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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**FORM 6-K**

**REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 OR 15d-16 UNDER  
THE SECURITIES EXCHANGE ACT OF 1934**

For the month of March, 2016

**Commission File Number: 001-36582**

**Auris Medical Holding AG**

(Exact name of registrant as specified in its charter)

**Bahnhofstrasse 21  
6300 Zug, Switzerland  
(Address of principal executive office)**

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

Form 20-F    X                    Form 40-F    \_\_\_\_\_

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes                    \_\_\_\_\_                    No                    X

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes                    \_\_\_\_\_                    No                    X

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**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**Auris Medical Holding AG**

By: /s/ Thomas Meyer  
Name: Thomas Meyer  
Title: Chief Executive Officer

Date: March 14, 2016

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## EXHIBIT INDEX

Exhibit Number	Description
99.1	Press Release dated March 14, 2016
99.2	Letter to Shareholders dated March 14, 2016
99.3	2015 Statutory Annual Report
99.4	2015 Compensation Report

## Auris Medical News Release

### Auris Medical Provides Business Update and Reports Fourth Quarter and Full Year 2015 Financial Results

- *AM-101 Phase 3 pivotal trial (TACTT2) in acute inner ear tinnitus approaching completion of enrollment*
- *2015 operating expenses of CHF 30.9 million at low end of previous full year guidance*
- *Conference call today at 8 a.m. Eastern Time / 1 p.m. Central European Time*

Zug, Switzerland, March 14, 2016 – Auris Medical Holding AG (NASDAQ: EARS), a clinical-stage company dedicated to developing therapeutics that address important unmet medical needs in otolaryngology, today provided a business update and announced financial results for the fourth quarter and full year ended December 31, 2015.

“We achieved significant progress with our development programs in 2015, bringing us closer to the completion of the pivotal AM-101 tinnitus trials and advancing the late-stage AM-111 hearing loss program,” commented Thomas Meyer, Auris Medical’s founder, Chairman and Chief Executive Officer. “We look forward to the upcoming results of our Phase 3 AM-101 program, initiating the second of our Phase 3 AM-111 trials and attaining further progress towards our ultimate goal of providing effective and safe inner ear therapeutics for patients.”

#### Development Program Updates

##### *AM-101 for Acute Inner Ear Tinnitus*

- Progressed with enrollment into the two pivotal randomized, double-blind, placebo-controlled Phase 3 clinical trials, TACTT2 and TACTT3, in acute inner ear tinnitus following traumatic cochlear injury or otitis media. Patients are randomized to receive either AM-101 0.87 mg/mL or placebo in a 3:2 ratio.
- The TACTT2 trial, which is being conducted primarily in North America, is approaching enrollment completion. Screening for study participation will end shortly and randomization of the last patient is expected by the end of March, in line with previous guidance. TACTT2 is being conducted under a Special Protocol Assessment (SPA) with the U.S. Food and Drug Administration (FDA) and will enroll approximately 330 patients during the acute tinnitus stage.
- The TACTT3 trial, which is being conducted in Europe, has enrolled approximately 80% of the targeted 300 patients during the acute tinnitus stage (Stratum A) and approximately 90% of the targeted 330 patients during the post-acute tinnitus stage (Stratum B). Auris Medical expects to complete enrollment a few months after TACTT2 is fully enrolled.

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- Continued with the preparation of regulatory submissions for the marketing authorization of AM-101 in the U.S. and Europe, as well as pre-commercial activities in preparation for the planned future launches of AM-101.

#### *AM-111 for Acute Inner Ear Hearing Loss*

- Progressed with Phase 3 development of AM-111, which will comprise two pivotal randomized, double-blind, placebo-controlled trials, HEALOS and ASSENT. The trials enroll patients suffering from severe to profound idiopathic sudden sensorineural hearing loss with randomization to AM-111 0.4 mg/mL or 0.8 mg/mL or placebo in a 1:1:1 ratio.
- The HEALOS trial, which is being conducted in several European and Asian countries, began recruiting in November 2015 and has enrolled approximately 15% of the targeted 255 patients.
- The ASSENT trial, which will be conducted in the U.S., Canada and South Korea, is scheduled to initiate in mid-2016 and will enroll 300 patients.
- Hosted a Key Opinion Leader investor event focused on acute sensorineural hearing loss (ASNHL) and the AM-111 program. The meeting featured a keynote presentation by Adrien A. Eshraghi, MD, which highlighted the high unmet medical need in the treatment of ASNHL.

#### *Other Developments*

- Appointed Andrea Braun as Head of Regulatory and Quality Affairs and member of the Executive Management Committee. In this newly created position, Ms. Braun will lead the Company's regulatory affairs, quality and pharmacovigilance activities. She will join Auris Medical in the coming months from Alvotech, where she has been the Head of Global Regulatory Affairs Biologics. Prior to Alvotech, she spent 15 years in various regulatory affairs functions at Roche, becoming Head of EU Regulatory Affairs in 2013, and five years in regulatory affairs at DSM Nutritional Products. Ms. Braun holds a PhD in pharmacy.
- Bettina Stubinski, who has been Auris Medical's Chief Medical Officer since 2013, has decided to leave the Company for personal reasons by the end of the year, i.e. following the expected read out from both TACTT trials. A search for her replacement has been initiated.
- Appointed Cindy McGee as Head of Investor Relations and Corporate Communications. In this newly created position, Ms. McGee will direct and expand the Company's communication activities and further develop and foster relationships with the investment community and media. She previously held various positions with Arena Pharmaceuticals, including Vice President, Investor Relations and Alliance Management, and Ligand Pharmaceuticals and spent several years advising life science companies through her work at investor relations and communications agencies. Ms. McGee holds a BBA from the University of San Diego.

#### *Fourth Quarter and Full Year 2015 Financial Results*

##### *Fourth Quarter 2015 Financial Results*

- Cash and cash equivalents totaled CHF 50.2 million at December 31, 2015.

- Total operating expenses for the fourth quarter of 2015 were CHF 6.8 million compared to CHF 5.6 million for the fourth quarter of 2014.
- Research and development expenses for the fourth quarter of 2015 were CHF 5.7 million compared to CHF 4.7 million for the fourth quarter of 2014.
- General and administrative expenses for the fourth quarter of 2015 were CHF 1.1 million compared to CHF 0.9 million for the fourth quarter of 2014.
- Net loss for the fourth quarter of 2015 was CHF 5.5 million, or CHF 0.16 per share, compared to CHF 4.0 million, or CHF 0.17 per share, for the fourth quarter of 2014.

#### *Full Year 2015 Financial Results*

- Total operating expenses for 2015 were CHF 30.9 million compared to CHF 22.2 million for 2014.
- Research and development expenses for 2015 were CHF 26.5 million compared to CHF 17.7 million for 2014.
- General and administrative expenses for 2015 were CHF 4.3 million compared to CHF 4.5 million for 2014.
- Net loss for 2015 was CHF 29.7 million, or CHF 0.92 per share, compared to CHF 18.2 million, or CHF 0.66 per share, for 2014.

The Company expects that its operating expenses in 2016 will be in the range of CHF 33.0 to 38.0 million.

#### Annual General Meeting

The Company's Annual General Meeting will take place in Zurich, Switzerland on April 8, 2016, at 10:00 a.m. Central European Time. At the meeting, Auris Medical will propose the re-election of its current members of the Board of Directors and propose the election of Mr. Armando Anido.

Mr. Anido is the Chairman and Chief Executive Officer of Zynerba Pharmaceuticals. Prior to joining Zynerba, he served as Chief Executive Officer of NuPathe, Inc., and Auxilium Pharmaceuticals, Inc. Prior to Auxilium, Mr. Anido held commercial leadership roles at MedImmune, Glaxo Wellcome and Lederle Labs. Mr. Anido holds a BS in Pharmacy and an MBA, both from West Virginia University.

"We are delighted to propose the election of Armando Anido to our Board of Directors," said Thomas Meyer. "With more than 35 years of experience in the pharmaceutical industry, Armando has built an excellent track record as an executive with strong operational and commercial expertise in therapeutic areas that share many similarities with the otology field."

The agenda for the Annual General Meeting, as well as the financial statements of Auris Medical Holding AG for the 2015 financial year, are available on the Company's website [www.aurismedical.com](http://www.aurismedical.com) in the Investor Relations section.

#### Conference Call / Webcast Information

Auris Medical will host a conference call and webcast to discuss the fourth quarter and full year 2015 financial results and to provide a business update today, March 14, 2016, at 8:00 a.m. Eastern Time (1:00 p.m. Central European Time). To participate in this conference call, dial 1-877-280-2296 (USA) or +1-646-254-3388 (International), and enter passcode 8927407. A listen-only audio webcast of the conference call can be accessed on the Investor Relations section of the Auris Medical website at: [www.aurismedical.com](http://www.aurismedical.com). A replay will be available on the Company's website approximately two hours following the live call.

#### About Auris Medical

Auris Medical is a Swiss biopharmaceutical company dedicated to developing therapeutics that address important unmet medical needs in otolaryngology. The Company is currently focusing on the development of treatments for acute inner ear tinnitus (AM-101) and for acute inner ear hearing loss (AM-111) by way of intratympanic injection with biocompatible gel formulations. In addition, Auris Medical is pursuing early-stage research and development projects. The Company was founded in 2003 and is headquartered in Zug, Switzerland. The shares of the parent company Auris Medical Holding AG trade on the NASDAQ Global Market under the symbol "EARS".

