



**Condensed Consolidated Interim Financial Statements  
of Addex Therapeutics Ltd as at June 30, 2016  
(unaudited)**

**Addex Therapeutics Ltd**  
**Condensed Consolidated Interim Balance Sheets**  
**as at June 30, 2016 and December 31, 2015 (unaudited)**

	<u>Notes</u>	<u>June 30, 2016</u>	<u>December 31, 2015</u>
Amounts in Swiss Francs			
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents .....	7	2,254,754	2,633,601
Other current assets .....		309,210	149,162
<b>Total current assets</b> .....		<u>2,563,964</u>	<u>2,782,763</u>
<b>Non-current assets</b>			
Intangible assets .....	8	-	-
Property, plant and equipment .....	8	30,534	31,843
Non-current financial assets .....	9	6,809	75,109
<b>Total non-current assets</b> .....		<u>37,343</u>	<u>106,952</u>
<b>Total assets</b> .....		<u>2,601,307</u>	<u>2,889,715</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>Current liabilities</b>			
Payables and accruals .....	10	1,036,519	1,029,665
Deferred income .....		-	158
<b>Total current liabilities</b> .....		<u>1,036,519</u>	<u>1,029,823</u>
<b>Non-current liabilities</b>			
Post-employment benefits .....	12	384,373	195,662
<b>Total non-current liabilities</b> .....		<u>384,373</u>	<u>195,662</u>
<b>Shareholders' equity</b>			
Share capital .....	11	11,370,639	11,025,489
Share premium .....		262,798,764	262,078,103
Other reserves .....		6,488,024	6,552,733
Accumulated deficit .....		(279,477,012)	(277,992,095)
<b>Total shareholders' equity</b> .....		<u>1,180,415</u>	<u>1,644,230</u>
<b>Total liabilities and shareholders' equity</b> .....		<u>2,601,307</u>	<u>2,889,715</u>

The accompanying notes form an integral part of these condensed consolidated interim financial statements

**Addex Therapeutics Ltd**  
**Condensed Consolidated Interim Statements of Income**  
**for the six-month periods ended June 30, 2016 and 2015 (unaudited)**

	<u>Notes</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Amounts in Swiss Francs			
<b>Income</b>			
Research grants .....		178,091	89,501
Other income .....	14	105,401	-
<b>Total income</b> .....	6	283,492	89,501
<b>Operating expenses</b>			
Research and development .....		(1,060,522)	(948,806)
General and administration .....		(705,402)	(721,018)
French tax authorities escrow account write off.....		-	(1,227,131)
<b>Total operating expenses</b> .....	15	(1,765,924)	(2,896,955)
<b>Operating loss</b> .....		(1,482,432)	(2,807,454)
Finance income .....		27	39,814
Finance expense .....		(2,512)	(65,754)
<b>Finance result, net</b> .....	16	(2,485)	(25,940)
<b>Net loss before tax</b> .....		(1,484,917)	(2,833,394)
Income tax expense .....		-	-
<b>Net loss for the period</b> .....		(1,484,917)	(2,833,394)
Loss per share for loss attributable to the equity holders of the Company, expressed in Swiss francs per share basic and diluted	17	(0.11)	(0.26)

The accompanying notes form an integral part of these condensed consolidated interim financial statements

**Addex Therapeutics Ltd**  
**Condensed Consolidated Interim Statements of Comprehensive Income**  
**for the six-month periods ended June 30, 2016 and 2015 (unaudited)**

	<u>June 30, 2016</u>	<u>June 30, 2015</u>
	<u>Amounts in Swiss Francs</u>	
<b>Net loss for the period</b> .....	(1,484,917)	(2,833,394)
<b>Other comprehensive loss</b>		
Items that will never be reclassified to the statement of income:		
Remeasurements of post-employment benefit obligations .....	(176,215)	(38,183)
Items that may or may not be classified subsequently to the statement of income:		
Currency translation differences .....	(312)	(137,150)
<b>Other comprehensive (loss)/gain for the period, net of tax</b> .....	(176,527)	(175,333)
<b>Total comprehensive loss for the period</b> .....	(1,661,444)	(3,008,727)

The accompanying notes form an integral part of these condensed consolidated interim financial statements

