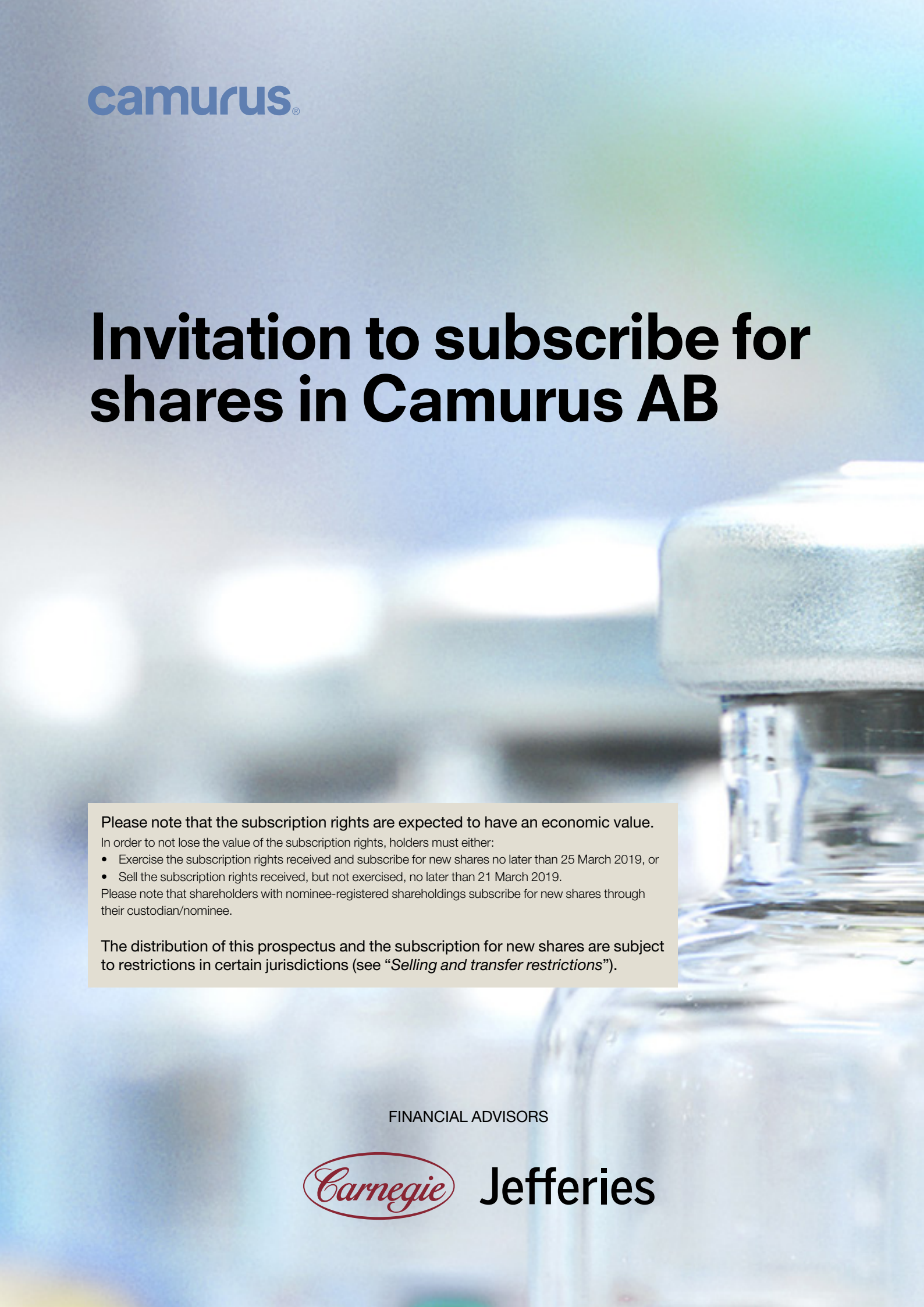
camurus®

Invitation to subscribe for shares in Camurus AB



Please note that the subscription rights are expected to have an economic value.

In order to not lose the value of the subscription rights, holders must either:

- Exercise the subscription rights received and subscribe for new shares no later than 25 March 2019, or
- Sell the subscription rights received, but not exercised, no later than 21 March 2019.

Please note that shareholders with nominee-registered shareholdings subscribe for new shares through their custodian/nominee.

The distribution of this prospectus and the subscription for new shares are subject to restrictions in certain jurisdictions (see "*Selling and transfer restrictions*").

FINANCIAL ADVISORS

Carnegie Jefferies

IMPORTANT INFORMATION

For certain definitions used in this prospectus, see "*Certain definitions*" on the next page.

A Swedish version of this prospectus has been approved and registered by the Swedish Financial Supervisory Authority (the "SFSA") in accordance with Chapter 2, sections 25 and 26 of the Swedish Financial Instruments Trading Act (*lagen (1991:980) om handel med finansiella instrument*). Approval and registration does not imply that the SFSA guarantees that the information in the prospectus is accurate or complete.

The prospectus and the offering hereunder are governed by Swedish law. Disputes arising in connection with this prospectus, the offering and related legal matters shall be settled exclusively by Swedish courts. The prospectus has been prepared in both Swedish and English language versions. In the event of any conflict between the versions, the Swedish version shall prevail.

Camurus has not taken, and will not take any actions to allow a public offering in any jurisdiction other than Sweden. The offering is not being made to persons resident in the United States, Canada, Japan, Australia, New Zealand, South Africa, Hong Kong, Singapore or any other jurisdiction where participation would require additional prospectuses, registration or measures besides those required by Swedish law. Consequently, the prospectus may not be distributed in or into the mentioned countries or any other country or jurisdiction in which distribution or the offering in accordance with this prospectus require such measures or otherwise would be in conflict with applicable regulations. Subscription of shares and other acquisitions of securities in violation of the restrictions described above may be void. Recipients of this prospectus are required to inform themselves about, and comply with, such restrictions. Any failure to comply with the restrictions described may result in a violation of applicable securities regulations. For further information, see "*Selling and transfer restrictions*".

Investing in shares is associated with risk (see "*Risk factors*"). When an investor makes an investment decision, he or she must rely on his or her own analysis of Camurus and the offering in accordance with this prospectus, including applicable facts and risks. Potential investors should, before making an investment decision, engage their own professional advisers and carefully evaluate and consider their investment decision. Investors may only rely on the information in this prospectus and any possible supplements to this prospectus. No person is authorized to provide any information or make any statements other than those made in this prospectus. Should such information or statement nevertheless be provided or be made it should not be considered to have been approved by Camurus, and Camurus is not responsible for such information or statements. Neither the publication of this prospectus nor any transaction made in respect of it shall be deemed to imply that the information in this prospectus is accurate or applicable at any time other than on the date of the publication of this prospectus or that there have been no changes in Camurus' business since this date. If significant changes relating to the information contained in this prospectus occur, such changes will be announced in accordance with the provisions on prospectus supplements under the Swedish Financial Instruments Trading Act.

As a condition for subscription of shares under the offering in this prospectus, each person applying for subscription of shares shall be deemed to have made or, in some cases, be required to make, certain representations and warranties that will be relied upon by Camurus and its advisors (see "*Selling and transfer restrictions*"). Camurus reserves the right to declare null and void any subscription of shares that Camurus and its advisors believe may give rise to a breach or violation of any law, rule or regulation in any jurisdiction.

Important information to investors in the United States

No subscription rights, paid subscription shares (*betalda tecknade aktier*, "**BTA**") or new shares in Camurus ("**Securities**") have not been, and will not, be, registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or the securities legislation of any state or other jurisdiction of the United States and may not be offered, subscribed for, exercised, pledged, sold, resold, granted, delivered or otherwise transferred, directly or indirectly, within the United States except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities legislation in any state or other jurisdiction of the United States. The Securities are being offered outside the United States in offshore transactions in reliance on Regulation S under the Securities Act. A public offering will not be made in the United States. Any offering of the Securities made in the United States will be made pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act, to a limited number of existing shareholders that (i) are qualified institutional buyers as defined in Rule 144A under the Securities Act ("**QIBS**"), and (ii) have executed and delivered an *investor letter,* in form and substance acceptable, to Camurus. Persons receiving the prospectus are hereby notified that Camurus may be relying on an exemption from the registration requirements of Section 5 of the Securities Act. For a description of these and certain further restrictions regarding the Securities and the distribution of this prospectus, see "*Selling and transfer restrictions*".

Up until 40 days after the initiating of the rights issue, an offer or a transfer of Securities within the United States made by a securities broker (regardless of whether such securities broker participates in the rights issue or not) may imply a breach of the registration requirements of the Securities Act.

The Securities have not been approved or disapproved by the U.S. Securities and Exchange Commission ("**SEC**"), any state regulatory authority in the United States or any other U.S. regulatory authority nor have any of the foregoing authorities passed upon or endorsed the merits of the offering or the accuracy or adequacy of this document. Any representation to the contrary is a criminal offense in the United States.

Important information to investors in the EEA

No public offering of Securities is made to any countries within the European Economic Area ("**EEA**") other than Sweden. In other member states of the EEA which have implemented European Parliament and Council Directive 2003/71/EC (the "**Prospectus Directive**"), such offering may be made only under an exemption in the Prospectus Directive as well as every relevant implementation measure (including measures to implement European Parliament and Council Directive 2010/73/EU). For additional information, see "*Selling and Transfer Restrictions*".

Forward-looking statements

The prospectus contains certain forward-looking statements that reflect Camurus' present view of future events as well as financial and operational development. Words such as "intend", "assess", "expect", "may", "plan", "believe", "estimate" and other expressions entailing indications or predictions of future development or trends, not based on historical facts, constitute forward-looking statements. Forward-looking statements are inherently associated with both known and unknown risks and uncertainties as it depends on future events and circumstances. A forward-looking statement is not a guarantee of future results or development, and actual outcomes may differ materially from those set out in the forward-looking statements.

Factors that may cause Camurus' future results and development to differ from the forward-looking statements include, but are not limited to, those described in "*Risk factors*". The forward looking statements contained in this prospectus apply only as at the date of this prospectus. Camurus does not undertake any obligation to publicly announce any update or change in forward-looking statements as a result of new information, future events or similar circumstances other than as required by applicable laws and regulations.

Presentation of financial information

Certain figures in this prospectus, including financial data, have been rounded. Accordingly, figures shown in totals in certain tables may not be an exact arithmetic aggregation of the figures which precede them.

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The rights issue in brief

Preferential rights

Each existing share in Camurus entitles to one (1) subscription right. Four (4) subscription rights entitles to subscription for one (1) new share. Shares not subscribed for with preferential rights shall be offered to shareholders and other investors.

Subscription price

SEK 42 per share.

Record date for participation in the rights issue

7 March 2019

Subscription period

11 March–25 March 2019

Trading in subscription rights

11 March–21 March 2019

Trading in BTA

11 March–27 March 2019

Subscription with preferential rights

Subscription by exercise of subscription rights is made during the subscription period through simultaneous cash payment.

Subscription without preferential rights

Application for subscription without preferential rights shall be made to Carnegie no later than 25 March 2019 on a separate application form that can be obtained from Carnegie and is available on www.carnegie.se or www.camurus.com. Payment for allotted shares shall be made in accordance with instructions on the notice of allotment. Custody account holders shall instead apply with, and in accordance with instructions from, the custodian.

Other information

Ticker:	CAMX
ISIN Code share:	SE0007692850
ISIN Code subscription right:	SE00123571732
ISIN Code BTA:	SE0012351740

Financial information

Annual report 2018:	5 April 2019
Interim report January-March 2019:	9 May 2019
Interim report January-June 2019:	18 July 2019

Certain definitions

In this prospectus, the following definitions are used:
"**Camurus**" or the "**Company**" refers to, depending on the context, Camurus AB (publ) (corporate ID No. 556667-9105) or the group in which Camurus AB (publ) is the parent company.
The "**Group**" refers to Camurus AB (publ) and its subsidiaries.
"**Joint Global Coordinators**" refers to Carnegie Investment Bank AB (publ) ("**Carnegie**") and Jefferies International Limited ("**Jefferies**").
"**Euroclear Sweden**" refers to Euroclear Sweden AB.
"**Nasdaq Stockholm**" refers to the Swedish regulated market Nasdaq Stockholm or its operator Nasdaq Stockholm AB, as the context may require.
"**SEK**", "**EUR**", "**GBP**" and "**USD**" refers to Swedish kronor, Euro, British pound and U.S. dollars, respectively. **M** indicate millions.

For additional definitions and a glossary, please refer to "*Glossary*".

Summary

Prospectus summaries consist of information requirements presented in "items ". The items are numbered in sections A–E (A.1–E.7).

The summary in this prospectus includes all of the items required in a summary for the relevant type of security and issuer. However, since certain items are not applicable to all types of prospectuses, there may be gaps in the numbering of the items.

Even if an item is required to be included in the summary for the relevant type of security and issuer, it is possible that no relevant information can be provided regarding the item. In such case, the information is replaced by a brief description of the item together with the indication "not applicable".

SECTION A – INTRODUCTIONS AND WARNINGS		
A.1	*Introduction and warnings*	This summary should be read as an introduction to the prospectus. Any decision to invest in the securities should be based on consideration of the prospectus as a whole by the investor. Where a claim relating to the information in this prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating the prospectus before the legal proceedings are initiated. Civil liability may attach to those persons who produced the summary, including any translation thereof, only if the summary is misleading, inaccurate or inconsistent with other parts of the prospectus or if, together with other parts of the prospectus, it fails to provide key information to help investors when considering investing in such securities.
A.2	*Consent to use the prospectus*	Not applicable. Financial intermediaries are not entitled to use the prospectus for subsequent resale or final placement of securities.

