 December 2015	49,800	03/12/2015	03/12/2016	03/12/2021	34.00	14.45
1b) Issued 3 December 2015	46,600	03/12/2015	03/12/2017	03/12/2022	34.00	19.28
1c) Issued 3 December 2015	43,600	03/12/2015	03/12/2018	03/12/2023	34.00	22.56
2a) Issued 23 February 2016	6,800	23/02/2016	23/02/2017	23/02/2022	34.00	11.28
2b) Issued 23 February 2016	6,700	23/02/2016	23/02/2018	23/02/2023	34.00	15.87
2c) Issued 23 February 2016	6,500	23/02/2016	23/02/2019	23/02/2024	34.00	18.98
3a) Issued 23 February 2017	4,100	23/02/2017	23/02/2018	23/02/2023	34.00	11.59
3b) Issued 23 February 2017	4,000	23/02/2017	23/02/2019	23/02/2024	34.00	15.84
3c) Issued 23 February 2017	3,900	23/02/2017	23/02/2020	23/02/2025	34.00	18.84

	Number	Weighted average exercise price
		CHF
Outstanding as at 1 January 2016	**140,000**	**34.00**
Exercisable as at 1 January 2016	–	–
Granted during the period	20,000	34.00
Forfeited during the period	(35,000)	34.00
Exercised during the period	–	–
Expired during the period	–	–
Outstanding as at 31 December 2016	**125,000**	**34.00**
Exercisable as at 31 December 2016	42,800	34.00
Granted during the period	12,000	34.00
Forfeited during the period	–	34.00
Exercised during the period	–	–
Expired during the period	–	–
Outstanding as at 30 June 2017	**137,000**	**34.00**
Exercisable as at 30 June 2017	44,500	34.00

The share options outstanding as at 30 June 2017 had a weighted average exercise price of CHF 34 and a remaining contractual life of 5.5 years.

Option series 1	**a)**	**b)**	**c)**
Issued 3 December 2015			
Share price at grant date (in CHF)	35.40	35.40	35.40
Previous monthly average at grant date share price (in CHF)	32.30	32.30	32.30
Exercise price (in CHF)	34.00	34.00	34.00
Expected volatility	30%	30%	30%
Option life	1,826 days	1,826 days	1,826 days
Risk-free interest rate	0.84%	1.02%	1.18%

Option series 2	**a)**	**b)**	**c)**
Issued 23 February 2016			
Share price at grant date (in CHF)	30.95	30.95	30.95
Previous monthly average at grant date share price (in CHF)	29.88	29.88	29.88
Exercise price (in CHF)	34.00	34.00	34.00
Expected volatility	30%	30%	30%
Option life	1,826 days	1,826 days	1,826 days
Risk-free interest rate	0.73%	0.91%	1.07%

Option series 3	**a)**	**b)**	**c)**
Issued 23 February 2017			
Share price at grant date (in CHF)	34.35	34.35	34.35
Previous monthly average at grant date share price (in CHF)	33.26	33.26	33.26
Exercise price (in CHF)	34.00	34.00	34.00
Expected volatility	30%	30%	30%
Option life	1,826 days	1,826 days	1,826 days
Risk-free interest rate	0.50%	0.67%	0.86%

18 Related-parties' transactions

In the periods ended 30 June 2017 and 30 June 2016 the Company has been charged under a service agreement by Cosmo S.p.A. (a subsidiary of Cosmo Pharmaceuticals N.V.) for an amount of EUR 274 thousand and EUR 327 thousand respectively, for Research/Development/Regulatory services and for an amount of EUR 73 thousand and EUR 65 thousand respectively, for secretarial and accounting services.

Starting from May 2015, Cosmo Pharmaceuticals provides Cassiopea with the services of its Chief Financial Officer, and its Chief Scientific Officer. The services provided under this agreement will not exceed 30% of their respective available working time. Cosmo provides Cassiopea these services to at no cost. The agreement was for a term of two years and will be extended for another two years at the same terms and conditions.

In 2017, Cosmo Pharmaceuticals N.V., under a stock option plan, has granted options to some employees of the Company. In H1 2017, the cost to the Company determined on the basis of the fair value of the option is equal to EUR 52 thousand.

19 Fair value measurement

IFRS 13 establishes a hierarchy that categorizes into three levels the inputs to the valuation techniques used to measure fair value by giving the highest priority to quoted prices (unadjusted) in active markets for identical assets and liabilities (level 1 inputs) and the lowest priority to unobservable inputs (level 3 inputs). In some cases, the inputs used to measure the fair value of an asset or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy at the lowest level input that is significant to the entire measurement.

Levels used in the hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets and liabilities that the Company can access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the assets and liabilities.

Assets and liabilities that are measured at fair value on a recurring basis

As at 30 June 2017 and 31 December 2016, there are no assets and liabilities measured at fair value on a recurring basis.

Assets and liabilities not measured at fair value on a recurring basis

This table shows the comparison of fair values versus carrying amounts of financial assets and liabilities, as required by IFRS 7.

	As at 30 June 2017		As at 31 December 2016	
EUR 1,000	**Carrying amount**	**Fair value**	**Carrying amount**	**Fair value**
Cash and cash equivalents	25,083	25,083	33,656	33,656
Total Assets	**25,083**	**25,083**	**33,656**	**33,656**
Unrecognised (loss) gain	–	–	–	–
Trade payables	(2,671)	(2,671)	(2,739)	(2,739)
Total Liabilities	**(2,671)**	**(2,671)**	**(2,739)**	**(2,739)**
Unrecognised (loss) gain	–	–	–	–

The carrying amount of Cash and cash equivalents, which consist primarily of bank current accounts and time deposits, approximates fair value.