## Forward-looking Statements

*This press release may contain statements that constitute “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are statements other than historical fact and may include statements that address future operating, financial or business performance or Auris Medical’s strategies or expectations. In some cases, you can identify these statements by forward-looking words such as “may,” “might,” “will,” “should,” “expects,” “plans,” “anticipates,” “believes,” “estimates,” “predicts,” “projects,” “potential,” “outlook” or “continue,” and other comparable terminology. Forward-looking statements are based on management’s current expectations and beliefs and involve significant risks and uncertainties that could cause actual results, developments and business decisions to differ materially from those contemplated by these statements. These risks and uncertainties include, but are not limited to, the timing and conduct of clinical trials of Auris Medical’s product candidates, the clinical utility of Auris Medical’s product candidates, the timing or likelihood of regulatory filings and approvals, Auris Medical’s intellectual property position and Auris Medical’s financial position, including the impact of any future acquisitions, dispositions, partnerships, license transactions or changes to Auris Medical’s capital structure, including future securities offerings. These risks and uncertainties also include, but are not limited to, those described under the caption “Risk Factors” in Auris Medical’s Annual Report on Form 20-F and future filings with the Securities and Exchange Commission. Forward-looking statements speak only as of the date they are made, and Auris Medical does not undertake any obligation to update them in light of new information, future developments or otherwise, except as may be required under applicable law. All forward-looking statements are qualified in their entirety by this cautionary statement.*

*Company contact: Cindy McGee, Head Investor Relations and Corporate Communications, +41 61 201 13 50, [investors@aurismedical.com](mailto:investors@aurismedical.com)*

*Agency contact: Matthew P. Duffy, Managing Director, LifeSci Advisors, 212-915-0685, [matthew@lifesciadvisors.com](mailto:matthew@lifesciadvisors.com)*

Auris Medical Holding AG  
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income (unaudited)  
(in CHF thousands, except per share data)

	Twelve Months Ended December 31,		Three Months Ended December 31,	
	2015	2014	2015	2014
Research and development expenses	(26,536)	(17,705)	(5,671)	(4,668)
General and administrative expenses	(4,342)	(4,489)	(1,105)	(937)
Operating loss	(30,878)	(22,194)	(6,776)	(5,605)
Interest income	37	52	13	16
Interest expense	(8)	(56)	(2)	(2)
Foreign currency exchange gains/(losses), net	1,144	4,012	1,281	1,618
Loss before tax	(29,705)	(18,185)	(5,484)	(3,973)
Income tax expense	-	-	-	-
Net loss attributable to owners of the Company	(29,705)	(18,185)	(5,484)	(3,973)
<i>Other comprehensive income:</i>				
Items that will never be reclassified to profit or loss:				
Remeasurements of defined benefits liability, net of taxes	(54)	(1,101)	179	(789)
Items that are or may be reclassified to profit or loss:				
Foreign currency translation differences, net of taxes	(13)	(105)	(29)	(34)
Other comprehensive income	(67)	(1,207)	(150)	(823)
Total comprehensive loss attributable to owners of the Company	(29,772)	(19,392)	(5,334)	(4,796)
Loss per share, basic and diluted	(0.92)	(0.66)	(0.16)	(0.17)
<i>Weighted average common shares outstanding, basic and diluted</i>	32,299,166	27,692,494	34,298,437	28,998,385
<i>Currency rate CHF / USD</i>	0.9613	0.9150	0.9912	0.9643



Auris Medical Holding AG  
Condensed Consolidated Statement of Financial Position (unaudited)  
(in CHF thousands)

	December 31, 2015	December 31, 2014
<b>Assets</b>		
<i>Non-current assets</i>		
Property and equipment	223	235
Intangible assets	1,483	1,483
Deferred tax asset	-	33
Other non-current receivables	38	-
<b>Total non-current assets</b>	<b>1,744</b>	<b>1,751</b>
<i>Current assets</i>		
Current financial assets and other receivables	651	543
Prepayments	181	265
Cash and cash equivalents	50,237	56,934
<b>Total current assets</b>	<b>51,069</b>	<b>57,742</b>
<b>Total assets</b>	<b>52,813</b>	<b>59,493</b>
<b>Equity and Liabilities</b>		
<i>Equity</i>		
Share capital	13,722	11,604
Share premium	112,663	93,861
Foreign currency translation reserve	(64)	(51)
Accumulated deficit	(81,579)	(52,131)
<b>Total shareholders' equity attributable to owners of the Company</b>	<b>44,742</b>	<b>53,283</b>
<i>Non-current liabilities</i>		
Employee benefits	1,576	1,411
Deferred tax liabilities	328	360
<b>Total non-current liabilities</b>	<b>1,904</b>	<b>1,771</b>
<i>Current liabilities</i>		
Convertible loans	-	-
Trade and other payables	1,206	3,234
Accrued expenses	4,961	1,205
<b>Total current liabilities</b>	<b>6,167</b>	<b>4,439</b>
<b>Total liabilities</b>	<b>8,071</b>	<b>6,210</b>
<b>Total equity and liabilities</b>	<b>52,813</b>	<b>59,493</b>
<i>Currency rate CHF / USD</i>	<i>1.0014</i>	<i>0.9895</i>



**Einladung zur ordentlichen Generalversammlung**

**der Auris Medical Holding AG**

8. April 2016, 10:00 Uhr (Saalöffnung 9:30 Uhr)  
Hotel St. Gotthard  
Bahnhofstrasse 87  
8021 Zürich

**Invitation to the Annual General Meeting of Shareholders**

**of Auris Medical Holding AG**

April 8, 2016, 10am CET (doors open at 9:30am CET)  
Hotel St. Gotthard  
Bahnhofstrasse 87  
8021 Zürich

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## Traktanden

### 1 **Genehmigung des Lageberichts, der Jahresrechnung und der Konzernrechnung für das Geschäftsjahr 2015**

Der Verwaltungsrat beantragt die Genehmigung des Lageberichts, der Jahresrechnung und der Konzernrechnung für das Geschäftsjahr 2015.

### 2 **Entlastung der Mitglieder des Verwaltungsrats und der mit der Geschäftsführung der Gesellschaft betrauten Personen**

Der Verwaltungsrat beantragt, seinen Mitgliedern und den mit der Geschäftsführung beauftragten Personen für das Geschäftsjahr 2015 die Entlastung zu erteilen.

### 3 **Verwendung des Jahresergebnisses**

Jahresverlust 2015	CHF (635'871)
Verlustvortrag	CHF (34'193'525)
<b>Bilanzverlust</b>	<b>CHF (34'829'396)</b>

Der Verwaltungsrat beantragt, den Jahresverlust von CHF 635'871 auf die neue Rechnung vorzutragen.

### 4 **Statutenänderungen**

#### 4.1 **Erneuerung und Anpassung des Genehmigten Aktienkapitals**

Der Verwaltungsrat beantragt, das genehmigte Kapital von CHF 1'204'706 auf CHF 6'860'000 zu erhöhen und Artikel 3a der Statuten zu ändern, sodass die Bestimmung neu wie folgt lautet:

##### **Artikel 3a Genehmigtes Aktienkapital**

*Der Verwaltungsrat ist ermächtigt, jederzeit bis zum 8. April 2018 das Aktienkapital im Maximalbetrag von CHF 6'860'000.00 durch Ausgabe von höchstens 17'150'000 vollständig zu liberierenden Namenaktien mit einem Nennwert von je CHF 0.40 zu erhöhen.*

*Erhöhungen in Teilbeträgen sind gestattet. Der Verwaltungsrat kann neue Aktien auch mittels Festübernahme oder auf eine andere Weise durch eine oder mehrere Banken und anschliessendem Angebot an Aktionäre oder Dritte ausgeben. Der Verwaltungsrat legt die Art der Einlagen, den Ausgabebetrag, den Zeitpunkt der Ausgabe, die Bedingungen für die Ausübung der Bezugsrechte sowie die Zuteilung der Bezugsrechte, welche nicht ausgeübt wurden, und den Beginn der Dividendenberechtigung fest. Der Verwaltungsrat ist ermächtigt, den Handel mit Bezugsrechten zu ermöglichen, zu beschränken oder auszuschliessen.*

*Aktien, für welche Bezugsrechte eingeräumt, aber nicht ausgeübt werden, können vom Verwaltungsrat anderweitig im Interesse der Gesellschaft verwendet werden.*

*Der Verwaltungsrat ist berechtigt, das Bezugsrecht der Aktionäre zu beschränken oder aufzuheben und Dritten, oder der Gesellschaft, zuzuweisen im Fall der Verwendung der Aktien: a) für Zwecke der Erweiterung des Aktionärskreises in bestimmten Investorenmärkten oder im Rahmen der Kotierung, Handelszulassung oder Registrierung der Aktien an inländischen oder ausländischen Börsen; b) im Zusammenhang mit einem Aktienangebot, um die einer oder mehreren Banken gewährte Mehrzuteilungsoption (Over-Allotment Option) abzudecken; c) für Aktienplatzierungen, wenn der Ausgabebetrag der neuen Aktien unter Berücksichtigung des Marktpreises festgesetzt wird; d) für die Beteiligung von Mitarbeitern, Mitgliedern des Verwaltungsrats und Beratern der Gesellschaft oder ihrer Tochtergesellschaften nach Massgabe eines oder mehrerer vom Verwaltungsrat erlassenen Reglemente; e) für die Übernahme von Unternehmen, Unternehmensteilen oder Beteiligungen, den Erwerb von Produkten, Immaterialgüterrechten, Lizenzen oder neue Investitionsvorhaben oder im Falle einer privaten oder öffentlichen Aktienplatzierung für die Finanzierung und/oder Refinanzierung solcher Transaktionen; f) für die rasche und flexible Beschaffung von Eigenkapital, welche ohne Entzug des Bezugsrechts nur schwer zu schlechteren Bedingungen möglich wäre, oder g) für den Erwerb einer Beteiligung an der Gesellschaft durch einen strategischen Partner (einschliesslich im Falle eines öffentlichen Übernahmeangebots).*