SECTION B – ISSUER		
B.1	*Legal and commercial name*	The legal (and commercial) name of the Company is Camurus AB.
B.2	*Domicile and legal form*	The registered office of the Board of Directors is situated in Lund, Sweden. The Company was incorporated in Sweden and is a Swedish public limited liability company governed by the Swedish Companies Act (*aktiebolagslagen (2005:551)*).
B.3	*Nature of operations and principal activities*	Camurus is a Swedish research-based pharmaceutical company committed to developing and commercialising innovative and long-acting medicines for the treatment of severe and chronic conditions. New drug products with best-in-class potential are conceived based on the proprietary FluidCrystal® drug delivery technologies and an extensive research and development ("**R&D**") expertise. The clinical pipeline includes innovative products for treatment of opioid dependence, pain, cancer, neuroendocrine tumors, acromegaly and genetic obesity, developed in-house and in collaboration with international pharmaceutical companies. Camurus' activities covers R&D, manufacturing, distribution, marketing and sales.
B.4a	*Recent trends*	In addition to that the entire global pharmaceutical market, and in particular the specialty medicines market, is growing and is expected to keep growing steadily the next years it is Camurus' assessment that the market trend primarily impacting on Camurus and its activities is the fast growing opioid crisis. In the US, opioid addiction has reached epidemic proportions, threatening not only public health but economic output and national security. An estimated 11.8 million individuals misuse opioids in the US, of which 2.1 million reach the criteria for diagnosis of opioid use disorder.[1)] In Europe, an estimated 1.3 million people engage in high-risk opioid use, with only about 630,000 receiving medical treatment.[2)] [1)] SAMHSA, Results from the 2016 National Survey on Drug Use and Health, Sep. 2017. [2)] European Drug Report 2018, EMCDDA, http://www.emcdda.europa.eu/edr2018_en.
B.5	*Group*	Camurus is the ultimate parent company of the Group, which comprises nine legal entities in eight countries.

B.6 *Major shareholders, etc.*

In Sweden, the lowest threshold for mandatory reporting of changes in shareholdings (so-called flagging) is 5 percent of all shares or voting rights in respect of all shares. The table below shows shareholders with holdings corresponding to at least 5 percent of the shares and voting rights in the Company as of 31 January 2019.

Holder/nominee/custodian	Total No. of shares	Share capital and Voting rights, %
Sandberg Development	20,414,978	53.19
Gladiator	2,495,000	6.5
Other shareholders	**15,471,508**	**40.31**
Total	**38,381,486**	**100.0**

Source: Euroclear Sweden.

Sandberg Development AB ("**Sandberg Development**") can exercise significant influence over the Company in matters where the shareholders have a voting right. Due to its shareholding, Sandberg Development may put through several proposals at a general meeting, even if other shareholders do not agree with the proposal. Sandberg Development is therefore able to exercise significant influence over Camurus. The control is, however, limited in accordance with the rules set out in the Swedish Companies Act (2005:551) on minority protection.

B.7 *Selected historical key financial information*

The below condensed financial statements (as well as measures defined under International Financial Reporting Standards ("**IFRS**")) pertaining to the full years 2016 and 2017 have been derived from Camurus' annual reports for the financial years 2016–2017, which have been prepared in accordance with IFRS as they have been adopted by the EU and audited by the Company's auditor. The condensed financial statements (as well as measures defined under IFRS) pertaining to 2018 have been derived from Camurus' interim report for the period January–December 2018, which has been prepared in accordance with IAS 34 *Interim Financial Reporting* and the Swedish Annual Accounts Act (*årsredovisningslagen (1995:1554)*). The interim report has, as regards January–September 2018, been reviewed by the Company's auditor.

The summary also includes certain measures that are not defined under IFRS (alternative performance measures). These non-IFRS measures have not been reviewed or audited by the Company's auditor. Camurus believes these measures are commonly used by certain investors, securities analysts and other interested parties as supplementary measures of performance trends and financial position. Camurus' non-IFRS measures may not be comparable to other similarly titled measures presented by other companies and have certain limitations as analysis tools. Consequently, they should not be considered separately, or as an alternative to Camurus' financial information prepared in accordance with IFRS.

Condensed consolidated income statement

SEK thousand	2018	2017	2016
Net sales	49,321	54,308	113,737
Cost of sold goods	–6,822	–1,356	–2,140
Gross profit	**42,499**	**52,952**	**111,597**
Marketing and distribution costs	–100,884	–45,893	–24,738
Administrative expenses	–21,999	–26,590	–17,985
Research and development costs	–207,664	–222,939	–172,077
Other operating income	830	93	751
Other operating expenses	–	–1,147	–
Operating result	**–287,218**	**–243,524**	**–102,452**
Finance income	175	174	95
Finance expenses	–25	–18	–1,002
Net financial items	**150**	**156**	**–907**
Result before tax	**–287,068**	**–243,368**	**–103,359**
Income tax	52,392	52,794	22,367
Result for the year	**–234,676**	**–190,574**	**–80,993**

B.7 *Selected historical key financial information (cont'd)*

Condensed consolidated balance sheet

SEK thousand	31 Dec 2018	31 Dec 2017	31 Dec 2016
ASSETS			
Fixed assets			
Intangible assets	15,975	16,653	18,741
Tangible assets	10,899	9,902	9,759
Financial assets	170,955	114,997	61,685
Total fixed assets	**197,829**	**141,552**	**90,185**
Current assets			
Inventories	9,830	3,553	12,380
Current receivables			
Trade receivables	2,280	5,781	8,304
Other receivables	9,604	3,285	3,855
Prepayments and accrued income	10,804	7,239	16,459
Cash and cash equivalents	134,377	314,524	508,594
Total current assets	**166,895**	**334,382**	**549,592**
TOTAL ASSETS	**364,724**	**475,934**	**639,776**
EQUITY AND LIABILITIES			
Equity			
Share capital	960	932	932
Other contributed capital	744,140	642,175	631,034
Retained earnings, including comprehensive result for the period	–492,776	–258,107	–67,549
Total equity	**252,324**	**385,000**	**564,418**
Liabilities			
Short-term liabilities			
Trade payables	35,781	15,086	17,560
Income taxes	1,708	517	–
Other liabilities	3,549	2,672	2,571
Accrued expenses and deferred income	71,362	72,659	55,228
Total short-term liabilities	**112,400**	**90,934**	**75,358**
TOTAL EQUITY AND LIABILITIES	**364,724**	**475,934**	**639,776**

Condensed consolidated cash flow analysis

SEK thousand	2018	2017	2016
Cash flow from operating activities	–274,084	–203,084*	–207,788
Cash flow from investing activities	**–4,761**	**–2,143**	**–4,567**
Cash flow from financing activities	99,851	11,141	4,853
Net cash flow for the year	**–178,994**	**–194,086**	**–207,502**
Cash and cash equivalents at beginning of the year	314,524	508,594	716,096
Cash and cash equivalents at the end of the year	**134,377**	**314,524***	**508,594**

* As from the full year report for 2018, exchange-rate differences from conversion of subsidiaries outside of Sweden are reported under the item "Comprehensive income for the period". Adjustments has been made accordingly for 2017, which has entailed that the exchange-rate differences for 2017 amounting to SEK 16 thousand has been moved, within consolidated equity from the item "Retained earnings" to the item "Comprehensive income for the period". The items "Adjustment for non-cash items" and "Translation difference in cash flow and liquid assets" in the consolidated cash flow statement have been adjusted accordingly with SEK 16 thousand.

B.7 *Selected historical key financial information (cont'd)*

Selected key operating metrics and data per share

MSEK	2018	2017	2016
Income statement			
Net sales[1)]	49.3	54.3	113.7
Operating result[2)]	–287.2	–243.5	–102.5
Result for the period[1)]	–234.7	–190.6	–81.0
R&D costs as percentage of operating expenses (%)[2)]	63%	75%	80%
Balance sheet			
Equity[2)]	252.3	385.0	564.4
Cash and cash equivalents[2)]	134.4	314.5	508.6
Equity/assets ratio (%)[2)]	69%	81%	88%
Total assets[1)]	364.7	475.9	639.8
Cash flow			
Cash flow from operating activities[2)]	–274.1	–203.1	–207.8
Data per share			
Average number of shares, before dilution[1)]	37,842,034	37,281,486	37,281,486
Average number of shares, after dilution[1)]	39,231,356	38,058,289	37,487,937
Earnings per share, before dilution (SEK)[1)]	–6.20	–5.11	–2.17
Earnings per share, after dilution (SEK)[1)]	–6.20	–5.11	–2.17
Equity per share, before dilution (SEK)[2)]	6.67	10.33	15.14
Equity per share, after dilution (SEK)[2)]	6.43	10.12	15.06
Other			
Number of employees at end of period2)	94	71	62
Number of employees in R&D at end of period[2)]	58	48	44

Measures for the interim period January–December 2018 are not audited.

1) IFRS measure, audited.

2) Non-IFRS measure, not audited.

Definitions of IFRS measures

Measure	Definition
Net sales	Total sales proceeds relating to goods and services less discounts, value added tax and other taxes attributable to the sales.
Result for the period	Net earnings, the Company's profit or loss after taxes.
Total assets	The Group's total assets and liabilities respectively, as well as equity.
Average number of shares, before dilution	Average number of shares, before adjustment for dilution due to new shares.
Average number of shares, after dilution	Average number of shares, adjusted for dilution due to new shares.
Earnings per share, before dilution (SEK)	Earnings divided by the average number of shares, before dilution.
Earnings per share, after dilution (SEK)	Earnings divided by the average number of shares, adjusted for dilution.

B.7	*Selected historical key financial information (cont'd)*	**Definitions of non-IFRS measures** **Measure** — **Definition** **Operating result (EBIT)** — Profit/loss for the period before financial revenues, financial costs and income tax on the result for the year. **R&D costs as a percentage of operating expenses (%)** — Research and development costs divided by operating expenses (marketing and distribution costs, administrative expenses and research and development costs). **Equity** — Equity is the difference between the Group's assets and liabilities. Refers to the Group's own resources. **Cash and cash equivalents** — Cash and cash bank balances. **Equity/assets ratio (%)** — Equity divided by total capital. **Cash flow from operating activities** — Cash flow from operating activities after changes in working capital **Equity per share before dilution (SEK)** — Equity divided by number of shares at end of period, before dilution. **Equity per share after dilution (SEK)** — Equity divided by number of shares at end of period, adjusted for dilution. **Number of employees at end of period** — Number of employees at end of period (Compared with average number of employees according to IFRS) **Number of employees in R&D at end of period** — Number of employees mainly working within research and development at end of period **Significant changes since 31 December 2018** On 11 January 2019, Camurus announced that the European launch of the Company's long-acting depot treatment of opioid dependence, Buvidal®, had been initiated and that the medicine is available for healthcare providers and patients in Finland and Sweden. On 6 February 2019, the Company announced its intention to carry out a rights issue on approximately SEK 403 million with preferential rights for the Company's shareholders, subject to approval by the general meeting.
B.8	*Selected key pro forma financial information*	Not applicable. The prospectus contains no pro forma financial information.
B.9	*Profit forecast or estimate*	Not applicable. The prospectus contains no profit forecast or estimate.
B.10	*Audit report qualifications*	Not applicable. There are no qualifications in the audit reports pertaining to the historical financial information.
B.11	*Insufficient working capital*	It is Camurus' assessment that the working capital is not sufficient for the present requirements during the next twelve months. Camurus' working capital requirements are mainly related to the continued development of the Company's product candidates and the establishment of a commercial organization for the sale of Buvidal® on selected markets in Europe and Australia. The working capital is deemed to be sufficient for financing Camurus' operations until May 2019 and the shortfall in working capital for the next twelve months is expected to be somewhere in the range of SEK 300-350 million. The forthcoming rights issue is estimated to raise approximately SEK 403 million before transaction costs. Considering that the rights issue is fully underwritten through subscription and underwriting commitments from existing shareholders and external guarantors, the Board of Directors' assessment is that the conditions for a fully subscribed rights issue are very good. However, the subscription and underwriting commitments are not secured. If the rights issue, despite the abovementioned subscription and underwriting commitments, does not raise a capital contribution of at least SEK 403 million and if Camurus does not succeed to generate further revenues or to perform sufficient cost reductions, the Company may have to seek further external financing and postpone or terminate research and development activities. This can ultimately entail that the Group's operations may have to be reduced.

SECTION C – SECURITIES		
C.1	*Securities offered/ admitted to trading*	Shares in Camurus (ISIN code SE0007692850).
C.2	*Currency*	The currency of the shares in Camurus is SEK.
C.3	*Number of shares issued*	The Company's registered share capital is SEK 959,537.15 as at the date of this prospectus, represented by 38,381,486 shares. All shares are fully paid. Each share has a quota value of SEK 0.025.

C.4	*Rights attached to the securities*	Each share carries one vote at general meetings. Should the Company decide to issue shares, warrants or convertibles by way of a cash issue or a set-off issue (Sw. *kvittningsemission*), shareholders as a general rule shall have preferential rights to subscribe in proportion to their existing shareholdings. All shares carry the same right to dividend and any surplus in the event of liquidation. The right to receive dividends vests in holders recorded as owners of shares in the register of shareholders maintained by Euroclear Sweden on the record date for dividend established by the general meeting.
C.5	*Restrictions on the free transferability*	Not applicable. The shares are not subject to any restrictions on the free transferability.
C.6	*Admission to trading*	The new shares will be traded on Nasdaq Stockholm.
C.7	*Dividend policy*	In accordance with the dividend policy adopted by the Board of Directors, Camurus will continue to focus on its strategy of developing and expanding the Company's clinical project portfolio further and pursuing commercial operations, and the available financial resources will be utilized to finance this strategy. Consequently, the Board of Directors does not intend to propose any dividend to shareholders until Camurus generates sustainable profitability.