**Addex Therapeutics Ltd**  
**Condensed Consolidated Interim Statements of Changes in Equity**  
**for the six-month periods ended June 30, 2016 and 2015 (unaudited)**

	In Swiss Francs				
	Share capital	Share premium	Other reserves	Accumulated deficit	Total
<b>Balance at January 1, 2015.....</b>	9,984,888	260,020,862	6,127,826	(273,787,882)	2,345,694
Net loss for the period.....	-	-	-	(2,833,394)	(2,833,394)
Change in OCI IAS 19.....	-	-	(38,183)	-	(38,183)
Other comprehensive loss for the period – translation difference....	-	-	(137,150)	-	(137,150)
<b>Total comprehensive loss for the period.....</b>	-	-	<b>(175,333)</b>	<b>(2,833,394)</b>	<b>(3,008,727)</b>
Issue of common Shares.....	1,526,036	1,843,334	-	-	3,369,370
Cost of share capital issuance.....	-	(61,631)	-	-	(61,631)
Value of share-based services.....	-	-	332,964	-	332,964
Net purchase of treasury shares.....	(512,519)	270,656	-	-	(241,863)
<b>Balance at June 30, 2015.....</b>	<b>10,998,405</b>	<b>262,073,221</b>	<b>6,285,457</b>	<b>(276,621,276)</b>	<b>2,735,807</b>
<b>Balance at January 1, 2016.....</b>	<b>11,025,489</b>	<b>262,078,103</b>	<b>6,552,733</b>	<b>(277,992,095)</b>	<b>1,664,230</b>
Net loss for the period.....	-	-	-	(1,484,917)	(1,484,917)
Change in OCI IAS 19.....	-	-	(176,215)	-	(176,215)
Other comprehensive loss for the period – translation difference....	-	-	(312)	-	(312)
<b>Total comprehensive loss for the period.....</b>	-	-	<b>(176,527)</b>	<b>(1,484,917)</b>	<b>(1,661,444)</b>
Issue of common Shares.....	1,754,941	-	-	-	1,754,941
Cost of share capital issuance.....	-	(17,289)	-	-	(17,289)
Value of share-based services.....	-	-	111,818	-	111,818
Net purchase of treasury shares.....	(1,409,791)	737,950	-	-	(671,841)
<b>Balance at June 30, 2016.....</b>	<b>11,370,639</b>	<b>262,798,764</b>	<b>6,488,024</b>	<b>(279,477,012)</b>	<b>1,180,415</b>

The accompanying notes form an integral part of these condensed consolidated interim financial statements

**Addex Therapeutics Ltd**  
**Condensed Consolidated Interim Statements of Cash Flows**  
**for the six-month periods ended June 30, 2016 and 2015 (unaudited)**

	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Amounts in Swiss Francs		
<b>Cash flows from operating activities</b>		
Net loss for the period.....	(1,484,917)	(2,833,394)
Adjustments for:		
Depreciation and amortization .....	12,530	36,532
Gain on disposal of fixed assets .....	(9,681)	-
Value of share-based services .....	111,818	333,496
Changes in retirement benefit obligations .....	12,496	3,787
Finance result, net .....	2,485	25,940
Net changes in working capital .....	(85,249)	995,646
<b>Net cash used in operating activities</b> .....	<u>(1,440,518)</u>	<u>(1,437,993)</u>
<b>Net cash (used in) / from investing</b> .....	<b>(1,512)</b>	<b>39,814</b>
<b>Net cash from financing activities</b> .....	<b>1,065,811</b>	<b>3,065,709</b>
<b>(Decrease) / Increase in cash and cash equivalents</b> .....	<u>(376,219)</u>	<u>1,667,530</u>
Cash and cash equivalents at beginning of the period .....	2,633,601	1,979,609
Exchange loss on cash and cash equivalents .....	(2,628)	(67,832)
<b>Cash and cash equivalents at end of the period</b> .....	<u>2,254,754</u>	<u>3,579,307</u>

The accompanying notes form an integral part of these condensed consolidated interim financial statements

**Addex Therapeutics Ltd**  
**Selected Notes to the Condensed Consolidated Interim Financial Statements**  
**for the first half of 2016 (amounts in Swiss Francs) (unaudited)**

**1. General information**

Addex Therapeutics Ltd, formerly Addex Pharmaceuticals Ltd, (the Company) and its subsidiaries (together, the Group) are a discovery based pharmaceutical group focused on discovery, development and commercialization of small-molecule pharmaceutical products for the treatment of human health. The Company is a Swiss stockholding corporation domiciled c/o Addex Pharma SA, Chemin des Aulx 14, CH-1228 Plan-les-Ouates, Geneva, Switzerland and the parent company of Addex Pharma SA and Addex Pharmaceuticals France SAS. Its registered shares are traded at the SIX, Swiss Exchange, under the ticker symbol ADXN.