For Trade payables for which the present value of future cash flows does not differ significantly from carrying value, we assume that carrying value is a reasonable approximation of the fair value.

20 Subsequent events

As at the date of presentation of these financial statements, there were no material events after the balance sheet date. Cassiopea is continuing to develop its products pipeline, in line with plans and programmed activities

Lainate, 20 July 2017

On behalf of the Board of Directors of
Cassiopea S.p.A.

Jan E. de Vries
Chairman

Information for investors

Capital structure

EUR 1,000	30.06.2017
Total equity	30,285
Share capital	10,000
Reserves	29,552
Profit (Loss) for the period	(9,267)
Number of registered shares	10,000,000
Nominal value per share (in EUR)	1.00

Major shareholders	No. of shares	% of share capital
Cosmo Pharmaceuticals N.V.	4,508,987	45.09%
Cosmo Holding Sarl	753,445	7.53%
UBS Fund Management (Switzerland) AG	506,007	5.06%
Herz/Logitable group	409,000	4.09%

Share price data

CHF	Price	Date
First trading day close	37.30	01.07.2015
H1 2017 lowest	29.05	06.01.2017
H1 2017 highest	35.45	21.02.2017
H1 2017 last trading day	34.75	30.06.2017
Market capitalization (in CHF million)	347.50	30.06.2017

Share earnings

EUR	30.06.2017
Basic earnings (loss) per share	(0.927)

Stock exchange information

Listing	SIX Swiss Exchange, Main Board
Security ID	SKIN
ISIN	IT0005108359
Swiss security number (Valor)	28 252 872
Number of shares	10,000,000

Research coverage

Jefferies International	Peter Welford	Phone: +44 20 70 29 86 68

Calendar

Key reporting dates

Annual Report – February 2018

Upcoming conferences

Investora

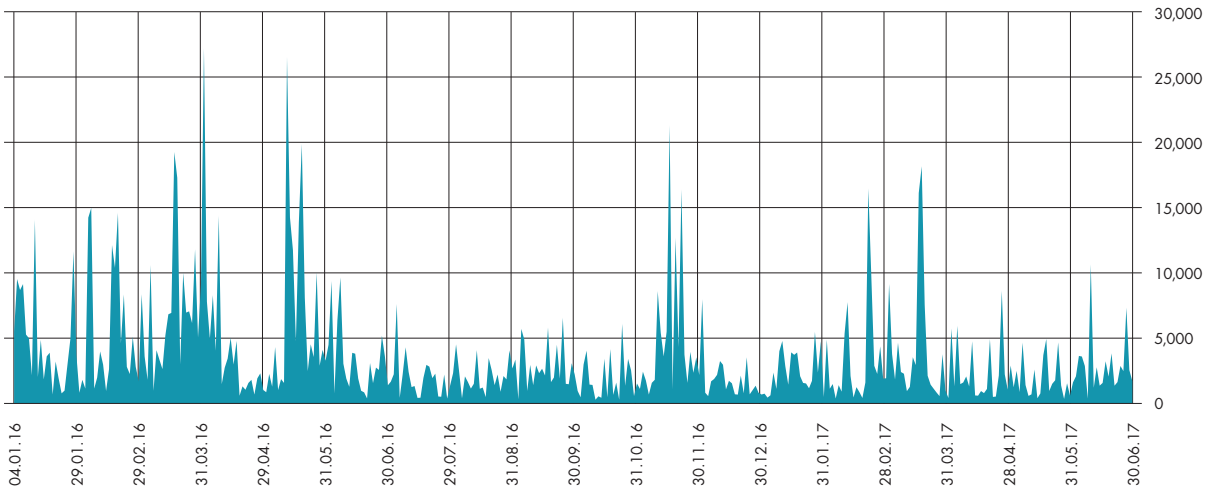
Zurich, 20 September 2017

Jefferies' 2017 Global Healthcare Conference

London, 16 November 2017

Share price

Trading volumes



Concerning forward-looking statements

This report contains certain "forward-looking-statements," which can be identified by the use of terminology such as "could," "might," "propose," "addressable," "outlook," "attractive" or similar wording. Such forward-looking statements reflect the current views of the Management and are not guarantees of future performance and involve risks and uncertainties. Readers are cautioned that actual results may differ materially from those in the forward-looking statements as a result of various factors. Cassiopea is providing the information in this report as of this date and does not undertake any obligation to update any forward-looking statements contained in it as a result of new information, future events or otherwise.

Contacts and addresses

Cassiopea S.p.A.
Via Cristoforo Colombo 1
I-20020 Lainate

Phone: +39 02 868 911 24
www.cassiopea.com

Investor and public relations
Chris Tanner, CFO and Head of Investor Relations

Phone: +39 02 868 911 24
ctanner@cassiopea.com

Publications and further information
investor.relations@cassiopea.com

Imprint

Phone: +39 02 868 911 24

Concept
IRF Communications AG, Zurich

Graphic design
TGG Hafen Senn Stieger, St.Gallen

Cassiopea S.p.A.
Via Cristoforo Colombo 1
I-20020 Lainate

Phone: +39 02 868 911 24
www.cassiopea.com