SECTION D – RISKS		
D.1	*Key risks specific to the issuer or its industry*	An investment in securities is associated with risk. Prior to any investment decision, it is important to carefully analyze the risk factors considered to be of importance in relation to Camurus and the future performance of the shares. Set out below is a summary of the key risks specific to the industry and/or the operations: • **Pharmaceutical development and projects in early stages of development:** Camurus' projects require continued research and development, and are therefore subject to standard risks, such as the risks that product development may be delayed and that costs may be higher than expected or that the product candidates, at any stage of their development, may ultimately prove to be insufficiently effective or safe. The level of risk in the development of pharmaceuticals is generally high and a setback in any individual project could have a material adverse effect on Camurus. • **Technology platform with limited regulatory validation:** Buvidal® is currently the only pharmaceutical product based on Camurus FluidCrystal® Injection depot which has achieved market approval. If product candidates based on this technology were to display shortcomings in safety or efficacy, there is a risk that Camurus or its partners are forced to discontinue further development and commercialization of product candidates, which could have a material adverse effect on Camurus. • **Clinical trials:** Prior to launching a product candidate in the market, Camurus or its partners must carry out pre-clinical and clinical trials to document and prove that the product candidate has significant efficacy and an acceptable safety profile. The process usually require extensive, costly and time-consuming pre-clinical and clinical trials. Clinical product development can be affected by unforeseen delays, increased costs, unforeseen suspensions and unfavourable results, which could have a material adverse effect on Camurus. • **Heavily dependent on the furthest advanced product candidates:** Camurus is highly dependent on the continued success of the product candidates that are the furthest advanced in their development to market. Rejected applications for clinical trials or market approvals or assessments that the product candidates cannot be successfully commercialized could have serious adverse consequences for the Company. Camurus' ability to finance its operations by receiving milestone payments and generating revenue from product sales is also dependent to a significant extent on the continuation of successful clinical development, grant of market authorization approvals and successful commercialization of these products. Delays to or suspensions of these programmes could have a material adverse effect on Camurus. • **Product and technology collaborations with other pharmaceutical companies:** Camurus is to a significant degree dependent on its collaborations regarding the development and commercialization of products. There is a risk that existing collaboration agreements will be terminated or that Camurus will be unsuccessful in entering into other such agreements in the future. Camurus' ability to realize the value of its product candidates could be delayed or hindered by the absence of such partnership agreements. Furthermore, projects and collaborations can suffer delays for various reasons. The risks associated with out-licensing to other companies could delay, hinder or make the continued development or commercialization of the Company's products more difficult, which could adversely affect Camurus.

D.1	*Key risks specific to the issuer or its industry (cont'd)*	• **Regulatory review and registration of new pharmaceuticals:** A license or approval must be obtained from the relevant authorities in each country or region in order to commence and carry out clinical trials for or to market and sell a pharmaceutical product. Obtaining licenses and approvals can be time-consuming and can further delay, hinder or make the development and commercialization of a product more expensive. If the necessary license or registration is not obtained, is delayed or is associated with unexpected conditions, it will have an adverse impact on the ability to commence sales of the product, which in turn could have a material adverse effect on Camurus. The same applies if Camurus or its partners should not meet the applicable regulatory requirements and thereby become subject to various sanctions. • **Commercialization, market acceptance and dependence on reimbursement systems:** If a pharmaceutical product obtains market approval, the risk remains it will not be commercially successful. The degree of market acceptance and sales of a drug depend on a number of factors, including product properties, clinical results, competing products, availability, price, reimbursement, sales and marketing efforts, prescribing physician awareness and clinical benefit outweighing side effects and other impacts of treatment. Realization of any of the risks related to the commercialization and sales of products and reimbursement systems could lead to an adverse effect on Camurus. • **Revenues from partners and licensees:** A significant portion of Camurus' revenues are expected to comprise revenues from collaboration partners and licensees. All such revenues are dependent on the successful development of the Company's product candidates and the achievement of agreed development and regulatory milestones, and the subsequent product launch and sales in the market. If a collaboration partner or licensee were to decide to discontinue the development of a product or end sales of a product Camurus' revenues and financial position could be materially adversely affected. • **Patents and other intellectual property rights:** There is a risk that existing and future patents and other intellectual property rights held by Camurus will not provide full commercial protection from infringement and competition. The patent position of pharmaceutical companies is generally uncertain and comprises complex assessments. There is a risk that the measures taken by Camurus to protect its intellectual property rights will not be sufficient. If Camurus is forced to defend its intellectual property rights, this could entail significant costs and delays to product development. There is also the risk that Camurus could unintentionally infringe another party's intellectual property rights and thus become involved in court cases for alleged infringement of such other parties' rights. Infringement disputes can have an adverse effect on Camurus' operations, earnings and financial position.
D.3	*Key risks specific to the securities*	Set out below is a summary of the key risks specific to the shares and the rights issue. • **Share-related risks:** Risk and risk taking is inevitably linked to shareholding. Since an investment in shares may increase or decrease in value, there is a risk that investors will not recover their invested capital. • **Future dividends:** Camurus' ability to pay future dividends is depending on the Group's future results, financial position, cash flow, working capital requirements and other factors. • **Future sales of major shareholdings and new share issues:** Future sales of major shareholdings and share issues could have an adverse effect on the share price. • **Significant influence for majority shareholder:** Camurus' largest shareholder, Sandberg Development, holds shares equivalent to 53.9 percent of the share capital and 53.9 percent of the votes in the Company. Sandberg Development can thus, both before and after the rights issue, exert a substantial influence over Camurus in matters that are subject to the approval of the shareholders.

SECTION E – OFFER		
E.1	*Net proceeds and expenses*	Camurus will raise a maximum of SEK 403 million before transaction costs through the rights issue. The transaction costs to be deducted from the proceeds are estimated at approximately SEK 34 million (including fees to the underwriters of approximately SEK 8.9 million).
E.2a	*Reasons for the offer, use of proceeds*	Since its initial public offering in December 2015, Camurus has continued the development of its clinical pipeline of own and partnered product candidates. Camurus' product Buvidal® (CAM2038), weekly and monthly buprenorphine depots, for treatment of opioid dependence has successfully been through clinical Phase II and Phase III development and recently received approval in the EU and Australia, and tentative approval from the FDA in the US. In November 2018, Buvidal® (CAM2038) was approved by the European Commission and the Australian Therapeutic Goods Administration as the first long-acting treatment of opioid dependence. This was a major achievement by the Company, which in January 2019 started the European roll-out of Buvidal® with launches in Finland, Sweden and the UK followed by launches in Germany and Denmark. The launches in Norway and Australia will be followed by the second wave's important markets such as Italy, Spain, France and Israel.

E.2a	*Reasons for the offer, use of proceeds (cont'd)*	In December 2018, Camurus' US partner Braeburn received a tentative approval of Brixadi™ (CAM2038) for the treatment of opioid use disorder from FDA. This decision lead to a delay in the milestone payment from Braeburn of USD 35 million, which will be triggered when final market approval is received from FDA. A final market approval for Brixadi™ monthly depot is according to the FDA related to the expiration of an exclusivity period granted to Sublocade™. The exclusivity period may not last longer than November 2020, but both the scope and duration could be reduced if successfully challenged by Braeburn. The weekly Brixadi™ product is not subject to the exclusivity and could therefore obtain a separate approval and launch earlier in the US. Due to the delay of the aforementioned milestone payment from Braeburn, it is Camurus' assessment that the working capital is not sufficient for the present requirements during the next twelve months. The shortfall in working capital for the next twelve months is expected to be somewhere in the range SEK 300-350 million. On this basis, the Board of Directors of Camurus has resolved on a rights issue with preferential rights for existing shareholders to continue to successfully deliver on the business plan and strategic objectives. The expected gross proceeds from the rights issue will, in the following priority and with an approximate percentage in brackets, be used to: 1. the launches and initial commercialization of Buvidal® for treatment of opioid dependence in Europe and Australia (40-60 percent); 2. continuing the planned development and perform Phase III studies of CAM2029 for the treatment of acromegaly and neuroendocrine tumors (30-40 percent); and 3. continuing building the Company's pipeline and progressing prioritized R&D programs, including CAM2043 for treatment of pulmonary arterial hypertension ("**PAH**") (10-20 percent). Net of transaction costs, Camurus is estimated to raise a maximum of approximately SEK 369 million through the rights issue.
E.3	*Terms and conditions of the offer*	On 6 February 2019, the Board of Directors of Camurus resolved, subject to approval by the General Meeting, to increase the Company's share capital through a new share issue with preferential rights for the Company's shareholders. The Board of Directors' resolution was approved by the Extraordinary General Meeting on 5 March 2019. The rights issue resolution entails that the Company's share capital will increase by a maximum of SEK 239,884 through the issuance of not more than 9,595,372 new shares. The Company's shareholders have preferential rights to subscribe for new shares in relation to the number of shares previously held. The record date for participation in the rights issue is 7 March 2019. Those who are registered as shareholders of Camurus on the record date will receive one (1) subscription right for each share held on the record date, whereby four (4) subscription rights entitle to subscription of one (1) new share. To the extent that new shares are not subscribed for with preferential rights, they shall be allotted to shareholders and other investors who have subscribed for shares without preferential rights. Subscription shall take place during the period from 11 March 2019 up to and including 25 March 2019, or such later date as determined by the Board of Directors. The subscription price has been set at SEK 42 per share.
E.4	*Interests material to the offer*	Carnegie and Jefferies provide financial advice to Camurus in conjunction with the rights issue. From time to time, these advisors (and their affiliates) have provided, and may in the future provide, various banking, financial, investment, commercial and other services to Camurus for which they have received, and may receive, compensation. Seven larger shareholders in Camurus, together holding shares representing 69 percent of the total number of shares and votes in the Company, have undertaken in whole or in part to exercise their preferential rights in the rights issue and thereby subscribe for new shares corresponding to in whole or in part their respective holdings in the Company. These subscription undertakings total approximately SEK 129 million, representing approximately 32 percent of the rights issue. In addition, a certain existing shareholders and certain other external investors have underwritten subscription for additional shares totaling SEK 190 million, corresponding to approximately 47 percent of the rights issue. The remaining approximately SEK 83 million of the rights issue is underwritten, subject to customary terms and conditions, by Joint Global Coordinators. Altogether, the subscription and underwriting commitments total 100 percent of the rights issue.
E.5	*Person/entity offering to sell the security, lock-up agreements*	Shareholders having entered into subscription undertakings (see E.4 above) have undertaken not to reduce their holdings in the Company up until the date the rights issue is fully registered by the Swedish Companies Registration Office.
E.6	*Dilution*	The rights issue will, if fully subscribed, result in an increase of the number of shares in the Company from 38,381,486 to 47,976,858 shares, representing an increase of 25 percent. Shareholders who decline to subscribe for shares in the rights issue will experience a dilution with a total of 9,595,372 new shares, representing approximately 20 percent of the total shares in the Company after the rights issue.
E.7	*Expenses charged to the investor*	Not applicable. The issuer will not impose any charges or taxes on investors.

Risk factors

An investment in securities is associated with risk. Prior to any investment decision, it is important to carefully analyze the risk factors considered to be of significance in relation to Camurus and the future performance of the shares. The risks currently considered to be of relevance to Camurus are described below, without being ranked in particular order of importance. There are risks both regarding circumstances linked to Camurus and/or the industry and those that are of a more general nature as well as risks associated with the shares and the new share issue. Some risks are beyond Camurus' control. The description below does not purport to be complete and, for natural reasons, all risk factors cannot be predicted or described in detail. Therefore, an overall assessment must also include the other information in the prospectus, as well as a general assessment of extraneous factors. The below risks and uncertainty factors may have a material adverse effect on Camurus' operations, financial position and/or results. They may also cause the shares in Camurus to decrease in value, which may result in Camurus' shareholders losing all or part of their invested capital. Additional factors of which Camurus is currently unaware, or which currently are not deemed to be risks, may also have corresponding negative effects.

Risks related to the industry and operations

Pharmaceutical development and projects in early stages of development

Camurus currently has, either itself or together with partners, about ten projects that are in clinical development phases and a number of projects in pre-clinical trials. These projects require continued research and development, and are therefore subject to standard risks related to pharmaceutical development, such as the risks that product development may be delayed and that costs may be higher than expected or that the product candidates, at any stage of their development, may ultimately prove to be insufficiently effective or safe. Any negative, unclear or insufficient results will increase the risk of Camurus not obtaining the necessary regulatory approvals and, if approved, may also make it more difficult for the Company to sell the products in the market or to enter into partnerships for the continued development, sale or distribution of the products. Accordingly, it may be difficult to evaluate and predict the time and cost aspects, and future sales potential, of any of the Company's product candidates. The level of risk in the development of pharmaceuticals is generally high and a setback in any individual project could have a material adverse effect on Camurus' operations and future revenue and thus Camurus' financial position and earnings.

Technology platform with limited regulatory validation

Most of the pharmaceutical product candidates being developed by Camurus, whether on a proprietary basis or in partnership with international pharmaceutical companies, are based on the Company's lipid-based technology platform FluidCrystal® Injection depot, which can be used, for example, to extend the duration and release of pharmaceutical substances in the body. Buvidal® (CAM2038 for treatment of opioid dependence) is currently the only pharmaceutical product based on Camurus FluidCrystal® Injection depot which has achieved market approval. There is a risk that the Company's other product candidates based on the Company's Injection depot or its other technology platforms will be delayed to market or never reach it, and that in the future problems are identified that make it more difficult for the Company to develop, or enter into partnerships for, additional product candidates with future commercial potential and value.

The long duration that characterizes pharmaceutical product candidates based on Camurus' Injection depot can potentially increase the risk of adverse events and other complications compared to if the drug compound were to be released immediately and work for a short time. If product candidates based on Camurus' technology were to display shortcomings in safety or efficacy in ongoing or future clinical trials or in the market, there is a risk that Camurus or its partners decide, or are forced, to discontinue further development and commercialization of one or more product candidates based on this technology. This could have a material adverse effect on Camurus' operations and ability to generate revenue and thus weaken Camurus' financial position and future earnings.