To date, the Group has financed its cash requirements primarily from share issuances and out-licensing certain of its research and development stage products. The Group is a development stage enterprise and is exposed to all the risks inherent in establishing a business. Inherent in the Group's business are various risks and uncertainties, including the substantial uncertainty that current projects will succeed. The Group's success may depend in part upon its ability to (i) establish and maintain a strong patent position and protection, (ii) enter into collaborations with partners in the pharmaceutical industry, (iii) acquire and retain key personnel, and (iv) acquire additional capital to support its operations. The Board of Directors (Board) believes the Group will be able to meet all of its obligations for a further 12 months as they fall due and, hence, the condensed consolidated interim financial statements have been prepared on a going concern basis.

These condensed consolidated interim financial statements have been approved by the Board of Directors on September 29, 2016.

**2. Basis of preparation**

These condensed consolidated interim financial statements for the six months ended June 30, 2016, have been prepared in accordance with IAS 34 "Interim Financial Reporting". These condensed consolidated interim financial statements should be read in conjunction with the consolidated financial statements for the year ended December 31, 2015, which have been prepared in accordance with IFRS.

The condensed consolidated interim financial statements have been prepared in accordance with IFRS and under the historical cost convention.

The preparation of financial statements in accordance with IAS 34 requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from those estimates. The areas involving a higher degree of judgment which are significant to the condensed consolidated interim financial statements are disclosed in the consolidated financial statements for the year ended December 31, 2015. Refer to note 4. Certain prior period figures have been corrected or re-classified to be consistent with the current period presentation.

**Addex Therapeutics Ltd**  
**Selected Notes to the Condensed Consolidated Interim Financial Statements**  
**for the first half of 2016 (amounts in Swiss Francs) (unaudited)-(Continued)**

### **3. Accounting policies**

The accounting policies used in the preparation of the condensed consolidated interim financial statements are consistent with those used in the consolidated financial statements for the year ended December 31, 2015 and corresponding interim period.

The adoption of new standards, amendments to standards and interpretations which are mandatory for financial periods beginning on or after January 1, 2016 did not have a material impact on the Group financial position or disclosures made in these condensed consolidated interim financial statements.

New standards, amendments to standards and interpretations, that have been issued but are not mandatory for the financial year beginning January 1, 2016, have not been early adopted in preparing these condensed consolidated interim financial statements. None of these new standards, amendments to standards and interpretations are expected to have a significant effect on the condensed consolidated interim financial statements of the Group.

The group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2016:

- Accounting for acquisitions of interests in joint operations – Amendments to IFRS 11;
- Classification of acceptable methods of depreciation and amortization - Amendments to IAS 16 and IAS38;
- Annual improvements to IFRSs 2012 – 2014 cycle; and
- Disclosure initiative – amendments to IAS 1 and IAS 7.

### **4. Critical accounting estimates and judgments**

#### *Uncertainties and ability to continue operations*

As discussed in note 1 under “general information”, The Board of Directors (Board) believes the Group will be able to meet all of its obligations for a further 12 months as they fall due and, hence, the condensed consolidated interim financial statements have been prepared on a going concern basis. The Group is currently engaged in a number of activities to ensure that it can continue its operations, including monetizing its assets, raising additional capital and pursuing strategic alternatives. The outcome of these activities is inherently uncertain and had the Board assessed differently the ability of the Group to execute on its current financial plans and the ability of the Group to meet all of its obligations for a further 12 months then the Group would have presented the condensed consolidated interim financial statements on a liquidation basis. Had the condensed consolidated interim financial statements been prepared on a liquidation basis then certain commitments and contingencies would have been recorded on the balance sheet and certain assets would have been written down to their recoverable amounts.