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**Erläuterung:** Die Gesellschaft hat in den Jahren 2014 und 2015 im Rahmen öffentlicher Angebote Aktien gestützt auf Artikel 3a ausgegeben, wodurch sich das genehmigte Kapital auf CHF 1.2 Millionen verringerte. Die Ermächtigung zur Ausgabe von Aktien aus diesem genehmigten Kapital endet am 30. Juni 2016. Um die Finanzierung der zukünftigen Unternehmensentwicklung zu ermöglichen und die finanzielle Flexibilität zu erhöhen, beantragt der Verwaltungsrat der Generalversammlung die Erhöhung des genehmigten Kapitals auf CHF 6.86 Millionen und die Anpassung von Artikel 3a der Statuten. Die Ermächtigung zur Erhöhung des Aktienkapitals um CHF 6.86 Millionen ist für zwei Jahre gültig.

## **4.2 Erhöhung und Anpassung des Bedingten Aktienkapitals**

Der Verwaltungsrat beantragt, das bedingte Kapital zu Finanzierungszwecken von CHF 2'000'000 auf CHF 4'860'000 zu erhöhen und das bedingte Kapital für Beteiligungspläne von CHF 570'247.60 auf CHF 2'000'000 zu erhöhen sowie Artikel 3b der Statuten zu ändern, sodass die Bestimmung neu wie folgt lautet:

### **Artikel 3b**

#### **Bedingtes Kapital zu Finanzierungszwecken**

*Das Aktienkapital wird im Maximalbetrag von CHF 4'860'000.00 durch Ausgabe von höchstens 12'150'000 vollständig zu liberierenden Namenaktien mit einem Nennwert von je CHF 0.40 erhöht durch Ausübung von Options- und Wandelrechten, welche in Verbindung mit Anleiheobligationen, ähnlichen Obligationen, Darlehen oder anderen Finanzmarktinstrumenten oder vertraglichen Verpflichtungen der Gesellschaft oder einer ihrer Konzerngesellschaften ausgegeben werden, und/oder durch Ausübung von Optionsrechten, welche von der Gesellschaft oder einer ihrer Konzerngesellschaften ausgegeben werden („Finanzinstrumente“). Das Bezugsrecht der Aktionäre ist ausgeschlossen. Zum Bezug der neuen Aktien sind die jeweiligen Inhaber von Finanzinstrumenten berechtigt. Die Bedingungen der Finanzinstrumente sind durch den Verwaltungsrat festzulegen.*

*Der Verwaltungsrat kann bei der Ausgabe von Finanzinstrumenten das Vorwegzeichnungsrecht der Aktionäre ganz oder teilweise ausschliessen:*

- a) zur Finanzierung und Refinanzierung des Erwerbs von Unternehmen, Unternehmensteilen oder Beteiligungen, Produkten, Immaterialgüterrechten, Lizenzen, Kooperationen oder von neuen Investitionsvorhaben der Gesellschaft;*
- b) wenn die Ausgabe auf nationalen oder internationalen Kapitalmärkten einschliesslich Privatplatzierungen erfolgt; oder*
- c) zum Zwecke einer Festübernahme der Finanzinstrumente durch eine Bank oder ein Bankkonsortium mit anschliessendem öffentlichem Angebot.*

*Soweit das Vorwegzeichnungsrecht ausgeschlossen ist, sind i) die Finanzinstrumente zu Marktbedingungen zu platzieren; ist ii) die Ausübungs-, Wandel- oder Tauschfrist der Finanzinstrumente auf höchstens 10 Jahre ab dem Zeitpunkt der Emission anzusetzen, und ist iii) der Umwandlungs-, Tausch- oder sonstige Ausübungspreis der Finanzinstrumente unter Berücksichtigung des Marktpreises festzulegen.*

#### **Bedingtes Kapital für Beteiligungspläne**

*Das Aktienkapital wird unter Ausschluss des Bezugs- und Vorwegzeichnungsrechts im Maximalbetrag von CHF 2'000'000.00 durch Ausgabe von höchstens 5'000'000 vollständig zu liberierenden Namenaktien mit einem Nennwert von je CHF 0.40 erhöht durch Ausgabe von Aktien infolge Ausübung von Optionen oder diesbezüglichen Bezugsrechten, welche Mitarbeiterinnen und Mitarbeitern, Mitgliedern des Verwaltungsrates oder Beratern der Gesellschaft oder einer ihrer Konzerngesellschaften im Rahmen eines oder mehrerer durch den Verwaltungsrat erlassenen Aktienbeteiligungsprogramme oder Reglemente ausgegeben bzw. eingeräumt werden. Der Verwaltungsrat regelt die Einzelheiten.*

**Erläuterung:** Der Verwaltungsrat beantragt die Erhöhung des bedingten Kapitals zu Finanzierungszwecken, um die finanzielle Flexibilität der Gruppe zu erhöhen. Das bedingte Kapital für Beteiligungspläne soll der Gesellschaft ermöglichen, Anreize für Mitarbeitende zu schaffen, die für die Entwicklung des Geschäfts erforderlich sind, und diese zu halten.

#### **4.3 Aufhebung von Artikel 5 der Statuten**

Der Verwaltungsrat beantragt, Artikel 5 der Statuten ersatzlos zu streichen.

**Erläuterung:** Der Inhalt von Artikel 5 der Statuten ist in den revidierten Artikeln 3a und 3b enthalten. Traktandum 4.3 wird nur zur Abstimmung gebracht, wenn die Anträge des Verwaltungsrats unter Traktandum 4.1 und 4.2 gutgeheissen werden.

### **5 Vergütung des Verwaltungsrats und der Geschäftsleitung**

#### **5.1 Genehmigung der Vergütung des Verwaltungsrats**

Der Verwaltungsrat beantragt den maximalen Gesamtbetrag der Vergütung der Mitglieder des Verwaltungsrats in der Höhe von CHF 800'000 (brutto) für den Zeitraum von der ordentlichen Generalversammlung 2016 bis zur ordentlichen Generalversammlung 2017 zu genehmigen.

#### **5.2 Genehmigung der Vergütung der Geschäftsleitung für das Geschäftsjahr 2015**

Der Verwaltungsrat beantragt, die Genehmigung des Gesamtbetrages der Vergütung der Mitglieder Geschäftsleitung in der Höhe von CHF 1'752'000 (brutto) für das Geschäftsjahr 2015.

**Erläuterung:** Die Generalversammlung 2015 genehmigte in Übereinstimmung mit Artikel 21 der Statuten den Gesamtbetrag der Vergütung für das Geschäftsjahr 2016. Der Verwaltungsrat beantragt deshalb gestützt auf Artikel 21 nachträglich die Genehmigung der Gesamtvergütung der Geschäftsleitung für das Geschäftsjahr 2015.

#### **5.3 Genehmigung der Vergütung der Geschäftsleitung für das Geschäftsjahr 2017**

Der Verwaltungsrat beantragt, den maximalen Gesamtbetrag der Vergütung der Mitglieder der Geschäftsleitung in der Höhe von CHF 4'000'000 (brutto) für das Geschäftsjahr 2017 zu genehmigen.

**Erläuterung:** Der Antrag berücksichtigt die Unternehmensentwicklung und die damit verbundene, beabsichtigte Erweiterung der Geschäftsleitung.

### **6 Wahlen in den Verwaltungsrat und Wiederwahl des Präsidenten**

Der Verwaltungsrat beantragt die:

- 6.1 - Wiederwahl von Thomas Meyer als Mitglied und Präsident des Verwaltungsrats
- 6.2 - Wiederwahl von James I. Healy als Mitglied des Verwaltungsrats
- 6.3 - Wiederwahl von Wolfgang Arnold als Mitglied des Verwaltungsrats
- 6.4 - Wiederwahl von Oliver Kubli als Mitglied des Verwaltungsrats
- 6.5 - Wiederwahl von Berndt A. Modig als Mitglied des Verwaltungsrats
- 6.6 - Wiederwahl von Antoine Papiernik als Mitglied des Verwaltungsrats
- 6.7 - Wiederwahl von Calvin W. Roberts als Mitglied des Verwaltungsrats
- 6.8 - Wahl von Armando Anido als Mitglied des Verwaltungsrats

für eine Amtsdauer von einem Jahr bis zum Abschluss der ordentlichen Generalversammlung 2017.

### **7 Wahlen in den Vergütungsausschuss des Verwaltungsrats**

Der Verwaltungsrat beantragt die:

- 7.1 - Wiederwahl von James I. Healy als Mitglied des Vergütungsausschusses
- 7.2 - Wiederwahl von Antoine Papiernik als Mitglied des Vergütungsausschusses
- 7.3 - Wahl von Armando Anido als Mitglied des Vergütungsausschusses

für eine Amtsdauer von einem Jahr bis zum Abschluss der ordentlichen Generalversammlung 2017.