Clinical trials

Prior to launching a product candidate in the market, Camurus or its partners must carry out pre-clinical and clinical trials to document and prove that the product candidate has significant efficacy and an acceptable safety profile. The process usually require extensive, costly and time-consuming pre-clinical and clinical trials. Positive results in previously completed pre-clinical and clinical trials do not guarantee positive results in later stages of development and subsequent clinical trials. Camurus is also unable to predict with any certainty when planned clinical trials can be started or when ongoing trials can be completed since there are numerous factors outside Camurus' direct control that may impact this including, for example, the need for and timing of regulatory approvals and research ethics committee reviews, access to patients and clinical trial units, performing the clinical trial at the trial unit and the considerations of Camurus' partners. It is also difficult to accurately predict the costs associated with clinical trials. Actual costs for carrying out any trial may significantly exceed estimated and budgeted costs. Clinical trials may also give rise to results that do not confirm the intended treatment efficacy or an acceptable safety profile due to undesirable side effects or an unfavorable risk-benefit assessment of the product candidate. This could lead to clinical trials being discontinued or cancelled, or the product not being granted the necessary regulatory approval for further clinical trials or sale in the market. In certain

cases, the development program of the product candidate in question may need to be expanded with additional pre-clinical and/or clinical trials to enable market registration. In summary, clinical product development can be affected by unforeseen delays, increased costs, unforeseen suspensions and unfavorable results, which could have a material adverse effect on Camurus' operations and ability to generate revenue from its projects and thus weaken Camurus' financial position and future earnings.

Heavily dependent on the furthest advanced product candidates

To date, Camurus has invested a significant portion of its human and financial resources in research and development of its product candidates that are the furthest advanced in their development to market, in particular Buvidal®/ Brixadi™ (which has achieved market approval in Europe and Australia), CAM2038 for chronic pain and CAM2029. Camurus is thus highly dependent on the continued success of these products and product candidates and on negative results not arising or negative decisions by authorities not being made on the continuation of product development. Examples of events that could have serious adverse consequences for the Company are rejected applications for clinical trials or market approvals for Camurus' and its partners' products, or assessments that the product candidates cannot be successfully commercialized due to other reasons. The same applies if a market approval is delayed or combined with restrictive conditions, as in the case with the tentative approval of Brixadi™ (monthly depot) from the US Food and Drug Administration ("**FDA**"), in which a final approval from the FDA is related to the expiration of an exclusivity period granted by the FDA to a competing product.

Camurus' ability to finance its operations by receiving milestone payments and generating revenue from product sales is also dependent to a significant extent on the continuation of successful clinical development, grant of market authorization approvals and successful commercialization of these furthest advanced products. Delays to or suspensions of these programmes can be expected to significantly reduce Camurus' future revenue opportunities and thus also have material adverse effects on Camurus' operations, financial position and earnings. Many of the risks associated with the continued development and commercialization of the Company's product candidates are also outside Camurus' control (including, in addition to the need for successful clinical trials, receipt of required regulatory approvals and successful commercialization, other factors such as the absence of the launch of competing products). Also to the extent that development measures, clinical trials and market approvals are financed by Camurus' partners, the above mentioned risks are relevant to Camurus.

If any of the risks described above would materialize, it could have an adverse effect on Camurus' future earnings, operations and financial position.

Product and technology collaborations with other pharmaceutical companies

Product and technology collaborations are key components of Camurus' strategy for increasing its development capacity and commercial penetration, and for achieving profitability. An example of this is the Company's collaboration with Braeburn for the development and commercialization of CAM2038 for treatment of opioid dependence and chronic pain, respectively, in North America. Camurus is to a significant degree dependent on its collaborations with Braeburn and other partners regarding the development and commercialization of the products under these collaborations. There is a risk that one or more of the Company's existing collaboration agreements will be terminated or that Camurus will be unsuccessful in entering into other such agreements in the future. Camurus' ability to realize the value of its product candidates could be delayed or hindered by the absence of such partnership agreements. There is also a risk that differences of opinion will arise between Camurus and its partners or that such partners do not meet their contractual commitments. Furthermore, projects and collaborations can suffer delays for various reasons, something that is a common occurrence in pharmaceutical development since the schedules prepared when partnerships are entered into are indicative in nature. In addition, there is a risk that Camurus' collaboration partners and licensees may prioritize the development of alternative products and product candidates that might also compete with the products and product candidates featured in their collaborations with Camurus. If this were to occur, it could reduce the ability and/or willingness of the Company's collaboration partner or licensee to fulfil its obligations regarding the development and commercialization of the product candidates included in the collaboration with Camurus.

A licensing agreement typically provides that the partner takes over the main responsibility for the further development and commercialization of a product in a defined market. This is the case for CAM2038 in North America and certain other selected markets, which means that Camurus may have limited ability to exercise influence over the licensee's or collaboration partner's future development and commercialization activities. The risks associated with out-licensing to other companies could delay, hinder or make the continued development or commercialization of the Company's products more difficult, which could adversely affect future revenue opportunities and thus have a material adverse effect on Camurus' operations, financial position and earnings.

Regulatory review and registration of new pharmaceuticals

A license or approval must be obtained from the relevant authorities in each country or region in order to commence and carry out clinical trials for or to market and sell a pharmaceutical product. Various licenses and approvals are also required for the manufacture and distribution of a drug. Obtaining licenses and approvals can be time-consuming and can further delay, hinder or make the development and commercialization of a product more expensive, for example, due to differing opinions on which clinical trials are required for registration, including between the authorities of different countries, or manufacturing not being deemed to meet the applicable requirements. Authorities may request additional information or make different assessments compared with Camurus and Camurus' partners, e.g. regarding the interpretation of data from trials or the quality of data. Changes in authorities' practices or procedures, as well as new or changed rules, may require additional work, entail that market approvals are delayed or ultimately result in the necessary license not being obtained or withdrawn. Regulatory authorities, e.g. in the US and the EU, may award orphan drug exclusivity to competing products, which could delay market entrance in a corresponding indication for Camurus' products containing the same active pharmaceutical ingredient. In the US, part of the strategy for obtaining market approval for the Company's product candidates is to apply to the FDA for approval via simplified drug approval pathways, for example 505(b)(2), which is based on utilizing existing and available data for the safety and efficacy of the active substance established for a reference product. A similar approval pathway, called a hybrid application, is also applied by the EMA in the EU. The EMA's decision on 22 november 2018 to grant market approval for Buvidal® in Europe was based on such hybrid application, and a simplified approval pathway is also applied in the ongoing approval process for Brixadi™ in the

US. The application of these simplified approval pathways, can also result in the scope of the pre-clinical and clinical registration programme being reduced for the Company's other product candidates that are based on active substances where pre-existing data is available, as reference may be made to such data. However, if the authorities do not believe that the Company's product candidates qualify for simplified approval pathways, additional clinical trials may need to be carried out to meet the requirements for market approval. This could mean that the development time is extended, that development costs become significantly higher and that development risk increases.

If the necessary licence or registration is not obtained, is delayed or is associated with unexpected conditions, it will have an adverse impact on the ability to commence sales of the product, which in turn could have a material adverse effect on Camurus' ability to generate revenue and on Camurus' financial position.

Camurus and its partners will be liable to meet certain regulatory requirements even after a product has been approved for marketing, including requirements for safety reporting and supervision of the marketing of the products. There is a risk of product side effects being manifested which have not been identified to the same extent in the earlier clinical trials. Furthermore, the Company's manufacturer will be responsible for continuing to follow the rules that apply to the various stages of manufacturing, testing, quality control and documentation of the product in question. Production facilities will be regularly inspected by regulatory bodies, which could lead to observations and new production requirements. If Camurus or its partners, including external manufacturers, do not meet the applicable regulatory requirements, Camurus may be subject to fines, withdrawal of regulatory approval, recalls or seizure of products, other operational restrictions and criminal sanctions that could have material adverse effects on Camurus' operations, financial position and earnings.

Handling narcotic substances

CAM2038 (including Buvidal® and Brixadi™) contains narcotics that are classified as "controlled substances" and therefore are subject to special regulatory rules, for example, regarding their production, handling, import and export. Failure on the part of Camurus, its collaboration partners, contract manufacturers or distributors to comply with these rules could result in administrative, civil or criminal sanctions that could have a material adverse effect on Camurus' operations, financial position and earnings. Furthermore, it may also be difficult to find alternative manufacturers since the number of potential manufacturers holding the necessary regulatory licenses for producing these controlled substances may be limited.

Commercialization, market acceptance and dependence on reimbursement systems

If a pharmaceutical product obtains market approval, the risk remains that sales, regionally or globally, may not meet expectations and that the product will not be commercially successful. The degree of market acceptance and sales of a drug depend on a number of factors, including product properties, clinical documentation and results, competing products, distribution channels, availability, price, reimbursement, sales and marketing efforts, prescribing physician awareness and clinical benefit outweighing side effects and other impacts of treatment, among other factors.

Sales of prescription drugs are influenced by the price set and obtained from the responsible authorities (such as the Dental and Pharmaceutical Benefits Agency in Sweden), from reimbursement payers and by healthcare payors, including insurance companies, hospitals and regionally responsible authorities. The reimbursement rate that, from time to time, applies for a pharmaceutical product often depends on the value that the product is deemed to add for the patient, the healthcare system and the society as a whole. There is a risk that the products do not qualify for subsidies from privately and publicly financed healthcare programmes or that reimbursement is lower than expected, which among other things may affect the market acceptance of the product or the operating margin. Reimbursement systems may also change from time to time, making it more difficult to predict the benefit and reimbursement that a prescription product may obtain. Various initiatives are in place in many countries to curb rising pharmaceutical costs, which could affect future sales margins and product sales for Camurus and its partners. Such measures are expected to continue and could result in fewer reimbursement possibilities and lower reimbursement levels in certain markets.

Realization of any of the risks related to the commercialization and sales of products and reimbursement systems, most of which are beyond the Company's control, could lead to an adverse effect on Camurus' future revenues, operations, financial position and earnings.

Competition

The pharmaceutical industry is highly competitive and the product developments are characterized by significant innovation. Camurus' competitors and potential competitors range from large multinational pharmaceutical companies, established biotech companies, specialist pharmaceutical companies and generic companies, to universities and other research institutions. Several of Camurus' competitors have significantly greater financial, technical and staffing resources, including research and development organizations, and more established manufacturing, distribution, sales and marketing organizations. As a result, these companies could potentially allocate more resources to carrying out clinical trials, obtaining market approval and launching, retailing and marketing their products. Furthermore, competition regarding individual products can be significant and competitors may develop and market drugs with higher efficacy, that are safer and/or less expensive than Camurus' and its partners' products, which could have an adverse effect on the competitive position of Camurus and its partners.

Several other companies have developed or are also developing drug delivery technologies for simplified pharmaceutical administration or for extended release of active drug compounds in the human body that compete with or may compete with Camurus' various technology platforms, such as the FluidCrystal® Injection depot. Camurus' current and any future partners and customers may be evaluating and potentially develop such technologies themselves. Rapid technological advancement could lead to competition heightening and intensifying, and to new drug delivery technologies with enhanced properties replacing or competing with Camurus' technology as regards one or more pharmaceutical products in the market or product candidates under development, which could have an adverse effect on Camurus' operations, financial position and earnings.

Revenues from partners and licensees

A significant portion of Camurus' revenues are expected to comprise revenues from collaboration partners and licensees. These revenues may comprise milestone payments, which for example are dependent on the further development of product candidates, market approvals and future product sales, and sales-based royalties. All such revenues are dependent on the successful development of the Company's product candidates and the achievement of agreed development and regulatory milestones, and the subsequent product launch and sales in the market. The level of future sales

of Camurus' and its partners' products, if any, is uncertain and will ultimately depend on a wide variety of factors, such as clinical results and marketing success. If a collaboration partner or licensee were to decide to discontinue the development of a product or end sales of a product – a decision over which Camurus can be expected to have no control – Camurus' revenues and financial position could be materially adversely affected.

Dependence on suppliers

Camurus and its partners engage and enter into agreements with external parties for parts of the product development activities including, for example, the production of pharmaceutical substances, performance of clinical trials, certain laboratory services and manufacturing of commercial product. There is always the risk that such external parties do not perform their services satisfactorily, that delays occur or that a pharmaceutical substance does not meet quantitative or quality requirements. Other risks include the risk that a supplier fails to pass inspections from governmental authorities and loses its GMP license, or that a partner or an external party's financial condition deteriorates. If this were to occur, continued product development could become more expensive, be delayed or be hampered, which could have an adverse effect on Camurus' operations, financial position and earnings.

The clinical trials being carried out on the Company's product candidates require, and future sales of those product candidates will require, the production of active ingredients and other pharmaceutical ingredients in both sufficient quantities and of the requisite quality. There is a risk that these requirements will not be met at a reasonable cost or at the planned point in time. The production processes are often complex and are also vulnerable to contamination, which can make the continued development of a product more expensive and could delay or hamper such development. In certain cases, only one or a small number of established manufacturers/suppliers of specialist ingredients included in the products based on Camurus' drug delivery technology are available. Camurus may be dependent on such manufacturers, to the extent that their manufacturing processes conducted for the Company are complex and time-consuming and thus challenging to transfer to another manufacturer. It could be costly and time-consuming if the need to change a manufacturer were to arise, and this could thus have a material adverse effect on Camurus' operations, financial position and earnings. For future commercial requirements, the Company's aim is that its critical ingredients and product manufacturing are to be provided by at least two manufacturers. There is a risk that it will not be possible to achieve this goal for all ingredients and products or that, even if two alternative sources are identified and engaged, that this still would not reduce Camurus' dependence on individual manufacturers, to the extent desired.

Dependence on key personnel and qualified employees

Camurus is dependent on its qualified personnel in general and a number of key individuals, including all members of its management team, in particular. If a key individual were to leave the Company, this could have a short or long-term adverse effect on the Company's projects and ability to successfully commercialize approved products and thus its operations, financial position and earnings. Camurus does not maintain any "key person" insurance in respect of any member of its senior management team. Camurus' ability to retain and recruit qualified employees is of great importance to Camurus' future success and growth potential and there is significant competition from, for example, other industry companies, universities and other institutions. Any inability of Camurus to recruit or retain the qualified employees that it needs to conduct its operations could have an adverse effect on the Company's projects and thus its operations, financial position and earnings.