#### *Commitments and contingencies*

In assessing the need for provisions for legal cases, estimates and judgments are made by the Group with support of external legal advisors and other technical experts in order to determine the probability, timing and amounts involved. The Group is currently in dispute with the French tax authorities and in this regard an amount of EUR1,202,610 (CHF1,303,629) was deposited in an escrow account on April 18, 2012. On the March 9, 2015 the Group received a negative judgment from the “Tribunal of Grenoble”. On May 5, 2015 the Group filed an appeal to the decision in the “Court d’Appel de Lyon”. On May 7, 2015 the Group was informed that the French tax authorities had made a claim against the escrow account on the basis of the decision by the “Tribunal of Grenoble”. The total balance of the escrow account was paid to the French tax authorities on May 29, 2015. As a consequence the balance of the escrow account that had previously been recorded in non-current assets has been written off with a corresponding charge of CHF1,227,131 recognized in the statement of income in 2015.

**Addex Therapeutics Ltd**  
**Selected Notes to the Condensed Consolidated Interim Financial Statements**  
**for the first half of 2016 (amounts in Swiss Francs) (unaudited)-(Continued)**

**5. Interim measurement note**

*Seasonality of the business:* The business is not subject to any seasonality, but expenses are largely determined by the phase of the respective projects, particularly with regard to external development expenditures.

*Costs:* Costs that incur unevenly during the financial year are anticipated or deferred in the interim report only if it would also be appropriate to anticipate or defer such costs at the end of the financial year.

**6. Segment reporting**

**6.1 Reportable segments**

The Group operates in one segment, which is the business of developing drugs for human health.

**6.2 Entity wide information**

*Information about products, services and major customers*

The majority of external income of the Group is derived from the business of developing drugs for human health and is earned from collaborative arrangements and the sale of license rights to pharmaceutical companies, and grants from patient organizations.

*Information about geographical areas*

External income is recorded in the Swiss operating company.

Analysis of income by nature is detailed as follows:

	<b><u>June 30, 2016</u></b>	<b><u>June 30, 2015</u></b>
Research & development grants .....	178,091	89,501
Research services and other collaborative arrangements .....	75,265	-
Sales of fixed assets and stocks of consumables .....	9,681	-
Other service income .....	20,455	-
<b>Total income</b> .....	<b><u>283,492</u></b>	<b><u>89,501</u></b>

Analysis of income by major customer is detailed as follows:

	<b><u>June 30, 2016</u></b>	<b><u>June 30, 2015</u></b>
The Michael J. Fox Foundation (USA) .....	178,091	89,501
Pierre Fabre Pharmaceuticals (France) .....	75,265	-
Multiple customers .....	30,136	-
<b>Total income</b> .....	<b><u>283,492</u></b>	<b><u>89,501</u></b>

For more detail, refer to note 14 "Other Income".

**Addex Therapeutics Ltd**  
**Selected Notes to the Condensed Consolidated Interim Financial Statements**  
**for the first half of 2016 (amounts in Swiss Francs) (unaudited)-(Continued)**

The geographical analysis of assets is as follows:

	<b><u>June 30, 2016</u></b>	<b><u>December 31, 2015</u></b>
Switzerland	2,587,726	2,881,331
<i>Current</i> .....	2,550,383	2,774,379
<i>Non-current</i> .....	37,343	106,952
Europe	13,581	8,384
<i>Current</i> .....	13,581	8,384
<i>Non-current</i> .....	-	-
<b>Total assets</b> .....	<b><u>2,601,307</u></b>	<b><u>2,889,715</u></b>

The geographical analysis of operating expenses is as follows:

	<b><u>Six Months Ended</u></b>	
	<b><u>June 30, 2016</u></b>	<b><u>June 30, 2015</u></b>
Switzerland.....	1,766,867	1,462,858
Europe.....	(943)	1,434,097
<b>Total operating expenses</b>	<b><u>1,765,924</u></b>	<b><u>2,896,955</u></b>

All the capital expenditure during the six-month periods ended June 30, 2016 and 2015 were made in Switzerland.