### **8 Wiederwahl der Revisionsstelle**

Der Verwaltungsrat beantragt die Wiederwahl von Deloitte AG als Revisionsstelle für das Geschäftsjahr 2016.

## **9 Wiederwahl des unabhängigen Stimmrechtsvertreters**

Der Verwaltungsrat beantragt die Wiederwahl von Rechtsanwalt Sandro G. Tobler, Zug, als unabhängigen Stimmrechtsvertreter für eine Amtsdauer von einem Jahr bis zum Abschluss der ordentlichen Generalversammlung 2017.

Zug, 14. März 2016

Für den Verwaltungsrat

/s/ Thomas Meyer, Präsident und CEO

## **Organisatorische Hinweise**

### **A Lagebericht**

Der Lagebericht, die Jahresrechnung, die Konzernrechnung und der Vergütungsbericht der Auris Medical Holding AG für das Geschäftsjahr 2015 sowie die dazugehörigen Berichte der Revisionsstelle können in der Rubrik "Investors" unserer Website ([www.aurismedical.com](http://www.aurismedical.com)) eingesehen werden.

### **B Einladung und persönliche Teilnahme**

An der Generalversammlung teilnahme- und stimmberechtigt sind die am 4. April 2016 um 16 Uhr EST im Aktienbuch unseres Transfer Agents, American Stock Transfer & Trust Company, LLC, eingetragenen Aktionäre. Die Einladung wird am 14. März 2016 an die am 10. März 2016 im Aktienbuch eingetragenen Aktionäre versandt. Aktionäre, die sich nach dem 10. März 2016 im Aktienbuch eintragen lassen, erhalten die Einladung nach dem 4. April 2016.

Aktionäre, die persönlich an der Generalversammlung teilnehmen, müssen sich am Eingang mit dem Vollmachtsformular und einem gültigen Personalausweis ausweisen.

### **C Vollmachten**

Aktionäre, die nicht persönlich an der Generalversammlung teilnehmen, können:

- (a) dem unabhängigen Stimmrechtsvertreter, Herrn RA Sandro Tobler, Schnurrenberger, Tobler, Gnehm & Partner, Alpenstrasse 2, 6300 Zug, schriftlich oder elektronisch eine Vollmacht erteilen; oder
- (b) einem anderen Aktionär oder einen Dritten schriftlich eine Vollmacht erteilen.

Vollmachten an den unabhängigen Stimmrechtsvertreter müssen bis zum 6. April 2016, 11 Uhr EST, beim unabhängigen Stimmrechtsvertreter oder dem Transfer Agent, American Stock Transfer & Trust Company, LLC, eingehen. Später eingehende Vollmachten können nicht berücksichtigt werden.

Die Login Daten für die elektronische Erteilung der Vollmachten sind auf dem Vollmachtsformular abgedruckt. Elektronische Vollmachten müssen bis zum 6. April 2016, 11:59 Uhr EST, eingehen.

Aktionäre, die dem unabhängigen Stimmrechtsvertreter schriftlich oder elektronisch eine Vollmacht erteilen, sind an der Generalversammlung nicht stimmberechtigt.

### **D Eintragungen im Aktienbuch / Keine Handelsbeschränkung**

Informationen zur Eintragung im Aktienbuch sind in der Rubrik „Investors“ unserer Website ([www.aurismedical.com](http://www.aurismedical.com)) abrufbar. Zwischen dem 4. April 2016, 16 Uhr EST, und 8. April 2016, 16 Uhr, EST werden keine Aktionäre mit Stimmrecht im Aktienbuch der Gesellschaft eingetragen. In ihrer Eigenschaft als Transfer Agent nimmt American Stock Transfer & Trust Company, LLC Eintragungen und Löschungen im Aktienbuch auch in diesem Zeitraum vor.

Die Eintragung der Aktionäre zum Zweck der Stimmabgabe hat keinen Einfluss auf den Handel mit Auris Medical Aktien, die von den eingetragenen Aktionären vor, während oder nach der Generalversammlung gehalten werden.

### **E Treuhänderisch gehaltene Aktien**

Treuhänderisch gehaltene Aktien (Aktien "in street name") werden durch Banken, Broker oder Treuhänder gehalten. Der Stichtag für Aktien, die treuhänderisch gehalten werden, ist der 10. März 2016. Die wirtschaftlich Berechtigten beachten in Bezug auf die Ausübung der Stimmrechte die Weisungen ihrer Bank, Broker oder Treuhänder. Wirtschaftlich Berechtigte, die persönlich an der Generalversammlung teilnehmen wollen, benötigen eine Vollmacht der Organisation, die ihre Aktien hält. Die Vollmacht muss zusammen mit einem gültigen Personalausweis am Eingang zur Generalversammlung vorgewiesen werden.

Wirtschaftlich Berechtigte, die keine Vollmacht von Ihrem Treuhänder erhalten haben, sind nicht berechtigt, die Aktien zu vertreten und an der Generalversammlung teilzunehmen.

## Agenda

### 1 Approval of the Annual Report, the Financial Statements and the Group Consolidated Financial Statements for the 2015 financial year

The Board of Directors proposes that the Annual Report, the Financial Statements and the Group Consolidated Financial Statements for the 2015 financial year be approved.

### 2 Discharge of liability for the members of the Board of Directors and the persons entrusted with the Company's management

The Board of Directors proposes that the discharge of liability for the members of the Board of Directors and the persons entrusted with the Company's management for the 2015 financial year be approved.

### 3 Appropriation of Financial Results

Loss for the year 2015	CHF (635,871)
Loss carryforward	CHF (34,193,525)
<b>Accumulated loss</b>	<b>CHF (34,829,396)</b>

The Board of Directors proposes to carry forward the loss for the year 2015 in the amount of CHF 635,871.

### 4 Changes to the Articles of Association

#### 4.1 Increase and Amendment of the Authorized Share Capital

The Board of Directors proposes to increase the authorized share capital from CHF 1,204,706 to CHF 6,860,000 and amend Article 3a of the Articles of Association to read as follows:

##### **Article 3a Authorized Capital**

*The Board of Directors is authorized at any time until 8 April 2018 to increase the share capital by a maximum aggregate amount of CHF 6,860,000.00 through the issuance of not more than 17,150,000 registered shares, which will have to be fully paid-in, with a nominal value of CHF 0.40 each.*

*Increases in partial amounts are permitted. The Board of Directors may issue new shares also by means of underwriting or in any other manner by one or more banks and subsequent offer to shareholders or third parties. The Board of Directors determines the type of contributions, the issue price, the time of the issue, the conditions for the exercise of the pre-emptive rights, the allocation of pre-emptive rights which have not been exercised, and the date on which the dividend entitlement starts. The Board of Directors is authorized to permit, to restrict or to deny the trade with pre-emptive rights.*

*If pre-emptive rights are granted, but not exercised, the Board of Directors may use the respective shares in the interest of the Corporation.*

*The Board of Directors is authorized to restrict or to exclude the pre-emptive rights of the shareholders, and to allocate them to third parties or to the Corporation, in the event of use of the shares for the purpose of: a) expanding the shareholder base in certain capital markets or in the context of the listing, admission to official trading or registration of the shares at domestic or international stock exchanges; b) granting an over-allotment option ("greenshoe") to one or several underwriters in connection with a placement of shares; c) share placements, provided the issue price is determined by reference to the market price; d) the participation of employees, Members of the Board of Directors or consultants of the Corporation or of one of its Group companies according to one or several equity incentive plans issued by the Board of Directors; e) the acquisition of companies, company assets, participations, the acquisition of products, intellectual property rights, licenses or new investment projects or for public or private share placements for the financing and/or refinancing of such transactions; f) for raising equity capital in a fast and flexible manner as such transaction would be difficult to carry out, or could be carried out only at less favorable terms, without the exclusion of the pre-emptive rights of the existing shareholders; or g) the acquisition of a participation in the Corporation by a strategic partner (including in the case of a public takeover offer).*

**Explanation:** The Company issued shares pursuant to Article 3a in the context of public offerings in 2014 and 2015. As a result, its authorized capital has been reduced to CHF 1.2 million. Absent an amendment, the authorization to issue shares out of this authorized capital would expire on June 30, 2016. In order to allow for funding the future development of the Company and to increase the financial flexibility, the Board of Directors proposes to the Annual General Meeting to increase the authorized capital to CHF 6.86 million and to amend Article 3a of the Articles of Association. The authorization to increase the share capital by CHF 6.86 million will be valid for two years.