Ability to manage growth and own commercialization

A central part of Camurus' business strategy is that the Company shall pursue commercialization of pharmaceutical products in selected markets in Europe and the rest of the world by itself as market approvals are obtained (just as the recent market approvals of Buvidal® in Europe and Australia). Since 2016 the Company is working on establishing an in-house sales and marketing organization in certain selected markets in Europe and Australia, and Camurus' organization has grown significantly since the Company was publicly listed in December 2015. Camurus has not previously pursued development of a similar commercial establishment or expansion of a marketing and sales organization inside or outside Europe.

There is a risk that the process of establishing an in-house sales and marketing organization will be more time-consuming and costly than the Company has estimated and that expected sales fail to materialize, completely or in part. In addition to company-specific and geographic risks (such as exposure to different and potentially overlapping legal systems and costs for compliance with such systems), the establishment and expansion of a new marketing and sales organization may entail increased demands on the Company's management and on its operational and financial infrastructure. Camurus' existing management resources, internal controls, governance structures, and accounting and information systems may prove to be insufficient for pursuing continued growth and additional investments in these areas may therefore be necessary. If Camurus proves to be unable to efficiently control or provide for continued growth, it could have an adverse effect on Camurus' operations, financial position and earnings.

Increased exposure to macroeconomic factors

As Camurus establishes and develops an in-house sales and marketing organization in certain selected markets in Europe and Australia, Camurus becomes more exposed than before to external macroeconomic factors, such as supply and demand, booms and recessions, inflation, interest-rate increases, exchange-rate fluctuations, trade barriers and other political decisions. Such external factors may, among other things, have impacts on operating expenses, sales prices, the ability to acquire relevant raw materials and components, and the ability to market products in certain jurisdictions. Any of these factors could have an adverse effect on Camurus' operations, financial position and earnings.

Product liability and insurance

Camurus' operations are subject to the risks of liability that are inherent for operations that carry out the research development, manufacturing and sale of pharmaceutical products and medical devices. These include the risk of product liability claims that may arise in connection with the manufacturing, clinical trials and marketing and sale of pharmaceutical products and medical devices including, for example, clinical volunteers and patients suffering from side effects or being injured. Camurus normally tries to transfer a portion of its product liability risk to its partners and licensees, and takes out insurance to the extent that is commercially reasonable to cover risk of its own liability. There is nevertheless a risk that the Company's applicable insurance policies or contractual regulations will not provide sufficient coverage in the event of a potential claim for damages, which could have an adverse effect on Camurus' operations, financial position and earnings.

IT risks

Camurus' ability to effectively and securely manage and store project-related information, results and reports from its clinical trials, and other business-critical activities is dependent on its IT systems and related processes working efficiently and without interruption. Such systems can be disrupted by, for example, software and hardware problems, computer viruses, data intrusion, sabotage and physical damage. There is a risk that IT failure or other problems with IT systems, depending on their length, scope and severity, could adversely affect Camurus' operations, financial position and earnings.

Patents and other intellectual property rights

Camurus has an active intellectual property rights strategy, whereby the Company endeavors to protect its platform technologies and products in important global markets. There is a risk that existing and future patents, trademarks and other intellectual property rights held by Camurus will not provide full commercial protection from infringement and competition. The patent position of pharmaceutical companies is generally uncertain and comprises complex technical, medical and patent-law assessments. The pharmaceutical industry is also characterized by rapid technological advances and a high level of innovation. Accordingly, there is always the risk that new technologies and products are developed that could result in Camurus' current and future intellectual property rights for technologies and products being circumvented or replaced. Patents are, by their nature, limited in time. The patents of other companies can also limit opportunities for Camurus or its collaboration partners and licensees to freely use a certain product or production method. Since patent applications are confidential until they are published, there is the risk that Camurus' patent applications may not be prioritized in relation to previously unknown patent applications and patents. Furthermore, it is not certain that Camurus' patent applications will result in patents being granted or that any patent protection granted will have the same scope as was stated in the original application. There is a risk that granted patents will be declared null and void, for example, as a result of a dispute with a third party. Under the Company's licensing agreements, Camurus' partners may be granted certain rights to Camurus' patents that encompass the products included in the agreement and Camurus may be granted certain rights in patents granted to Camurus' partners. As a result, these patents are not always or fully under Camurus' direct control. For example, the future sales of Brixadi™ in the US is partly dependent on Braeburn's ability to renew and maintain the patents it has licensed from Camurus. If Camurus' partners fail in this respect, it could have a material adverse effect on Camurus' ability to generate revenue.

Furthermore, there is a risk that the measures adopted by Camurus in order to protect its patents, trademarks and other intellectual property rights will not be successful or sufficient and that competitors and others may, intentionally or unintentionally, infringe Camurus' patents, trademarks or other intellectual property rights. Laws and practice regarding the protection of intellectual property rights vary extensively between countries and Camurus' rights may thus be more vulnerable in some countries than in others. If Camurus is forced to defend its patents, trademarks and other intellectual property rights, this could entail significant costs and delays to product development. There is also the risk that Camurus could unintentionally infringe another party's intellectual property rights and thus become involved in court cases for alleged infringement of such other parties' rights. Companies may also be subjected to baseless lawsuits regarding patent infringement. Infringement disputes can, similar to other types of disputes, be costly and time-consuming and thus could have an adverse effect on Camurus' operations, earnings and financial position.

Know-how and trade secrets

Camurus is dependent on know-how and trade secrets, which are not protected by registration in the same way as other intellectual property. To protect its know-how, Camurus uses, for example, confidentiality agreements, but unauthorized disclosure or unauthorized use of Company information – by competitors, business partners, consultants or employees, among others – could still occur. There is also a risk that competitors and others could independently develop similar know-how, which could be detrimental to Camurus' operations, financial position and earnings.

Share dealing investigation

On 1 June 2018, Camurus was contacted by Nasdaq Stockholm in connection with a press release issued by the Company on 31 May 2018 regarding clinical Phase I results for a long-acting treprostinil for the treatment of pulmonary arterial hypertension. Nasdaq Stockholm later decided to initiate an investigation on whether the Company's disclosure of information was in compliance with applicable insider regulations. Nasdaq Stockholm has subsequently closed its investigation without further action and has, in accordance with applicable rules, handed over the case to the Swedish Financial Supervisory Authority. Although Nasdaq Stockholm has closed its investigation without further action, there is a risk that the Swedish Financial Supervisory Authority or any other authority will take action against the Company resulting in financial or other types of sanctions that could have an adverse effect on the Company's operations, financial position and earnings.

Disputes and legal proceedings

Camurus may from time to time be the subject of legal proceedings related to its operating activities. Such legal proceedings, in addition to the disputes referred to above regarding intellectual property infringement and validity of certain patents, may also include commercial disputes. Disputes and claims can be time-consuming, disrupt operations, involve considerable sums or principally important issues and entail significant costs, and thus adversely affect the Company's operations, earnings and financial position.

Tax risks

Camurus conducts operations involving several countries, including in Sweden where Camurus' headquarter is located, and in Germany, the UK, France, Norway, Finland, Denmark and Australia, where Camurus is establishing local commercial organizations for the product launch of Buvidal®. As far as Camurus is aware, it conducts its operations in compliance with applicable tax laws in Sweden as well as abroad, including Camurus' intra-group transactions. There is, however, a risk that Camurus' interpretation of these tax rules may be incorrect or that the laws may change, possibly with retroactive effect. As a result of decisions by Swedish and foreign tax authorities, Camurus' previous or current tax situation could therefore change, which could have an adverse effect on Camurus' operations, earnings and financial position.

Furthermore, as a result of the collaboration and licensing agreements that Camurus has entered into, the Company must make complicated assessments relating, *inter alia*, to revenue recognition. Important assessments include whether an agreement should be divided into different sub-transactions, how to allocate the price of these transactions, how the timing of the transactions should be reported and in what way (on one occasion or over time). Camurus must also determine whether a collaboration and license agreement should be recognized as revenue upon delivery, or if the agreement involves a lease agreement to be recognized as revenue over time.

Further, Camurus' management team makes judgments and estimates regarding the possibility of utilizing incurred losses for tax deductions. If the Company in the future will not generate profit in line with the Company's current expectations, or not at all, Camurus will not be able to offset incurred losses as estimated, which may result in an increased tax burden for the Company. Correspondingly, changes in applicable tax rates, or other governmental tax policy decisions, may adversely affect the Company's tax position.

Corporate governance and CSR risks

Camurus is subject to the risk that executives may make decisions that are not consistent with Camurus' strategies, internal guidelines and policy documents, a risk which may increase as the Company continues its geographical and organizational expansion. Furthermore, employees within Camurus and other persons related to Camurus, as well as its partners, may perform acts that are considered unethical, are criminal (e.g. violation of applicable bribery and anti-corruption legislation) or otherwise contrary to applicable laws and regulations or Camurus' internal guidelines and policy documents. If Camurus' internal controls and other measures to ensure compliance with laws, regulations, internal guidelines and policy documents prove to be insufficient, Camurus' reputation may be tarnished or the Company may be affected by public law sanctions, which could result in an adverse effect on its operations, financial position and earnings.

Operating losses and additional financing needs

With the exception of the 2012-2014 financial years, Camurus has reported operating losses since the Company's operations started, and cash flow is expected to remain neutral or negative until such time as Camurus can generate annual revenues from products in the market. It is Camurus' assessment that the existing working capital is not sufficient for the present requirements during the next twelve months. Going forward, Camurus will continue to require significant capital for continuing research and development of potential products. Both the extent and timing of Camurus' future capital requirements will depend on a number of factors, such as costs for its operations and its ongoing geographical and organizational expansion for the commercialization of Buvidal® on selected markets in Europe and Australia, the potential success of its research and development projects and opportunities for entering into partnership and licensing agreements, the timing for the receipt and amount of milestone payments and royalties, the timing of market approval and the market reception of potential products. Access to and the terms and conditions for additional financing are influenced by several factors, such as market conditions, the general availability of equity and debt financing and Camurus' attractiveness as an investment and/or the Company's credit rating and credit capacity. Turmoil and uncertainty in the credit and capital markets can also limit access to additional financing. If the Company chooses to obtain additional financing by issuing shares or share-based instruments, the Company's shareholders who do not or may not participate will have their holdings diluted, while debt financing, if available to the Company, may contain terms and conditions that restrict the Company's operational and financial flexibility. There is a risk that new capital cannot be obtained when needs arise, that capital cannot be obtained on favorable terms or that no capital at all can be raised. If Camurus is unable to obtain financing as required, the Company may be required to significantly curtail one or more of its research or development programmes or ultimately discontinue operations.

Exchange rate risk

Camurus is exposed to foreign exchange risk in the form of transaction exposure. Camurus is based in Sweden and reports its financial position and results in SEK. Transaction exposure arises from the purchase and sale of goods and services in currencies other than SEK. A large portion of Camurus' revenues and expenses are, and are expected in the future to remain, denominated in foreign currencies, principally EUR, USD and GBP. Camurus' finance policy allows hedging instruments to be used, but if Camurus' measures to address the impact of exchange rate fluctuations do not prove to be sufficiently effective, Camurus' financial position and earnings could be adversely affected. Currently, no hedging instruments are being used by Camurus.

Credit risk

Credit risk refers to the risk that Camurus' counterparties cannot meet their payment obligations and thereby create a loss for Camurus. For example, there is a risk that Camurus' collaboration partners and licensees are not able to satisfy their payment obligations for milestones and potential future royalties as they fall due, or that potential future customers (such as wholesalers and pharmacies) are not able pay for their purchases on time or at all. If Camurus' measures to manage credit risk are inadequate, this may adversely affect Camurus' financial position and earnings.

Changes in accounting rules

The Group is affected by the accounting rules applicable from time to time in the jurisdictions in which the Company operates, for example International Financial Reporting Standards ("**IFRS**") pursuant to which Camurus prepares its consolidated financial statements. In the future, Camurus' accounting, financial reporting and internal control may be affected by, and have to adapt to, changes in accounting rules or changes in the application and interpretation of such accounting rules.

When preparing an annual report in accordance with IFRS, the Group Management and the Board of Directors have to make estimates, assessments and assumptions that affects the application of accounting principles and assets, debts, revenues and costs accounted for. However, the actual result may deviate from these estimates and assessments. IFRS are updated regularly by the International Accounting Standards Board ("**IASB**") and approved by the EU. Such updates and approvals may entail that Camurus has to make further and more extensive estimates and assessments when preparing Camurus' financial reports in accordance with IFRS. In addition, changes in accounting rules or changes in the application and interpretation of such accounting rules may lead to uncertainty as regards Camurus' accounting, financial reporting and internal control and may affect Camurus' reported revenues, balance sheet and equity, which may have a material adverse effect on Camurus' earnings and financial position.

A recent example is IFRS 16 (Leases), which has replaced IAS 17, which shall be applied for financial years beginning 1 January 2019. Any transitional effects resulting from the implementation of changes in accounting rules or in the application and interpretation of such rules may affect the Group's reported earnings, balance sheet and equity, which may have a negative impact on Camurus' financial position and results.

Risks related to the shares

Share-related risks

Risks and risk-taking are inevitable aspects of owning shares. Since a share investment can both rise and fall in value, there is a risk that an investor will not recover the capital invested. The share price for listed companies can be very volatile and its development is dependent on a number of factors, some of which are company-specific while others are tied to the stock market as a whole. It is impossible for an individual company to control all of the factors that may affect its share price, and consequently any investment in shares should be preceded by a careful analysis.

There is a risk that the liquidity and price of the shares are subject to large fluctuations in response to general economic conditions or fluctuations in the stock market in general. Such fluctuations can occur regardless of how Camurus actually performs or the conditions in its main markets and may adversely affect the liquidity and price of the shares. Further, the trading market for the shares in Camurus will be influenced by the research and reports that securities or industry analysts publish about the Company (if any). If one or more of the analysts who cover the Company, or the industry in which it operates, downgrades the Company's shares, the market price of the shares may decline. If one or more of these analysts ceases coverage of the Company or fails to regularly publish reports on the Company, the Company could lose visibility in the financial and share markets, which could cause the market price or trading volume of the Company's shares to decline.