#### 7. Cash and cash equivalents

	<b><u>June 30, 2016</u></b>	<b><u>December 31, 2015</u></b>
Cash at bank and on hand.....	2,254,754	2,633,601
<b>Total cash and cash equivalents</b> .....	<b><u>2,254,754</u></b>	<b><u>2,633,601</u></b>

All cash and cash equivalents were held either at bank or on hand as at June 30, 2016 and December 31, 2015.

**Addex Therapeutics Ltd**  
**Selected Notes to the Condensed Consolidated Interim Financial Statements**  
**for the first half of 2016 (amounts in Swiss Francs) (unaudited) -(Continued)**

**8. Property, plant and equipment & intangible assets**

	<b>Property, plant and equipment</b>	<b>Intangible assets</b>
<b>Six months ended June 30, 2015</b>		
Opening net book amount as at January 1, 2015.....	44 677	13 216
Depreciation and amortization.....	(23 488)	(13 043)
<b>Closing net book amount as at June 30, 2015.....</b>	<b>21 189</b>	<b>173</b>
<b>Six months ended June 30, 2016</b>		
Opening net book amount as at January 1, 2016.....	31,843	-
Additions.....	11,221	-
Depreciation and amortization.....	(12,530)	-
<b>Closing net book amount as at June 30, 2016.....</b>	<b>30,534</b>	<b>-</b>

**9. Non-current financial assets**

	<b>June 30, 2016</b>	<b>December 31, 2015</b>
Security rental deposits.....	6 809	75 109
<b>Total non-current financial assets .....</b>	<b>6 809</b>	<b>75 109</b>

**10. Payables and accruals**

	<b>June 30, 2016</b>	<b>December 31, 2015</b>
Trade payables.....	345,881	170,899
Social security and other taxes.....	24,714	64,814
Accrued expenses.....	665,924	793,952
<b>Total payables and accruals .....</b>	<b>1,036,519</b>	<b>1,029,665</b>

**Addex Therapeutics Ltd**  
**Selected Notes to the Condensed Consolidated Interim Financial Statements**  
**for the first half of 2016 (amounts in Swiss Francs) (unaudited)-(Continued)**

**11. Share capital**

	Number of shares		Total
	Common shares	Treasury shares	
<b>Balance at January 1, 2015</b> .....	10,173,576	(188,688)	9,984,888
Issue of common shares.....	1,526,036		1,526,036
Net purchase of treasury shares.....		(512,519)	(512,519)
<b>Balance at June 30, 2015</b> .....	<b>11,699,612</b>	<b>(701,207)</b>	<b>10,998,405</b>
<b>Balance at January 1, 2016</b> .....	11,699,612	(674,123)	11,025,489
Issue of common shares.....	1,754,941		1,754,941
Net purchase of treasury shares.....		(1,409,791)	(1,409,791)
<b>Balance at June 30, 2016</b> .....	<b>13,454,553</b>	<b>(2,083,914)</b>	<b>11,370,639</b>

**Share capital**

At June 30, 2016, the total outstanding share capital is CHF13,454,553 (June 30, 2015: CHF11,699,612), consisting of 13,454,553 shares (June 30, 2015: 11,699,612). All shares have a nominal value of CHF1 and are fully paid.

On March 9, 2015, the Group issue 1,526,036 new shares from the authorized capital. Of the new shares, 921,667 were placed at CHF3 per share with investors and 604,369 were placed with Addex Pharma SA at CHF1, and are held as treasury shares. As part of the capital increase the Company granted 100,000 options to Herculis Partners SA at an exercise price of CHF3.3 with an expiry in March 2020.

In January 2016, the Group sold 317,400 treasury shares for net proceeds of CHF1,003,496. During the six month period ended 30 June 2016, 17,461 treasury shares were used to settle services to TMD Advisory, 6,856 treasury shares were used to cover the exercise of employee share options and 3,433 treasury shares were sold under a liquidity provider agreement.

On May 27, 2016, the Group issued 1,754,941 new shares from authorized capital to its 100% owned subsidiary, Addex Pharma SA at CHF1. These shares are held as treasury shares.