#### **4.2 Increase and Amendment of the Conditional Share Capital**

The Board of Directors proposes to increase the conditional share capital for financing purposes from CHF 2,000,000 to CHF 4,860,000 and to increase the conditional share capital for equity incentive plans from CHF 570,247.60 to CHF 2,000,000 and proposes to amend Article 3b of the Articles of Association to read as follows:

##### **Article 3b**

##### **Conditional share capital for financing purposes**

*The Corporation's share capital shall be increased by a maximum aggregate amount of CHF 4,800,000.00 through the issuance of not more than 12,150,000 registered shares, which will have to be fully paid-in, with a nominal value of CHF 0.40 each, by the exercise of option and conversion rights which are granted in connection with bonds, similar obligations, loans or other financial market instruments or contractual obligations of the Corporation or one of its Group companies, and/or by the exercise of option rights issued by the Corporation or one of its Group companies ("Financial Instruments"). The pre-emptive rights of shareholders are excluded. The holders of Financial Instruments are entitled to the new shares. The conditions of the Financial Instruments shall be determined by the Board of Directors.*

*When issuing Financial Instruments the Board of Directors is authorized to limit or exclude the advance subscription rights of shareholders:*

- a) for the purpose of financing or refinancing the acquisition of enterprises, divisions thereof, or of participations, products, intellectual property rights, licenses, cooperations or of newly planned investments of the Corporation;*
- b) if the issue occurs on domestic or international capital markets including private placements; or*
- c) for purposes of an underwriting of the Financial Instruments by a banking institution or a consortium of banks with subsequent offering to the public.*

*To the extent that the advance subscription rights are excluded, i) the Financial Instruments are to be placed at market conditions; ii) the exercise period, the conversion period or the exchange period of the Financial Instruments may not exceed 10 years as of the date of the issue; and iii) the conversion price, the exchange price or other exercise price of the Financial Instruments must be determined by reference to the market price.*

##### **Conditional share capital for equity incentive plans**

*The Corporation's share capital shall, to the exclusion of the pre-emptive rights and advance subscription rights of shareholders, be increased by a maximum aggregate amount of CHF 2,000,000.00 through the issuance of not more than 5,000,000 registered shares, which shall be fully paid-in, with a nominal value of CHF 0.40 each, by issuance of shares upon the exercise of options or pre-emptive rights thereof, which have been issued or granted to employees, Members of the Board of Directors or consultants of the Corporation or of one of its Group companies according to one or several equity incentive plans or regulations issued by the Board of Directors. The details shall be determined by the Board of Directors.*

**Explanation:** The Board of Directors proposes the increase of the conditional share capital for financing purposes to increase the financial flexibility of the Company. Conversely, the conditional share capital for equity incentive plans shall enable the Company to incentivize and retain the talent required to develop its business.



#### **4.3 Cancellation of Article 5 of the Articles of Association**

The Board of Directors proposes to cancel Article 5 of the Articles of Association.

**Explanation:** The content of Article 5 is included in the revised Articles 3a and 3b. Item 4.3 will only be voted on if the Board of Directors' proposals under item 4.1 and 4.2 are approved.

#### **5 Compensation of the Board of Directors and the Executive Management Committee**

##### **5.1 Approval of the Compensation of the Board of Directors**

The Board of Directors proposes that the maximum aggregate amount of compensation of CHF 800,000 (gross) for the members of the Board of Directors for the period from the 2016 Annual General Meeting to the 2017 Annual General Meeting be approved.

##### **5.2 Approval of the Compensation of the members of the Executive Management Committee for the 2015 financial year**

The Board of Directors proposes that the aggregate amount of compensation of CHF 1,752,000 (gross) for the members of the Executive Management Committee for the 2015 financial year be approved.

**Explanation:** In accordance with Article 21 of the Articles of Association, the 2015 Annual General Meeting approved the compensation for the 2016 financial year. The Board of Directors therefore proposes to approve retroactively the total compensation paid to the Executive Management Committee in 2015 based on Article 21 of the Articles of Association.

##### **5.3 Approval of the Compensation of the members of the Executive Management Committee for the 2017 financial year**

The Board of Directors proposes that the maximum aggregate compensation amount of CHF 4,000,000 (gross) for the members of the Executive Management Committee for the 2017 financial year be approved.

**Explanation:** The proposal accounts for the development of the Group and the expected enlargement of the Company's Executive Management Committee.

#### **6 Elections to the Board of Directors and Re-election of the Chairman**

The Board of Directors proposes the:

- 6.1 - Re-election of Thomas Meyer as member and Chairman of the Board of Directors
- 6.2 - Re-election of James I. Healy as member of the Board of the Board of Directors
- 6.3 - Re-election of Wolfgang Arnold as member of the Board of the Board of Directors
- 6.4 - Re-election of Oliver Kubli as member of the Board of the Board of Directors
- 6.5 - Re-election of Berndt A. Modig as member of the Board of the Board of Directors
- 6.6 - Re-election of Antoine Papiernik as member of the Board of the Board of Directors
- 6.7 - Re-election of Calvin W. Roberts as member of the Board of the Board of Directors
- 6.8 - Election of Armando Anido as member of the Board of the Board of Directors  
for a term of one year ending upon completion of the 2017 Annual General Meeting.

#### **7 Elections to the Compensation Committee**

The Board of Directors proposes the:

- 7.1 - Re-election of James I. Healy as member of the Compensation Committee
- 7.2 - Re-election of Antoine Papiernik as member of the Compensation Committee
- 7.3 - Election of Armando Anido as member of the Compensation Committee  
for a term of one year ending upon completion of the 2017 Annual General Meeting.

**8 Re-Election of the Auditors**

The Board of Directors proposes the re-election of Deloitte AG as auditors for the 2016 financial year.

**9 Re-Election of the Independent Proxy**

The Board of Directors proposes the re-election of Sandro G. Tobler, attorney at law, Zug, as independent proxy for a term of one year ending upon completion of the 2017 Annual General Meeting.

Zug, March 14, 2016

For the Board of Directors

/s/ Thomas Meyer, Chairman and CEO

**Organizational Matters**

**A Annual Report**

The Annual Report, the Financial Statements, the Group Consolidated Financial Statements and the Compensation Report for the 2015 financial year as well as the corresponding Auditor's reports are available for download in the "Investors" section of our website ([www.aurismedical.com](http://www.aurismedical.com)).

**B Invitation and Attendance**

Shareholders registered in the share ledger maintained by our transfer agent, American Stock Transfer & Trust Company, LLC, at 4 pm EST on April 4, 2016 are entitled to participate in and vote at the Annual General Meeting. On March 14, 2016, the invitation and proxy form will be mailed to all holders of record as at March 10, 2016. Shareholders registered after March 10, 2016, will receive their invitation after April 4, 2016.

If you wish to attend the Annual General Meeting in person, you will be required to present the enclosed proxy form and a valid government issued proof of identification.

**C Representation**

Shareholders of record, who do not attend the Annual General Meeting in person, may:

- (a) grant a proxy to the independent proxy, Sandro Tobler, attorney at law, Schnurrenberger, Tobler, Gnehm & Partner, Alpenstrasse 2, 6300 Zug, Switzerland, in writing or electronically; or
- (b) grant a proxy in writing to another shareholder or other third party.

Proxies to the independent proxy must be received by the independent proxy or our transfer agent, American Stock Transfer & Trust Company, LLC, no later than 11am EST on April 6, 2016. Proxies received after such time will not be considered.

The login information for electronic instructions is set forth on the proxy form. Electronic instructions must be received no later than 11:59am EST on April 6, 2016.

Shareholders that have granted a proxy to the independent proxy, in writing or electronically, may not vote their shares at the Annual General Meeting.

**D Registration as a shareholder with voting rights / No Trading Restrictions**

Instructions on how a "street name" holder may become a holder of record are available in the "Investors" section of our website ([www.aurismedical.com](http://www.aurismedical.com)). Between 4 pm EST on April 4, 2016 and 4pm EST on April 8, 2016 no shareholder will be registered as a shareholder of record in the Company's share ledger. American Stock Transfer & Trust Company, LLC will continue to register transfers of shares in the share register in its capacity as transfer agent.

The registration of shareholders for voting purposes does not impact trading of Auris Medical shares held by registered shareholders before, during or after the Annual General Meeting.

**E "Street Name" Holders**

"Street name" holders hold their shares through a bank, brokerage firm or other nominee. The record date for "street name" holders is March 10, 2016. "Street name" holders should follow the instructions provided by their bank, broker or nominee when voting their shares. "Street name" holders who wish to vote in person at the Annual General Meeting must obtain a signed proxy from the organization that holds their shares entitling them to represent and vote the shares at the Annual General Meeting. The proxy must be presented at the entrance together with a government issued proof of identification.

“Street name” holders who have not obtained a proxy from their broker or custodian are not entitled to vote in person or participate in the Annual General Meeting.

**Translation**

In case of discrepancies between the English version and the German original of this invitation, the wording of the German original prevails.

**Fragen:**

Bei Fragen zur Generalversammlung wenden Sie sich bitte an:

Auris Medical Holding AG  
zHd General Counsel  
Bahnhofstrasse 21  
6300 Zug, Schweiz  
Tel. +41 41 729 71 94  
investors@aurismedical.com

**Questions:**

For questions related to the Annual General Meeting, please contact:

Auris Medical Holding AG  
Attn. General Counsel  
Bahnhofstrasse 21  
6300 Zug, Switzerland  
Phone: +41 41 729 71 94  
investors@aurismedical.com

***AURIS MEDICAL  
HOLDING AG,  
ZUG***

*Financial Statements for the Year Ended December 31, 2015 and  
Report of the Statutory Auditor*

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## **Report of the Statutory Auditor**

To the General Meeting of

**AURIS MEDICAL HOLDING AG, ZUG**

### **Report of the Statutory Auditor on the Financial Statements**

As Statutory Auditor, we have audited the accompanying financial statements of Auris Medical Holding AG, which comprise the statement of financial position as of December 31, 2015, and the statement of profit and loss and notes for the year then ended.