Trading in subscription rights and paid subscribed shares (BTA)

Persons who are registered as shareholders in Camurus on the record date receive subscription rights in proportion to their existing shareholdings. The subscription rights are expected to have an economic value that can only benefit the holder if he or she either exercises them to subscribe for new shares no later than 25 March 2019 or sells them no later than 21 March 2019. After 25 March 2019, unexercised subscription rights will be removed, without prior notification, from the holders' securities account and the holder will thus be deprived of the expected economic value of the subscription rights. Both subscription rights and BTA that, after payment, are booked into the securities accounts of those who subscribed for new shares, will be subject to trading on Nasdaq Stockholm for a limited period of time. Trading volumes in these instruments may be limited, which may cause problems to individual holders in selling their subscription rights and/or BTA. Limited liquidity could also enhance fluctuations in the market price of subscription rights and/or BTA. Accordingly, pricing of these instruments could be incorrect or misleading.

Dilution

Holders of shares who do not participate in the rights issue before the expiration date of the subscription period will lose their rights to subscribe for new shares at the subscription price, and no compensation will be paid to holders whose rights lapse as a result of a failure to exercise or sell their subscription rights. Holders of shares who do not exercise their subscription rights or only partially exercise their subscription rights, or who cannot exercise subscription rights because of applicable legal restrictions, will experience dilution of their proportional holdings of shares and votes in Camurus.

Unsecured subscription and underwriting commitments

Certain larger shareholders in Camurus have undertaken to subscribe for around 32 percent of the rights issue in total. The remainder of the rights issue is underwritten by certain existing shareholders and certain other external investors as well as by the Joint Global Coordinators. These subscription and underwriting commitments are not secured. Consequently, there is a risk that one or more of the shareholders or guarantors will not be able to meet their respective underwriting or subscription commitments. If the abovementioned commitments are not met, this could negatively impact Camurus' ability to successfully complete the rights issue.

Future dividends

Historically, no dividend has been paid by Camurus and the intention is to not propose dividends to the shareholders unless and until Camurus achieves long-term profitability. Hence, there is a risk that no dividends will ever be paid in the future. The size of future dividends, if any, will depend on Camurus' future earnings, financial position, cash flows, working capital requirements and other factors.

Significant influence for majority shareholder

Camurus largest shareholder Sandberg Development AB ("**Sandberg Development**") holds 53.2 percent of the shares and votes in the Company. This means that Sandberg Development has a significant influence over Camurus and most resolutions that are subject to voting at the general meeting. This will presumably be the case even if Sandberg Development's relative ownership in Camurus would be reduced due to Sandberg Development not fully exercising its preferential right. Such matters include the election of board members, the issuance of additional shares and share-related securities that could entail dilution for existing shareholders and resolutions on dividends, if any. There is a risk that Sandberg Development's interests may differ or be contrary to the interests of other shareholders.

Future sales of major shareholdings and new share issues

Substantial sales of shares by major shareholders, including Sandberg Development, as well as a general market expectation that additional sales of shares may or will be made, may affect Camurus' share price negatively. Moreover, new share issues would lead to a dilution of the ownership of shareholders who for some reason are unable to participate in such a new issue or do not choose to exercise their right to subscribe for shares. The same risk of dilution applies in the event that new shares are issued in an offering directed at other than existing shareholders.

Specific risks for foreign shareholders

Camurus' shares is quoted in SEK and any dividends will be paid in SEK. This means that shareholders outside Sweden may be negatively impacted on the value of their holdings of shares and dividends, if any, when these are translated into other currencies if the SEK decreases in value against the currency concerned.

If, in the future, Camurus issues new shares with preferential rights for existing shareholders, shareholders in certain countries may be subject to limitations preventing them from participating in such new share issues or otherwise impeding or limiting their participation. For example, shareholders in the United States may be prevented from exercising such preferential subscription rights unless an exemption from the registration requirements of the Securities Act is applicable. Shareholders in other jurisdictions outside Sweden may also be affected in a similar manner depending on local legal requirements. To the extent that shareholders in jurisdictions other than Sweden are unable to subscribe for new shares in any rights issues, their proportionate ownership in Camurus will decrease.

Invitation to subscribe for shares in Camurus

On 6 February 2019, the Board of Directors of Camurus resolved, subject to approval by the general meeting, to increase the Company's share capital through a new share issue with preferential rights for Camurus' shareholders. The Board of Directors' resolution was approved by the Extraordinary general meeting on 5 March 2019.

The rights issue resolution entails that the Company's share capital will increase by a maximum of SEK 239,884 through the issuance of not more than 9,595,372 new shares. The Company's shareholders have preferential rights to subscribe for new shares in relation to the number of shares previously held. The record date for participation in the rights issue is 7 March 2019. Those who are registered as shareholders of Camurus on the record date will receive one (1) subscription right for each share held on the record date, whereby four (4) subscription rights entitle to subscription of one (1) new share. To the extent that new shares are not subscribed for with preferential rights, they shall be allotted to shareholders and other investors who have subscribed for shares without preferential rights in accordance with the principles set out in "*Terms and conditions*". Such allotment shall firstly be made to those who have also subscribed for shares by exercise of subscription rights. Subscription shall take place during the period from 11 March 2019 up to and including 25 March 2019, or such later date as determined by the Board of Directors, and otherwise in accordance with the instructions included in "*Terms and conditions*".

The subscription price has been set at SEK 42 per share. Provided that the rights issue is fully subscribed, Camurus will consequently raise in total SEK 403 million before transaction costs.[1)]

Shareholders who elect not to participate in the rights issue will have their holdings diluted by up to approximately 20 percent, but have the possibility to compensate themselves financially for the dilution by selling their subscription rights.

Subscription and underwriting commitments[2)]

Camurus' largest shareholder, Sandberg Development, holding approximately 53 percent of the Company's outstanding shares, and the Company's President and CEO Fredrik Tiberg, holding approximately 4 percent of the outstanding shares, have committed to subscribe for SEK 75 million and SEK 5 million, respectively, in the rights issue. Furthermore, existing shareholders Gladiator, the Fourth Swedish National Pension Fund, Backahill Utveckling, Grenspecialisten Förvaltning and Maven Investment Partners, together holding approximately 12 percent of the outstanding shares, have committed to subscribe for their *pro rata* shares of the rights issue. In aggregate, these subscription undertakings total approximately SEK 130 million, representing approximately 32 percent of the rights issue.

In addition, certain existing shareholders, including Gladiator, the Fourth Swedish National Pension Fund, Grenspecialisten Förvaltning and Maven Investment Partners, and certain other external investors, including LMK Venture Partners and CVI Investments Inc. (through Heights Capital Management), have committed to subscribe for and underwrite an additional SEK 190 million in total, representing approximately 47 percent of the rights issue. The remaining approximately SEK 83 million of the rights issue is underwritten, subject to customary terms and conditions, by the Joint Global Coordinators.[3)] The rights issue is thus fully underwritten. Also, Enter Fonder and Swedbank Robur Fonder, together holding approximately 3 percent of the outstanding shares, have indicated that they are positive to the rights issue and that they intend to subscribe for their *pro rata* shares of the rights issue.

The shareholders of Camurus are hereby invited to subscribe for new shares in Camurus with preferential rights in accordance with the terms and conditions of this prospectus.

Lund, 7 March 2019

Camurus AB (publ)
The Board of Directors

1) Transaction cost estimated at approximately SEK 34 million (including fees to the underwriters of approximately SEK 8.9 million) will be deducted from the rights issue proceeds of not more than SEK 403 million. Net of transaction costs, Camurus is estimated to raise a maximum of approximately SEK 369 million through the rights issue.
2) See also "*Subscription and underwriting commitments*" in "*Legal considerations and supplementary information*".
3) The subscription and underwriting commitments are not secured, see "*Unsecured subscription and underwriting commitments*" in "*Risk factors*".

Background and reasons

Camurus is a Swedish research-based pharmaceutical company committed to developing and commercialising innovative and differentiated medicines for the treatment of severe and chronic conditions. New drug products with best-in-class potential are conceived based on the proprietary FluidCrystal® drug delivery technologies and an extensive R&D expertise. Camurus' clinical pipeline includes products for treatment of cancer, endocrine diseases, pain and addiction, developed in-house and in collaboration with international pharmaceutical companies.

Since its initial public offering in December 2015, Camurus has continued the development of its clinical pipeline of own and partnered product candidates. Camurus' product Buvidal® (CAM2038), weekly and monthly buprenorphine depots, for treatment of opioid dependence has successfully been through clinical Phase II and Phase III development and recently received approval in the EU and Australia, and tentative approval from the FDA in the US.

In November 2018, Buvidal® (CAM2038) was approved by the European Commission and the Australian Therapeutic Goods Administration as the first long-acting treatment of opioid dependence. This was a major achievement by the Company, which in January 2019 started the European roll-out of Buvidal® with launches in Finland, Sweden and the UK followed by launches in Germany and Denmark. The launches in Norway and Australia will be followed by the second wave's important markets such as Italy, Spain, France and Israel.

In December 2018, Camurus' US partner Braeburn received a tentative approval of Brixadi™ (CAM2038) for the treatment of opioid use disorder from FDA. This decision lead to a delay in the milestone payment from Braeburn of USD 35 million, which will be triggered when final market approval is received from FDA. A final market approval for Brixadi™ monthly depot is according to the FDA related to the expiration of an exclusivity period granted to Sublocade™. The exclusivity period may not last longer than November 2020, but both the scope and duration could be reduced if successfully challenged by Braeburn. The weekly Brixadi™ product is not subject to the exclusivity and could therefore obtain a separate approval and launch earlier in the US.

Since 2016, Camurus has invested significant resources in building a commercial infrastructure and organization for commercializing Buvidal® in Europe and Australia. Experienced marketing and sales teams and effective distribution models are now in place in all wave one markets in Europe and Australia.

Due to the delay of the aforementioned milestone payment from Braeburn, it is Camurus' assessment that the working capital is not sufficient for the present requirements during the next twelve months. The shortfall in working capital for the next twelve months is expected to be somewhere in the range SEK 300-350 million. On this basis, the Board of Directors of Camurus has resolved on a rights issue with preferential rights for existing shareholders to continue to successfully deliver on the business plan and strategic objectives. The expected gross proceeds from the rights issue will, in the following priority and with an approximate percentage in brackets, be used to:

1. the launches and initial commercialization of Buvidal® for treatment of opioid dependence in Europe and Australia (40-60 percent);
2. continuing the planned development and perform Phase III studies of CAM2029 for the treatment of acromegaly and neuroendocrine tumors (30-40 percent); and
3. continuing building the Company's pipeline and progressing prioritized R&D programs, including CAM2043 for treatment of pulmonary arterial hypertension ("**PAH**") (10-20 percent).

If the rights issue, despite the subscription and underwriting commitments made, does not raise a capital contribution of at least SEK 403 million and if Camurus does not succeed to generate further revenues or to perform sufficient cost reductions, the Company may have to seek further external financing and postpone or terminate research and development activities. This can ultimately entail that the Group's operations may have to be reduced.

The Board of Directors of Camurus is responsible for the contents of this prospectus. The Board of Directors hereby declares that, having taken all reasonable care to ensure that such is the case, the information in this prospectus is, to the best of the Board of Directors' knowledge, in accordance with the facts and contains no omissions likely to affect its import.

Lund, 7 March 2019

Camurus AB (publ)
The Board of Directors

Business description and market overview

Camurus in brief

Camurus is a Swedish science-led, commercial-stage biopharmaceutical company committed to developing and commercializing innovative and differentiated medicines for the treatment of severe and chronic conditions. New pharmaceutical products with best-in-class potential are conceived based on the company's proprietary FluidCrystal® technologies and its extensive research and development (R&D) expertise. Camurus' clinical pipeline includes innovative therapeutics for the treatment of opioid dependence, chronic pain, neuroendocrine tumors, acromegaly and genetic obesity, developed in-house and in collaboration with international pharmaceutical companies.

Operations comprise all areas ranging from R&D, manufacturing and distribution to marketing and sales. Camurus has decades of experience in research and pharmaceutical development, and many of its employees are pioneers in the field of lipid-based drug delivery and co-inventors of the company's proprietary FluidCrystal® technology. The commercial organization is led by an international team with extensive experience from marketing and sales of specialty pharmaceuticals in areas of opioid dependence, pain and endocrinology.

Camurus' commercial infrastructure is well developed in Europe and Australia, with subsidiaries established in Germany, the UK, France, Finland, Denmark, Norway and Australia for the launch of Buvidal® for the treatment of opioid dependence. Camurus has entered into strategic partnerships for the registration and commercialization of Buvidal® in the US and Israel and intends to continue building its network of distributors outside Europe and Australia. The company plans to expand its commercial operations over time and market additional products originating from its own proprietary development pipeline and through new licenses, distribution agreements and acquisitions.

Camurus' ability to develop innovative treatments from initial concept to approved medicine was recently demonstrated with the approval of weekly and monthly Buvidal® by the European and Australian health authorities, and by the tentative approval of the same product under the trade name Brixadi™ in the US. The inflow of new projects from in-house research is complemented by collaborations with international biotech and pharmaceutical partners as well as with academia. Camurus also actively pursues business cooperation, in-licensing and acquisitions.

Camurus' organization has grown significantly since 2015. As of 31 January 2019, the company had 100 employees, divided between the Company's headquarter in Lund, Sweden and commercial subsidiaries in Europe and Australia.

The pharmaceutical market: an overview

General growth trends

The global pharmaceutical market is expected to reach nearly 1.3 trillion USD by 2021, representing an increase of 370 billion USD from 2016.[1] The US will continue as the world's largest pharmaceutical market, followed by Japan – which replaced China as the second largest pharmaceutical spending country in 2012. The growth in developed markets will be driven by original brands, while generic products are dominating in emerging markets with on average 91% of market volume and 78% of spending.[2] Of all new medicines, specialty medicines will increase their share reaching nearly half of total spending in the US and European markets. This rise will be driven by the adoption of new breakthrough medicines and is constrained by cost and access controls and a greater focus on assessments of value.