**12. Employee benefits**

The amounts recognized in the income statements were as follows:

	<u>Six Months Ended</u>	
	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Service costs.....	(30,120)	(22,675)
Interest cost.....	(9,028)	(12,409)
Interest income.....	8,223	11,535
Employees' contributions.....	16,034	10,586
<b>Pension income / (cost)</b> .....	<b>(14,891)</b>	<b>(12,963)</b>

**Addex Therapeutics Ltd**  
**Selected Notes to the Condensed Consolidated Interim Financial Statements**  
**for the first half of 2016 (amounts in Swiss Francs) (unaudited) -(Continued)**

The amounts recognized in the balance sheet are determined as follows:

	<u>June 30, 2016</u>	<u>December 31, 2015</u>
Defined benefit obligation.....	(2 465 968)	(2 234 012)
Fair value of plan assets.....	2 081 573	2 038 350
<b>Funded status.....</b>	<b><u>(384 395)</u></b>	<b><u>(195 662)</u></b>

The discount rate at June 30, 2016 was 0.3% compared to 0.8% at December 31, 2016.

### 13. License and collaboration agreements

*Janssen Pharmaceuticals Inc. (formerly Ortho-McNeil-Janssen Pharmaceuticals Inc).*

On December 31, 2004, the Group entered into a research collaboration and license agreement with Janssen Pharmaceuticals Inc. (JPI). In accordance with this agreement, JPI has acquired an exclusive worldwide license to develop mGluR2PAM compounds for the treatment of human health. The Group is eligible for future payments contingent on the products from the research achieving certain development milestones. The Group is also eligible for low double digit royalties on net sales. No income has been recognized under this agreement in the six-month periods ended June 30, 2016 and 2015.

### 14. Other income

During the six-month period ended June 30, 2016, the Group recognized CHF105,401, including CHF75,265 of the other income from Pierre Fabre Pharmaceuticals.

### 15. Operating expenses by nature

	<u>Six Months Ended</u>	
	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Staff costs.....	316,337	242,239
Depreciation and amortization.....	12,530	36,532
External research and development costs.....	354,482	297,783
Laboratory consumables.....	5,602	3,521
Patent costs.....	310,419	136,448
Professional fees.....	445,496	492,727
Operating leases.....	16,257	135,436
French tax litigation and penalty charges.....	-	1,227,131
Other operating expenses.....	304,801	325,138
<b>Total operating expenses.....</b>	<b><u>1,765,924</u></b>	<b><u>2,896,955</u></b>

**Addex Therapeutics Ltd**  
**Selected Notes to the Condensed Consolidated Interim Financial Statements**  
**for the first half of 2016 (amounts in Swiss Francs) (unaudited) -(Continued)**

**16. Finance income and expenses**

	<u>Six Months Ended</u>	
	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Interest income.....	27	39,814
Unrealized foreign exchange (losses)/gains.....	(2,512)	(65,754)
<b>Finance result, net.....</b>	<b>(2,485)</b>	<b>(25,940)</b>

**17. Loss per share**

Basic and diluted loss per share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of common shares in issue during the period excluding common shares purchased by the Group and held as treasury shares.

	<u>Six Months Ended</u>	
	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Loss attributable to equity holders of the Company.....	(1,484,917)	(2,833,394)
Weighted average number of shares in issue.....	13,370,639	10,998,405
<b>Basic and diluted loss per share.....</b>	<b>(0.11)</b>	<b>(0.26)</b>

The Company has two categories of dilutive potential shares as at June 30, 2016 and 2015: equity sharing certificates and share options. As of June 30, 2016 and 2015, equity sharing certificates and share options have been ignored in the calculation of the loss per share, as they would be anti-dilutive.

**18. Related party transactions**

Related parties include members of the Board of Directors and the Executive Management of the Group. The following transactions were carried out with related parties:

<i>Key management compensation</i>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Salaries and other short-term employee benefits.....	41,374	41,813
Consulting fees.....	370,932	360,000
Share-based compensation.....	89,287	159,575
	<b>501,593</b>	<b>561,388</b>

Consulting fees relate to amounts paid to Sonia Poli and Tim Dyer who deliver their services to the Group under consulting contracts. Tim Dyer services are delivered through TMD Advisory Ltd, a company owned and managed by Mr. Dyer, which has been mandated to provide CEO / CFO services to the Addex Group. The Group invoiced CHF20,455 of consulting services to TMD Advisory Ltd during the year which have been recorded in other income.

**19. Events subsequent to June 30, 2016 balance sheet date**

There were no material events after the balance sheet date.