#### **Board of Directors' Responsibility**

The Board of Directors is responsible for the preparation of these financial statements in accordance with the requirements of Swiss law and the Company's articles of incorporation. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

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

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## **Opinion**

In our opinion, the financial statements for the year ended December 31, 2015 comply with Swiss law and the Company's articles of incorporation.

## **Report on Other Legal Requirements**

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act ("AOA") and independence in accordance with Article 728 of the Swiss Code of Obligations ("CO") and Article 11, AOA, and that there are no circumstances incompatible with our independence.

In accordance with Article 728a, para. 1, item 3, CO, and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the Board of Directors.

We recommend that the financial statements submitted to you be approved.

## **Deloitte AG**

/s/ Martin Welser  
Martin Welser  
Licensed Audit Expert  
Auditor in Charge

/s/ James D. Horiguchi  
James D. Horiguchi

Zurich, March 10, 2016  
MW/JDH/ss

## Enclosures

- Financial statements (statements of financial position, statements of profit and loss and notes)

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**AURIS MEDICAL HOLDING AG, ZUG**

STATEMENTS OF PROFIT AND LOSS FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	<i>Notes</i>	<u>2015 in CHF</u>	<u>2014 in CHF</u>
<b>Net Revenue</b>		—	—
<b>Research and Development Expenses</b>		<b>-62,237</b>	<b>-13,985</b>
Patent expenses		-62,237	-13,985
<b>General and Administration Expenses</b>		<b>-2,692,804</b>	<b>-3,555,399</b>
Equity issue expenses		-734,016	-1,980,422
Public listing expenses		-433,480	-547,322
Professional fees		-1,092,162	-810,904
Administration expenses	3	-433,146	-216,751
<b>Financial Income/Expenses</b>		<b>2,119,170</b>	<b>3,569,384</b>
Net foreign exchange gain		1,777,777	3,409,148
Interest income		343,416	161,608
Bank charges		-2,023	-1,372
<b>Loss before direct taxes</b>		<b>-635,871</b>	—
<b>Direct taxes</b>		—	—
<b>Loss for the year</b>		<b>-635,871</b>	—

See notes to the financial statements

**AURIS MEDICAL HOLDING AG, ZUG**

STATEMENTS OF FINANCIAL POSITION FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	Notes	2015 in CHF	2014 in CHF
<b>ASSETS</b>			
<b>Current assets</b>		<b>41,813,844</b>	<b>56,009,498</b>
<b>Cash and cash equivalents</b>		<b>41,580,219</b>	<b>55,784,353</b>
<b>Other short-term receivables</b>		<b>53,951</b>	<b>45,274</b>
Trade receivables third parties		53,723	45,274
Trade receivables group		228	—
<b>Prepaid expenses</b>		<b>179,674</b>	<b>179,871</b>
<b>Non-current assets</b>		<b>52,886,555</b>	<b>17,527,618</b>
<b>Other long-term receivables</b>		<b>42,786,398</b>	<b>14,927,461</b>
Intercompany loans, subordinated	5	42,786,398	14,927,461
<b>Investments in subsidiaries</b>	6	<b>10,100,157</b>	<b>2,600,157</b>
<b>TOTAL ASSETS</b>		<b>94,700,399</b>	<b>73,537,116</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>		<b>1,106,372</b>	<b>870,152</b>
<b>Short-term payables</b>		<b>665,632</b>	<b>265,735</b>
Trade payables third parties		113,654	151,595
Trade payables group		551,978	114,140
<b>Other short-term payables</b>		<b>66,573</b>	—
Other payables		66,573	—
<b>Accrued expenses</b>		<b>374,167</b>	<b>604,417</b>
<b>Equity</b>	11	<b>93,594,027</b>	<b>72,666,964</b>
<b>Share capital</b>	8,9,10	<b>13,721,556</b>	<b>11,604,156</b>
<b>Share premium</b>		<b>114,701,867</b>	<b>95,256,333</b>
<b>Accumulated deficit</b>	12	<b>-34,829,396</b>	<b>-34,193,525</b>
Loss for the year		-635,871	—
Loss carryforward		-34,193,525	-34,193,525
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>94,700,399</b>	<b>73,537,116</b>

See notes to the financial statements



## AURIS MEDICAL HOLDING AG, ZUG

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

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#### 1. GENERAL INFORMATION

Purpose of the Company is to invest in all kinds of domestic and foreign activities, which are in relation to pharmaceutical products and services.

These financial statements should be read in connection with the Company's consolidated financial statements on Form 20-F filed with the U.S. Securities and Exchange Commission (SEC).

#### INFORMATION ON AVERAGE FULL-TIME POSITIONS

The annual average in 2015 is below 10 employees (2014: below 10 employees)

#### REGISTERED NAME, LEGAL FORM AND DOMICILE

Auris Medical Holding AG is a joint-stock company (*Aktiengesellschaft*) with its registered office at: Bahnhofstrasse 21, 6300 Zug, Switzerland.

#### 2. KEY ACCOUNTING AND VALUATION PRINCIPLES

The financial statements have been prepared in accordance with the regulations of Swiss financial reporting law.

#### ESTIMATES AND ASSUMPTIONS MADE BY MANAGEMENT

Financial reporting under the Swiss Code of Obligations ("CO") requires certain estimates and assumptions to be made by management. These are made continuously and are based on past experience and other factors (e.g. anticipation of future results, which seem appropriate in the specific circumstances). The results subsequently achieved may deviate from these estimates.

#### FOREIGN CURRENCY ITEMS

The currency in which Auris Medical Holding AG operates is Swiss Francs (CHF). Transactions in foreign currencies are converted into CHF at the exchange rate on the day the transactions take place.

- Current assets and liabilities in foreign currencies are converted into the currency in which the Company operates at the exchange rate of the balance sheet date. Any profits or losses resulting from the exchange rates applied are recorded in the profit and loss account.
- Non-current assets and liabilities at historical costs are converted at the foreign currency exchange rate at the time of the transaction. Any foreign currency exchange profits are deferred in the balance sheet. Foreign currency exchange losses, on the other hand, are recorded in the profit and loss account.

#### 3. ADMINISTRATION EXPENSES

in CHF	2015	2014
Personnel	332,887	105,685
Travel	33,297	52,543
Capital tax	11,492	35,081
Other administration	55,470	23,442
<b>Total</b>	<b>433,146</b>	<b>216,751</b>

## AURIS MEDICAL HOLDING AG, ZUG

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

#### 4. RELEASE OF HIDDEN RESERVES

The impact of hidden reserve release on the loss before direct taxes is CHF 418,190 (2014: nil).

#### 5. INTERCOMPANY LOAN AND SUBORDINATION AGREEMENT

On December 31, 2014, Auris Medical Holding AG entered into loan and subordination agreements with its wholly owned subsidiaries, Auris Medical AG and Otolanum AG. Under the terms of the loan agreement, the lender, Auris Medical Holding AG, grants the borrowers, Auris Medical AG and Otolanum AG, a credit facility in a maximum amount of CHF 45,000,000 and CHF 1,000,000, respectively, to be used for general business and operational purposes.

The borrowers may draw down the facility in full or in part. As of December 31, 2015, Auris Medical AG and Otolanum AG had drawn down loans under the facility of CHF 42,007,029 and CHF 779,369, respectively.

The borrower's ability to repay the loan is dependent on its ability to further develop and monetize its pre-clinical and clinical assets. There are no indications that the ongoing clinical trials would not be successful and the company expects that the subsidiaries will repay these loans and therefore no impairment is required.

The interest rate on the loans is equivalent to the rate published by the Swiss Federal Tax Authorities (ESTV) in its circular on recognized interest rates (Rundschreiben Steuerlich Anerkannte Zinssätze). Interest is charged on the portion of facility which is drawn down.

All claims under the loan agreements are subordinated to all other existing and future claims against those subsidiaries. In the event of insolvency proceedings (Art. 175, Art. 192, Swiss Debt Enforcement and Insolvency Law) and in the event of a composition agreement with assignment of assets (Art. 317, Swiss Debt Enforcement and Insolvency Law), the Company waives its claims to the extent necessary that the claims of all other creditors are covered in full by the proceeds of the liquidation of the subsidiaries.

#### 6. INVESTMENTS IN SUBSIDIARIES

<u>Subsidiary</u>	<u>Participation</u>	<u>Share Capital</u>	<u>Purpose of the Company</u>
Auris Medical AG, Basel	100%	CHF 2,500,000	Research and Development
Otolanum AG, Zug	100%	CHF 100,000	Intellectual Property Management
Auris Medical Inc, Chicago	100%	USD 15,000	Research and Development
Auris Medical Ltd, Dublin	100%	EUR 100	Administration

#### 7. COMMITMENTS AND CONTINGENT LIABILITIES

<u>in CHF</u>	<u>2015</u>	<u>2014</u>
Operating lease commitments		
Within one year	6,000	6,000
Between one and five years	—	—
<b>Total</b>	<b>6,000</b>	<b>6,000</b>

**8. SHARE CAPITAL - FOLLOW-ON OFFERING AND IPO ON NASDAQ GLOBAL MARKET**

The Company's share capital amounts to CHF 13,721,556.40 and consists of 34,303,891 shares with the par value per share of CHF 0.40 (2014: CHF 11,604,156.40 and consist of 29,010,391 shares).