The role of R&D companies

Historically, large pharmaceutical companies have undertaken the entire development process in-house, from R&D to commercialization.[3] However, the major pharmaceutical companies are now increasingly dependent on collaboration with smaller research-oriented biopharmaceutical companies that conduct early-stage projects and then license their product candidates to larger companies with the capacity to conduct major clinical trials and commercialize the products on the global market. These joint ventures can streamline product development from idea to market and reduce risks and costs for both parties. Licensing agreements for new product candidates often entitle the R&D company to down payments, milestone payments and royalties. Such agreements also usually include collaborations, in which employees from both sides are involved in the product development. Other typical agreement factors may be joint marketing and sales, or exclusive rights in certain markets. Technology-related agreements may cover multiple future product candidates.

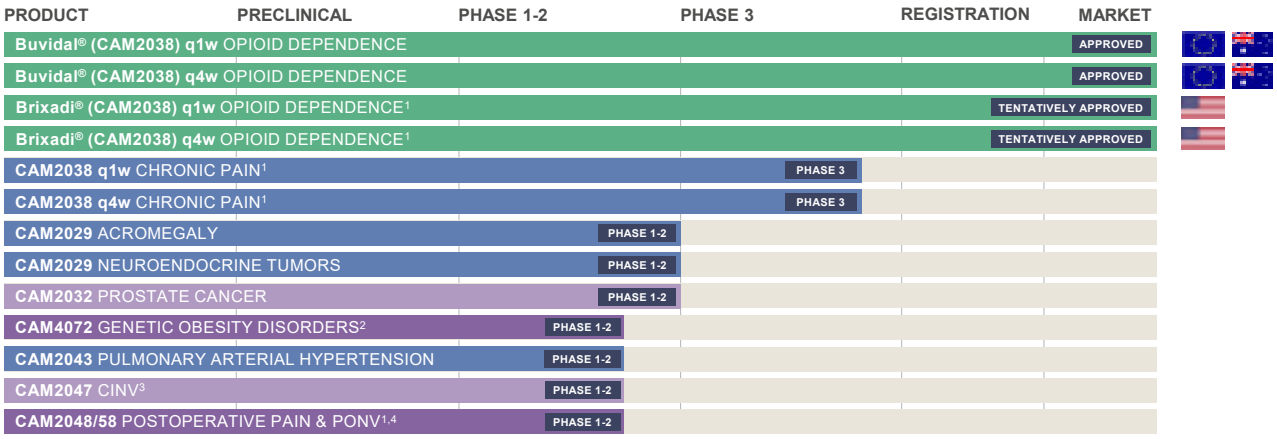
Camurus' product portfolio

Camurus invests significant resources in the R&D of its proprietary drug delivery technologies and product candidates for the treatment of serious and chronic conditions. New innovative medicines with improved properties and treatment outcomes are conceived by combining the company's patented drug delivery technologies with active pharmaceutical ingredients with documented safety and efficacy profiles. These may be developed with significantly lower costs and risks, compared with the development of completely new pharmaceuticals.

Camurus' current pipeline of product candidates is shown in the figure below. This includes Buvidal® (weekly and monthly buprenorphine depots), which was recently approved in the EU and Australia for the treatment of opioid dependence. The company's development pipeline contains product candidates across different indication areas, including opioid dependence, pain, oncology and oncology supportive care, endocrinology, cardiovascular diseases and obesity.

1) IMS Institute for Healthcare Informatics, Outlook for Global Medicines, December 2016.
2) IMS Institute for Healthcare Informatics, Outlook for Global Medicines, December 2016.
3) Pharma 2020: Challenging business models. Which path will you take? PricewaterhouseCoopers.

These innovative product candidates are either fully-owned and developed by Camurus or out-licensed to a partner, as in the case of Brixadi™ (the US trade name of Buvidal®), where Camurus' partner Braeburn has obtained the rights to develop and commercialize Brixadi™ under a license agreement signed with Camurus in 2014.



1. Braeburn holds the rights to North America; 2. Developed by Rhythm Pharmaceuticals under a worldwide license to FluidCrystal®; 3. Postoperative nausea and vomiting.

Camurus also has several early-stage product candidates in preclinical development with the potential to enter into clinical development within the coming years, addressing significant unmet medical needs within different market segments.

Based on its unique FluidCrystal® technologies, Camurus is also engaged in R&D collaborations with international biotech and pharmaceutical companies aiming at the development of new medicines or life-cycle management of existing products. In addition to project revenues, these collaborations may result in future licenses with potential for significant revenues in the forms of milestone payments and royalties on sales.

Camurus has also developed the medical device product episil® oral liquid for the management and treatment of pain in the oral cavity. episil® adheres to the mucosal surface of the mouth, soothing oral lesions of various etiologies, including oral mucositis, a common and debilitating side effect of chemo and radiotherapy. The product has received market authorization and has been launched in several markets, including the EU, US, Japan and China. Sales and distribution of episil® are mainly conducted through partners, although Camurus sells the product in Sweden, Denmark and the UK.

Camurus' history

Camurus was founded in Lund, Sweden in 1991 by a group of leading scientists in physical and biophysical chemistry at Lund University and Lund Institute of Technology. As pioneers in the areas of lipid self-assembly, phase behavior and nanostructure formation, and being aware of the significant drug delivery challenges in pharmaceutical development, Camurus started as a provider of early stage R&D services and out-licensing of IP rights.

Initially, Camurus followed a service-based approach, in which the company was active in R&D projects for other companies. One such collaboration, with the Danish company Dumex-Alpharma, led to the first registered product, Elyzol® dental gel. Elyzol® was approved in Europe for the treatment of periodontitis, and later licensed to Colgate Oral Pharmaceuticals. Camurus also collaborated with a range of industrial partners but did not pursue its own clinical-stage product development.

In 2004, after new research, scientific innovations and the development of innovative lipid formulation technologies, Camurus instigated a new strategic direction and began the development of its proprietary FluidCrystal® technology and novel product candidates. Based on these initiatives, Camurus has now developed what the company considers to be a leading position in lipid-based drug formulations and created a broad and diversified pipeline of clinical-stage product candidates, developed in-house or in partnership with leading international pharmaceutical companies. A brief history of the company is presented below.

1991 • Camurus incorporated

2004 • New business strategy
– Investment in own pharmaceutical products pipeline

2005 • First patent applications for FluidCrystal® injection depot platform

2007 • Positive results from first clinical study of FluidCrystal® injection depot (CAM2029)

2009 • Start first clinical trial of CAM2038

2011 • Collaboration, option and license agreement signed with Novartis

2013 • Novartis exercises global license rights to CAM2029

2014 • License agreement signed with Braeburn Pharmaceuticals for CAM2038 in North America

2015 • Camurus listed on Nasdaq Stockholm stock exchange

2016 • New additional business strategy
– Start building marketing & sales organization

2017 • NDA/MAA submissions to FDA, EMA and TGA for CAM2038 for treatment of opioid dependence

2018 • Buvidal® approved in the EU and Australia
• Tentative approval for Brixadi™ in the US
• Novartis returns rights to CAM2029

2019 • Launch of Buvidal® in the EU

Camurus' strategy

Camurus' objective is to develop and commercialize innovative and differentiated therapeutics with the ability to advance the standard of care by improving treatment outcomes and the lives of patients with serious and chronic diseases. By combining the company's proprietary FluidCrystal® technologies with active pharmaceutical ingredients with proven efficacy and safety profiles, new and improved treatments are created. This may encompass simplified dosage regimens and better medication compliance and treatment outcomes, due to a more precise and steady release of the active ingredient. The use of clinically documented active ingredients enables the development of new and improved medicines at significantly lower costs and risks, compared with the development of medicines with new active ingredients. Camurus' strategy encompasses both R&D of new product candidates, and sales and marketing of medicines and medical devices utilizing a lean and efficient commercial infrastructure dedicated to selected niche product opportunities, indications and regional markets. In order to fully exploit the company's R&D capacity, proprietary technology, product pipeline and commercial opportunities, Camurus actively engages in strategic partnerships with leading biotech and pharmaceutical companies.

To achieve Camurus' goals, the following strategy is pursued:

Developing R&D leadership and expertise in advanced drug delivery technologies

Camurus will continue to strengthen its leadership position in advanced drug delivery. Following the recent regulatory approvals of Buvidal®, based on the company's FluidCrystal® injection depot technology, significant resources will continue to be invested in new innovations and improvements to further advance the potential and utility of Camurus' proprietary technologies. Examples of development areas include new customized delivery components tailored to specific pharmaceutical ingredients and product requirements, and devices developed for convenient and safe dosing that can simplify the administration of medicines for healthcare professionals and patients.

Expanding the pipeline of innovative therapies for serious and chronic diseases

There are many chronic disease conditions for which available medicines have significant limitations in effectiveness, safety or patient convenience. Patients living with chronic diseases often experience significant morbidity, increased mortality and a poor quality of life. Camurus is focused on research, development and commercialization of new and improved therapies for serious and chronic diseases to advance the standard of care for these patients. In so doing, the company is capitalizing on its considerable development expertise and proprietary FluidCrystal® technologies, which have been validated in more than 20 clinical trials and by recent product approvals. Camurus' development focus is on commercially attractive indications with significant unmet medical needs and where meaningful improvements in relation to existing alternatives may be achieved under conditions of market exclusivity.

Bringing late-stage product candidates to market

The advancement of in-house and partnered development programs to market approval and launch is a key objective for Camurus. In November 2018, the first and only long-acting injectable medication for the treatment of opioid dependence, Buvidal® (CAM2038), was approved in the EU and Australia. Following positive topline results from a Phase 3 efficacy study of CAM2038 in chronic pain in September 2018, the company is also preparing for planned submissions of marketing authorization applications (MMA) for CAM2038 for the treatment of chronic pain in the EU, Australia and other markets. In addition to this, Camurus is preparing the registration programs for long-acting octreotide in acromegaly and neuroendocrine tumors (NET), with the planned start of the first Phase 3 trial in acromegaly in mid-2019. In some cases, Camurus has out-licensed the development and/or commercialization rights to its products and product candidates to a partner, who has the responsibility of bringing the product to the market and commercializing it in accordance with the terms of the agreement.

Building a strong commercial infrastructure

Camurus has retained all development and commercialization rights for Buvidal® in Europe and other global markets, except for North America and Israel. Based on Camurus' market assessments and long-term strategic objectives, the company is currently continuing to build its own commercial infrastructure in Europe and Australia. The commercial teams in the first wave launch countries – Finland, Sweden, UK, Germany, Denmark, Norway and Australia – are already in place, and the development of commercial teams and infrastructure in the second wave markets such as Spain, Italy and France, has begun. Camurus believes that Buvidal® for opioid dependence represents a significant opportunity to establish a cost-efficient commercial organization with focus on a limited prescriber base and with the potential for significant near and long-term revenue generation. In addition, the company intends to retain and/or secure commercialization rights for auxiliary product candidates in its strategic focus areas to further drive growth and future profitability.

Growing the business and expanding the commercial reach through strategic partnerships

To further enhance its development capacity and commercial reach, Camurus enters into strategic partnerships with biotech and pharmaceutical companies with leading positions and/or a strategic focus on relevant markets and therapeutic categories. This allows the company to continue expanding its pipeline with value-generating product candidates and to increase the geographic reach of its products, while maintaining a lean and cost-effective operational structure. Revenues from such partnerships typically include down payments, development and sales milestones, and royalty on product sales. In 2014, Camurus entered into a license agreement with Braeburn for the development and commercialization of CAM2038 and related product candidates for the treatment of opioid use disorder and pain in North America. Braeburn is thereby responsible for the clinical development for approval and commercialization in the US and Camurus is entitled to milestone payments and royalty on sales. A different example is the license agreement with Rhythm from 2015, where Rhythm obtained the global development and commercialization rights to weekly setmelanotide for the treatment of genetic obesity disorders, based on Camurus' FluidCrystal® technology.

Competitive strengths

Camurus' competitive strengths contribute to the company's positive development and its ability to realize its strategy and goal of becoming a profitable, science-led, commercial-stage pharmaceutical company.

The company's competitive strengths include:

FluidCrystal® technologies

The FluidCrystal® technology has been developed in-house and successfully evaluated in more than 20 clinical trials and validated by recent regulatory approvals of Buvidal® in Europe and Australia and

by the tentative approval of Brixadi™ in the US. Camurus' business model is to develop innovative medicines by combining its proprietary FluidCrystal® technologies with active pharmaceutical ingredients that have proven efficacy and safety profiles. This approach has several benefits, such as shorter development timelines, lower costs and reduced risk of failure compared with traditional drug R&D. The FluidCrystal® technology is used with collaboration partners' proprietary compounds to develop new medicines under product-specific license agreements. This expands the company's overall development capacity and is an important source of future revenues in the form of potential development and commercialization milestones and royalties on sales.

Broad and diverse pipeline including several late stage product candidates

Camurus currently has about 10 programs in clinical development (Phase 1 to 3), and additional in-house and partner projects about to enter clinical development. Camurus' lead product candidate, CAM2038, was recently given regulatory approval for the treatment of opioid dependence under the tradename Buvidal® in the EU and Australia and Brixadi™ in the US and is currently in Phase 3 development for the treatment of chronic pain. Another late-stage candidate, CAM2029, is being developed as a new treatment for acromegaly and NET, with the potential for improved efficacy and convenience for patients. CAM2043, for the treatment of pulmonary arterial hypertension (PAH) targets an orphan designation which may decrease overall development costs due to reduced requirements of patient numbers in safety and efficacy studies and potential for shorter development times – although this is balanced by the difficulties in recruiting patients suffering from rare diseases. The possibility for regulatory support by health authorities and extended market exclusivity up to 7 years are other potential advantages of orphan product drug development. As all products in clinical development by Camurus and its partners are based on the proprietary FluidCrystal® technology, significant efficiencies can be realized in preclinical development, chemistry, manufacturing and controls (CMC), and safety documentation.

Opportunity for own commercialization of Buvidal® in the EU, Australia and other selected markets

Buvidal® has broad and competitive indication statements and the summary of product characteristics includes all treatment phases: initiation, stabilization, switching from daily medications and long-term maintenance treatment.