On May 20, 2015, the Company completed a public offering of 5,275,000 shares, yielding net proceeds after underwriting discounts of USD 23.6 million (CHF 21.7 million). As at December 31, 2015, the Company had 34,303,891 shares outstanding.

On August 6, 2014, the underwriters for the Company's IPO subscribed to purchase 9,400,000 shares at USD 6.00 per share yielding gross proceeds (before underwriting fees and IPO costs) of USD 56.4 million. On August 13, 2014, the underwriters exercised their overallotment option for 713,235 shares of the Company, resulting in gross proceeds of USD 4.3 million. All 18,753,175 preferred shares outstanding at the time of the IPO were converted into common shares on a 1:1 basis.

**9. AUTHORIZED SHARE CAPITAL**

As at December 31, 2015, the Company's authorized capital amounted to CHF 1,204,706 or 3,011,765 registered shares with a nominal value of CHF 0.40 each. The Board is authorized to increase the Company's capital in an amount up to CHF 3,011,765 by issuing fully paid-in registered shares in accordance with the Articles of Association. Absent a renewal of the authorized capital by the Annual Meeting, the authorization will expire on June 30, 2016.

**10. CONDITIONAL SHARE CAPITAL**

The share capital may be increased by a maximum of CHF 570,248 through the issuance of up to 1,425,619 fully paid-in registered shares with a nominal value of CHF 0.40 each upon exercise of options or conversion rights granted to employees, members of the Board of Directors as well as key service providers.

The Company's share capital may be further increased by a maximum of CHF 2,000,000 through the issuance of up to 5,000,000 fully paid registered shares with a nominal value of CHF 0.40 each in execution of conversion rights in connection with warrants and convertible bonds of the Company.

**11. CHANGES IN EQUITY**

The following table presents activity related to our equity accounts during 2015 and 2014:

	Share Capital	Share Premium	Accumulated Deficit	Total Equity
<b>As of January 1, 2014</b>	<b>6,487,130</b>	<b>35,725,337</b>	<b>-34,193,525</b>	<b>8,018,942</b>
Capital increase from IPO	4,045,294	47,261,446	—	51,306,740
Conversion of convertible loans	1,043,180	12,726,796	—	13,769,976
Share issuance costs	—	-682,860	—	-682,860
Share options exercised	28,552	225,614	—	254,166
<b>Balance at December 31, 2014</b>	<b>11,604,156</b>	<b>95,256,333</b>	<b>-34,193,525</b>	<b>72,666,964</b>
<b>As of January 1, 2015</b>	<b>11,604,156</b>	<b>95,256,333</b>	<b>-34,193,525</b>	<b>72,666,964</b>
Net loss	—	—	-635,871	-635,871
Follow-On offering	2,110,000	19,604,877	—	21,714,877
Share issuance costs	—	-211,142	—	-211,142
Share options exercised	7,400	51,800	—	59,200
<b>Balance at December 31, 2015</b>	<b>13,721,556</b>	<b>114,701,867</b>	<b>-34,829,396</b>	<b>93,594,027</b>

**12. LOSS CARYFORWARDS**

Based on a tax ruling, tax loss carryforwards in the amount of CHF 34,193,525 may be used by our operating company Auris Medical AG, Basel, in accordance with applicable tax laws.

**13. SIGNIFICANT SHAREHOLDERS**

Shareholder	Shares Beneficially Owned	
	Number	Percent <sup>(1)</sup>
<b>5% Shareholders</b>		
Thomas Meyer	6,742,500	19.64%
Sofinnova Venture Partners VIII, L.P.	5,818,175	16.95%
Sofinnova Capital VII FCPR	5,384,450	15.68%
Wasatch Advisors, Inc.	2,790,514	8.13%
Entities affiliated with Swisscanto Fondsleitung AG	2,169,625	6.32%
Entities affiliated with Idinvest Partners	2,065,233	6.02%

(1)The percentage of common shares beneficially owned is based on 34,329,704 common shares issued and outstanding as of March 7, 2016.

**14. INFORMATION ON ALLOCATION OF SHARES AND OPTIONS TO EXECUTIVE OFFICERS, DIRECTORS AND EMPLOYEES**

The following table presents information on the allocation of shares and options to Executive Officers, Directors and Employees in accordance with Article 959c, paragraph 2, number 11 Swiss Code of Obligations (CO):

2014	Shares		Options	
	Number	CHF	Number	CHF
Allocated to Executive Officers and Directors	20,881	90,451	143,760	349,416
Allocated to Employees	—	—	53,000	102,630
<b>Total</b>	—	—	<b>196,760</b>	<b>452,046</b>

2015	Shares		Options	
	Number	CHF	Number	CHF
Allocated to Executive Officers and Directors	—	—	182,500	359,745
Allocated to Employees	—	—	52,250	100,249
<b>Total</b>	—	—	<b>234,750</b>	<b>459,994</b>

**15. BENEFICIAL OWNERSHIP OF EXECUTIVE OFFICERS AND DIRECTORS**

The table below presents beneficial ownership of Executive Officers and Directors, including affiliated entities, if applicable, in accordance with Article 663c CO:

Board Members and Executive Committee Members <sup>(1)</sup>	Number of Shares	Number of Options
	2015	2015
<b>Thomas Meyer, Ph.D.</b> <i>Chairman of the Board Chief Executive Officer</i>	6,742,500	170,000
<b>Oliver Kubli, CFA</b> <i>Board Member / Member of Audit Committee non executive</i>	2,169,625	30,315
<b>Wolfgang Arnold, M.D.</b> <i>Board Member non executive</i>	26,250	36,565

**AURIS MEDICAL HOLDING AG, ZUG****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014**

<b>Board Members and Executive Committee Members <sup>(1)</sup></b>	<b>Number of Shares 2015</b>	<b>Number of Options 2015</b>
<b>James I. Healy, M.D., Ph.D.</b> <i>Board Member non executive</i>	5,818,175	24,065
<b>Antoine Papiernik, MBA</b> <i>Board Member non executive</i>	5,384,450	6,250
<b>Bettina Stubinski, M.D.</b> <i>Chief Medical Officer</i>	39,942	68,750
<b>Berndt Modig, MBA</b> <i>Board Member / Head of Audit Committee</i>	—	7,500
<b>Calvin Roberts, MD</b> <i>Board Member / Member of Audit Committee</i>	55,242	7,500
<b>Anne Sabine Zoller, Dr.iur.</b> <i>General Counsel</i>	—	25,000
<b>Sven Zimmermann, Ph.D.</b> <i>Chief Financial Officer</i>	40,752	55,000

(1) Includes holdings of "companies closely related" to members of the Board of Executive Committee (refer to item 7 A of our Annual Report filed on Form 20-F)

**16. OTHER DISCLOSURES**

Information on compensation of Executive Officers and Directors in accordance with Article 663b<sup>bis</sup>, CO, is included in the Company's Compensation Report.

**17. SUBSEQUENT EVENTS**

No events that would require adjustments to or disclosure in the financial statements occurred between the date of the statement of financial position and the date the financial statements were approved by the Board of Directors of the Company.

***AURIS MEDICAL  
HOLDING AG,  
ZUG***

*Report of the Statutory Auditor on the Compensation Report in  
Accordance with the Ordinance against Excessive Compensation  
in Stock Exchange Listed Companies (Ordinance)*

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## **Report of the Statutory Auditor**

To the General Meeting of  
**AURIS MEDICAL HOLDING AG, ZUG**

We have audited Tables 1c, 1d, 2c and 2d, and the information in 1e and 2e of the accompanying compensation report of Auris Medical Holding AG for the year ended December 31, 2015.

### **Responsibility of the Board of Directors**

The Board of Directors is responsible for the preparation and overall fair presentation of the compensation report in accordance with Swiss law and the Ordinance against Excessive Compensation in Stock Exchange Listed Companies (Ordinance). The Board of Directors is also responsible for designing the compensation system and defining individual compensation packages.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the accompanying compensation report. We conducted our audit in accordance with Swiss Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the compensation report complies with Swiss law and Articles 14 – 16 of the Ordinance.

An audit involves performing procedures to obtain audit evidence on the disclosures made in the compensation report with regard to compensation, loans and credit lines in accordance with Articles 14 – 16 of the Ordinance. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the compensation report, whether due to fraud or error. This audit also includes evaluating the reasonableness of the methods applied to value components of compensation, as well as assessing the overall presentation of the compensation report.

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

### **Opinion**

In our opinion, the compensation report for the year ended December 31, 2015 of Auris Medical Holding AG complies with Swiss law and Articles 14 – 16 of the Ordinance.

### **Deloitte AG**

/s/ Martin Welser  
Martin Welser  
Licensed audit expert  
Auditor in charge

/s/ James D. Horiguchi  
James D. Horiguchi

Zurich, March 10, 2016  
MW/JDH/ss

Enclosure:  
- Compensation report 2015

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This compensation report has been prepared in accordance with the Federal Ordinance Against Excessive Compensation in Stock Exchange Listed Companies (“Ordinance”), effective January 1, 2014.

**1. Compensation of the Board of Directors**

**a. Board Composition**

	2015 Term <sup>1</sup>			2014 Term <sup>2</sup>		
	Board	Audit Committee	Compensation Committee	Board	Audit Committee	Compensation Committee
Thomas Meyer, PhD	Chair			Chair		
James Healy, MD, PhD	Vice-Chair		Member	Vice-Chair	Member	
Wolfgang Arnold, MD	Member		Member	Member		Member
Oliver Kubli, CFA	Member	Member		Member	Chair	
Berndt Modig, MBA	Member	Chair				
Alain Munoz, MD				Member	Member	
Antoine Papiernik, MBA	Member		Chair	Member		Chair
Calvin Roberts, MD	Member	Member				
	<sup>1</sup> Effective as of April 22, 2015			<sup>2</sup> Effective as of August 11, 2014		

Please refer to Item 6 of our annual report filed on form 20F (Annual Report) for a presentation of the Board members and a discussion of other mandates held by Board members.

**b. Compensation Structure**

Until April 2015, the Board remuneration was structured as a mix of meeting based fees and a fixed compensation. As of April 22, 2015, Board members are paid a fixed fee only. The fee level is dependent on the function exercised and has been established following a review of the Board compensation in light of market practice. In addition to the fixed fee, Board members are awarded stock options under the Company’s equity incentive plan. For a description of our equity instruments refer to Item 5 “Share based compensation” of the Annual Report.

The office of the Chairman of the Board is held by the Company’s Chief Executive Officer. The Chief Executive Officer’s remuneration is disclosed in section 2 below and no additional compensation is paid to the Chief Executive Officer for the exercise of the Board function.

	USD	CHF <sup>5</sup>
<b>Board Fee structure until April 21, 2015<sup>1</sup></b>		
Fixed compensation (per annum)	20,000	19,296
Meeting fee <sup>2</sup>	2,500	2,412
Committee Chairman meeting fee <sup>3</sup>	2,000	1,929
Committee member meeting fee <sup>4</sup>	1,000	964

<sup>1</sup> The Fee structure was implemented upon completion of the IPO on August 11, 2014

<sup>2</sup> USD 1500 / CHF 1447 for participation via telephone

<sup>3</sup> USD 1000 / CHF 964 for participation via telephone

<sup>4</sup> USD 500 / CHF 482 for participation via telephone

<sup>5</sup> Board fees are paid in USD. A convenience translation into CHF is provided on the basis of a USD/CHF exchange rate of 0.9648.

	USD	CHF <sup>2</sup>
<b>Board Fee structure since April 22, 2015</b>		
Fixed base compensation	40,000	38,452
Additional fixed compensation Audit Committee members	5,000	4,807
Additional fixed compensation Audit Committee chair <sup>1</sup>	7,000	6,729
Additional fixed compensation Compensation Committee member	2,500	2,403
Additional fixed compensation Compensation Committee chair <sup>1</sup>	5,000	4,807

<sup>1</sup> Committee chairs receive both, the fee payable to all committee members as well as the additional compensation for the chair function.

<sup>2</sup> Board fees are paid in USD. A convenience translation into CHF is provided on the basis of a USD/CHF exchange rate of 0.9613.

**c. 2015 Board Compensation**

The total compensation of the members of the Board of Directors in 2015 is outlined below:

In CHF	Cash compensation	Social contributions	Stock options <sup>4</sup>	Total
Thomas Meyer, PhD, Chairman <sup>1</sup>	—	—	—	—
James Healy, MD, PhD, Vice-Chairman	40,330	3,271	11,260	54,861
Wolfgang Arnold, MD	39,846	1,618	11,260	52,724
Oliver Kubli, CFA	43,883	3,559	11,260	58,702
Bemdt Modig, MBA <sup>5</sup>	34,734	—	8,445	43,179
Alain Munoz, MD <sup>2</sup>	11,604	941	—	12,545
Antoine Papiernik, MBA <sup>3</sup>	56,142	—	—	56,142
Calvin Roberts, MD <sup>5</sup>	30,415	2,467	8,445	41,327
<b>Total</b>	<b>256,954</b>	<b>11,856</b>	<b>50,670</b>	<b>319,480</b>

<sup>1</sup> Disclosed in section 2(c).

<sup>2</sup> Resigned on April 22, 2015.

<sup>3</sup> As the internal regulations applicable to Sofinnova Capital VII FCPR do not allow for payment of a compensation or the grant of equity instruments to fund managers, the compensation payable to Mr. Papiernik is paid to Sofinnova Capital VII FCPR. Instead of an option grant, the grant date fair value of the options (less applicable taxes and charges) is paid to Sofinnova Capital VII FCPR.

<sup>4</sup> 10,000 options granted per annum. Grant date fair value of stock options granted in 2015 using the Black-Scholes model.

<sup>5</sup> Elected on April 22, 2015.

**d. 2014 Board Compensation**

The total compensation of the members of the Board of Directors in 2014 is outlined below:

In CHF	Cash compensation	Social contributions	Stock options <sup>3</sup>	Total
Thomas Meyer, PhD, Chairman <sup>1</sup>	—	—	—	—
James Healy, MD, PhD, Vice-Chairman	11,426	714	13,398	25,538
Wolfgang Arnold, MD	16,374	937	13,398	30,709
Oliver Kubli, CFA	13,838	2,201	13,398	29,437
Alain Munoz, MD	12,873	2,105	13,398	28,376
Antoine Papiernik, MBA <sup>2</sup>	27,056	—	—	27,056
<b>Total</b>	<b>81,567</b>	<b>5,957</b>	<b>53,592</b>	<b>141,116</b>

<sup>1</sup> Disclosed in section 2(d).

<sup>2</sup> As the internal regulations applicable to Sofinnova Capital VII FCPR do not allow for payment of a compensation or the grant of equity instruments to fund managers, the compensation payable to Mr. Papiernik is paid to Sofinnova Capital VII FCPR. Instead of an option grant, the grant date fair value of the options (less applicable taxes and charges) is paid to Sofinnova Capital VII FCPR.

<sup>3</sup> Grant date fair value of stock options granted in 2014 using the Black-Scholes model.

**e. Loans to Board members**

In 2014 and 2015, the Company granted no loans to members of the Board of Directors, nor were there any such loans outstanding.

**2. Compensation for the Members of the Executive Management Committee**

**a. Executive Management Committee Composition**

The executive management committee (EMC) is comprised of:

<b>Name</b>	<b>Function</b>	<b>Appointment</b>
Thomas Meyer, PhD	Chairman and Chief Executive Officer	2003
Bettina Mirella Stubinski, MD	Chief Medical Officer	2013
Sven Zimmermann, PhD	Chief Financial Officer	2014
Anne Sabine Zoller, Dr.iur.	General Counsel	August 1, 2015

Please refer to Item 6 of our Annual Report for more information on our senior management.

**b. Executive Compensation Principles**

Each member of the EMC receives a fixed base compensation and is granted a certain number of options in line with its function under the Company's equity incentive plan (refer to Item 5 "Share based compensation" of the Annual Report). In 2014 and 2015, the Company granted some members of the EMC a variable compensation payable in shares. The shares are fully vested upon grant but remain subject to sales restrictions for 3 years.

The Compensation Committee has initiated a review of the EMC compensation and will benchmark the current compensation system with the compensation systems of peers in relevant markets. If and to the extent mandated by such review, the Compensation Committee intends to adapt the existing compensation system.

**c. 2015 Executive Compensation**

The total compensation and the highest individual compensation of the members of the Executive Management Committee in 2015 are outlined below:

in CHF	<b>Fixed Cash Compensation</b>	<b>Variable Compensation<sup>1</sup></b>	<b>Social contributions and other fringe benefits</b>	<b>Stock Options<sup>2</sup></b>	<b>Total</b>
Thomas Meyer, PhD Chief Executive Officer	363,600	—	58,331	149,880	<b>571,811</b>
<b>Executive Committee Compensation</b>	<b>1,061,267</b>	<b>188,092</b>	<b>193,158</b>	<b>309,075</b>	<b>1,751,592</b>

<sup>1</sup> The variable compensation is paid in restricted shares (see lit. b above) and is dependent on target achievement in the 2015 business year. The number of shares granted is calculated by dividing the bonus amount (a maximum of CHF 150,000 at 100% target achievement) by the discounted average closing price of the Company's shares in December 2015. The grant was effected on January 7, 2016 and the variable compensation disclosed reflects the closing price of the shares granted on the grant date.

<sup>2</sup> 2015 option grants. Valuation based on the fair value of stock options on the grant dates using the Black-Scholes model.

**d. 2014 Executive Compensation**

The total compensation and the highest individual compensation of the members of the Executive Management Committee in 2014 are outlined below:

in CHF	Fixed Cash Compensation	Variable Compensation	Social contributions and other fringe benefits	Stock Options <sup>1</sup>	Total
Thomas Meyer, PhD Chief Executive Officer	360,000	—	52,963	173,460	<b>586,423</b>
<b>Executive Committee Compensation</b>	916,250	92,567	144,000	295,823	<b>1,448,640</b>

<sup>1</sup> 2014 option grants. Valuation based on the fair value of stock options on the grant dates using the Black-Scholes model.

**e. Loans to Members of the Executive Management Committee**

In 2014 and 2015, the Company granted no loans to members of the Executive Management Committee, nor were there any such loans outstanding.

**3. Compensation Approval**

In accordance with article 21 of the Articles of Association, the 2015 annual general meeting approved:

- a gross compensation of CHF 600,000 for the Board for the period from the 2015 annual general meeting until the 2016 annual general meeting,
- a gross compensation of CHF 2,000,000 for the members of the executive management committee for the fiscal year 2016.

The compensation for the 2015 fiscal year will be approved retroactively by the 2016 Annual General Meeting.