Camurus believes that Buvidal® has the potential to be a game changer in opioid dependence treatment as it may provide significant efficiencies. Current therapy with daily medication requires strict controls and rules and a high degree of supervision, which leads to increased healthcare costs and a significant burden and stigma for patients. In addition to reducing costs for administration and enhancing the quality of life for patients compared with current daily treatment options, Buvidal® has the potential to improve medication adherence and thereby contribute to reduction of relapses, overdoses and deaths.

Together with experts and third research providers, Camurus has conducted thorough market research and assessments of the commercial potential of Buvidal® in Europe and Australia, in which treatment costs, the preferences of prescribers and opinion leaders, payment structures, price and benefit aspects have been evaluated. Camurus has concluded that its own commercialization of Buvidal® in the EU and Australia represents an attractive opportunity for the company for future revenue generation, profitability and shareholder value.

Launch-ready commercial organization

Recognizing the importance of a strong commercial infrastructure and well-advanced medical affairs, market access and marketing activities at time of launch, Camurus has since 2016 invested in building its commercial organization, and experienced marketing and sales teams, complemented by effective distribution models, are now in place for launch in all first wave markets in Europe and Australia. Camurus believes that its current commercial organization with 55 people is well proportioned for the initial launch phase due to the concentrated market for opioid dependence, with most patients being treated in specialized addiction clinics in urban areas.

New and established partnerships increase development capacity and commercial reach

Camurus has established several strategic partnerships to extend the reach beyond the company's own geographical and commercial scope, and to share the costs and risks of product development. Partnerships include the collaboration with Braeburn for development and commercialization of CAM2038 for opioid dependence and chronic pain, as well as other product candidates, in North America. In addition, Camurus has several partners for sales and distribution of episil® for oral mucositis pain, including Solasia for Japan and China. Furthermore, Camurus' partner Rhythm Pharmaceuticals is developing a weekly FluidCrystal® setmelanotide formulation for the treatment of genetic obesity disorders. Camurus has also several promising early stage collaboration projects with international pharmaceutical companies in the preclinical development phase, where the combination of the partner's proprietary drug compounds with FluidCrystal® is being evaluated.

Strong IP position

Camurus has extensive knowledge in all critical aspects of its proprietary FluidCrystal® technologies, including components, manufacturing aspects, application areas, packaging and stability. This knowledge will continue to grow as Camurus and its partners further develop their products, achieve more market approvals and conduct post-marketing approval activities. Camurus' patent strategy covers all major pharmaceutical markets, including the US, EU5, Japan and China. The patent portfolio covers the FluidCrystal® technologies as well as specific products and product candidates and consist of about 330 issued patents. In addition, Camurus actively prosecutes about 135 pending patent applications worldwide and is continuously filing new patent applications to extend the protection of its technologies and product candidates. The duration of patents for FluidCrystal® technologies and the company's product candidates varies geographically. Depending on aspect and claim, the patent expiry times for US FluidCrystal technology patents range from 2027 to 2033 or longer, while expected European patent expiry range from 2025 to 2033, or longer.

Buvidal® is protected by issued patents or provisional patents up to 2032, including about 30 issued patents in Australia, EU-5 and the US. The Buvidal® trademark is owned by Camurus and registered in several jurisdictions, including Australia and the EU.

Experienced management team

Camurus has a highly qualified management team with considerable industrial experience, expertise and track records across all key areas of development, commercialization and general management. The company maintains an entrepreneurial, science-led and inclusive corporate culture where employees are actively involved and engaged in developing new innovative therapeutic options to help patients with severe and chronic diseases to live better lives.

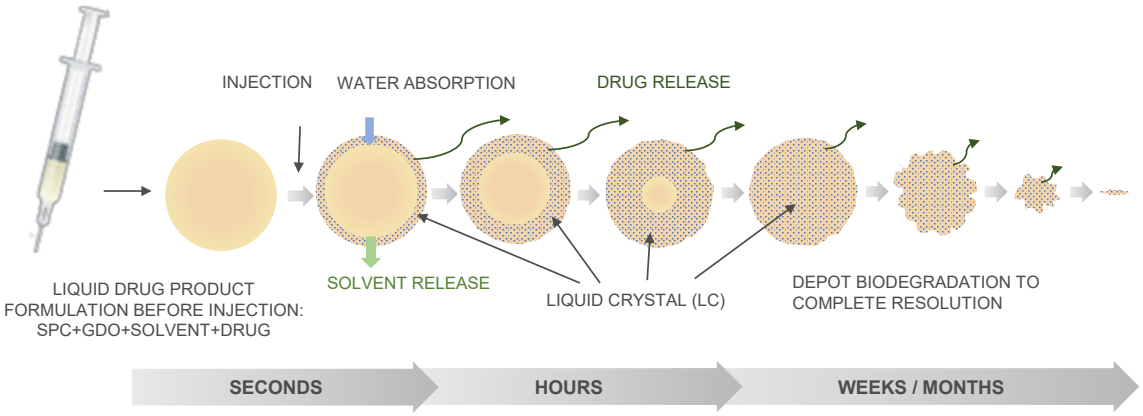
The average term of employment for members of the company's management team is more than 7 years at Camurus and about 20 years in the pharmaceutical industry. Camurus' President and CEO, and Head of R&D, Dr Fredrik Tiberg, has been with the company since 2002 and has led the development of Camurus from an early-stage research company to a rapidly-growing, publicly-listed, commercial-stage company with around 100 employees. Members of the executive team have been instrumental in the development of the FluidCrystal® technologies and the company's innovative products and product candidates, and thus have a deep understanding of the science involved. Over the years, members of Camurus' management team have been involved in negotiating a significant number of major commercial agreements with international biotech and pharmaceutical companies, including with Braeburn and Rhythm.

Camurus' technology platforms

Camurus has developed three unique drug delivery technologies based on special combinations of lipids and their ability to spontaneously form three-dimensional liquid crystalline nanostructures when in contact with aqueous media. These are marketed under the tradename FluidCrystal®.

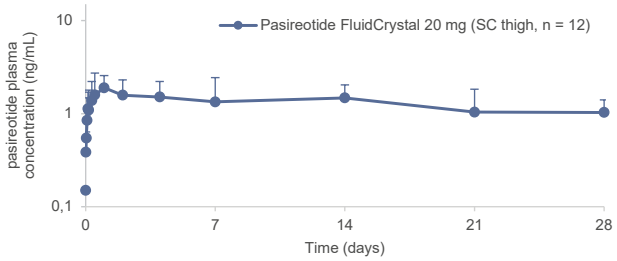
FluidCrystal® injection depot

Traditional long-acting injection pharmaceutical products often comprise polymeric microparticles, where the active ingredient is encapsulated in a biodegradable polymer matrix. Most microparticle-based products must be reconstituted in several preparation steps and injected intramuscularly with relatively thick needles. Compared with these microparticle-based systems, FluidCrystal® injection depot offers a simple and uncomplicated alternative, in terms of both manufacturing and administration.



A FluidCrystal® injection depot comprises a homogeneous lipid-based liquid with a dissolved active pharmaceutical ingredient that can easily be injected subcutaneously using a conventional syringe with a thin needle. Upon contact with fluids in the tissue, the lipid solution transforms into a liquid crystalline gel, which effectively encapsulates the active ingredient and subsequently releases it at a controlled rate as the liquid crystalline matrix and lipid building blocks gradually degrade in the tissue.[4) 5) 6)] The figure below shows a typical release profile demonstrated by the peptide drug compound pasireotide formulated with FluidCrystal®. The release can be controlled from several days to weeks or months, depending on the choice of lipid composition and other factors. The system's simplicity, including a spontaneous self-association to a functional structure in the body, eliminates complicated manufacturing procedures and the need for mixing (reconstitution) prior to administration.

Medicines based on the FluidCrystal® injection depot can be administered by patients themselves or by healthcare professionals without time-consuming and complicated reconstitution procedures. The long-acting release reduces the patient's burden of administering medication daily, improves the adherence to and results of the treatment, and improves the patient's quality of life.



Example of pharmacokinetic plasma concentration release profile for a drug compound (pasireotide) formulated with FluidCrystal® injection depot. SC – subcutaneous

The following list sets out the principal characteristics of the FluidCrystal® injection depot system:

- Long-acting drug release
- Ease of handling and administration
- Compatible with pre-filled syringes and autoinjectors
- Small injection volume with a thin needle
- Subcutaneous dosing
- Safety profile demonstrated in clinical studies and by approved drug products
- Manufacturing by standard processes

4) Tiberg F, et al. Chapter in Long Acting Injections and Implants, Advances in Delivery Science and Technology 2012.
5) Tiberg F, et al. OnDrugDelivery 2010, http://www.ondrugdelivery.com/publications/Injectable%20Formulations%202010/Camurus.pdf.
6) Tiberg F, et al. Drug Del. Sci. Tech., 21 (1) 101-109 2011.

Product and product candidates based on the FluidCrystal® injection depot have been studied in more than 20 completed clinical studies, from Phase 1 to registration, and are currently investigated in several ongoing clinical studies. The technology is also validated by approvals of Buvidal® in the EU and Australia and by the Brixadi™ tentative approval in the US.

FluidCrystal® topical bioadhesive

FluidCrystal® topical bioadhesive comprises a liquid product that forms a durable bioadhesive film after administration on tissue surfaces. The film functions as an invisible patch that slowly and precisely releases the active pharmaceutical ingredient systemically or locally. It also provides protection of sensitive and inflamed tissues. The formulation is suitable for prolonged local release of active ingredients on the skin and on mucosal membranes of, for example, the mouth, nose and throat.

Product candidates and medical devices based on the FluidCrystal® topical bioadhesive technology have undergone several clinical studies. This technology is also used for the medical device product episil® for the treatment of intraoral pain caused by oral mucositis, a severe side-effect of chemotherapy and radiation treatment of cancer. episil® is approved in the EU, the US, Japan, China, Australia and other countries.[7)]

FluidCrystal® nanoparticles

FluidCrystal® nanoparticles can resolve the issue of bioavailability for water and fat-soluble pharmaceuticals or biodegradation of sensitive drugs, such as peptides and proteins. FluidCrystal® nanoparticles are usually water based and comprise a stable emulsion of nanoparticles with a liquid crystalline structure. Products based on this technology are administered either parenterally via injections or as a liquid sprayed onto the skin or mucous membranes.[8) 9) 10)]

Intellectual property strategy

All Camurus' technologies are protected by an extensive patent portfolio with many granted patents in all major pharmaceutical markets, including the US, the EU, China, Japan, Korea and Australia. Camurus' portfolio of technology and product patents is constantly being expanded with new applications and approvals as applications are processed and new innovations are made, such as specific compositions, enhancements and new therapeutic applications. New patents can extend market exclusivities for both technologies and products and are therefore important to the company. Camurus closely monitors developments relating to its IP rights as well as competing technologies and companies. The IP strategy is monitored by in-house counsel and has been developed in close and long-standing collaborations with Camurus' external international patent attorneys and advisors.

Pharmaceutical products

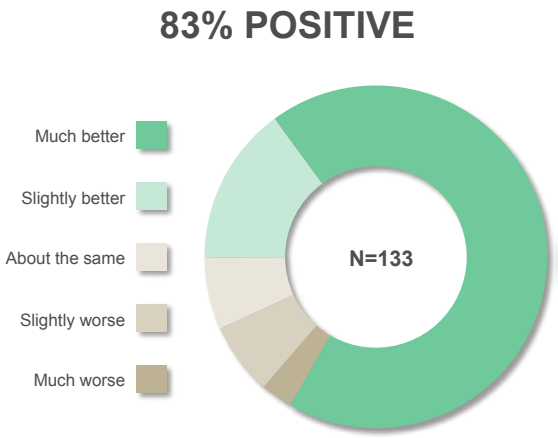
Buvidal® (CAM2038) – the first weekly and monthly buprenorphine injection for individualized treatment of opioid dependence

Summary

To address the significant need of new and more effective treatments of opioid dependence that can improve treatment outcomes and quality of life for patients with opioid dependence, Camurus has developed Buvidal® (CAM2038), weekly and monthly buprenorphine depots, as the first long-acting medicine approved for treatment of treatment of opioid dependence in the EU and Australia, and tentatively approved in the US under the name Brixadi™

Buvidal® prolonged release solution for injection has been developed for the treatment of opioid dependence within a framework of medical, social and psychological treatment. Buvidal® is designed for flexible dosing and is available in four weekly strengths (8, 16, 24 and 32 mg) and three monthly strengths (64, 96, and 128 mg), enabling treatment to be tailored to the patient's individual needs, and allowing for direct dose-adjusted transition from daily therapy. Buvidal® is administered by healthcare professionals to enhance treatment adherence, while potentially minimizing the risks of diversion, misuse, overdose and accidental exposure to children and teenagers.

Buvidal® can relieve patients from the daily reminder and burden of the disease and allows the healthcare provider to focus on treating the disease and counseling the patient rather than policing medical compliance. In a Phase 3 long-term safety study, Buvidal® received high ratings of patient satisfaction with 83 percent of patients responding that Buvidal® treatment was better than their previous sublingual treatment (15 percent slightly better and 68 percent much better).



Response to the question "How was your experience with CAM2038 (Buvidal®) compared to your previously prescribed sublingual buprenorphine treatment?" from patients included in the long-term Phase 3 safety trial.

In anticipation of the market approvals of Buvidal® in the EU and Australia, Camurus has built up a commercial organization in these regions, which is fully operational and has launched Buvidal® in the first wave markets in Finland, Sweden, the UK and Germany. US commercialization of the products under the tentative tradename

7) Barauskas J, et al. Mol. Pharmaceutics 2014, 11, 895–903.
8) Barauskas J, et al. Nano Lett., Vol. 5, No. 8, 2005, 1615-1619.
9) Barauskas J, et al. Langmuir 2005, 21, 2569-2577.
10) Tiberg F, et al. Drug Del. Sci. Tech., 21 (1) 101-109 2011.

Brixadi™ is the responsibility of Camurus' license partner Braeburn, whereas Camurus is entitled to royalty and milestones on net product sales.

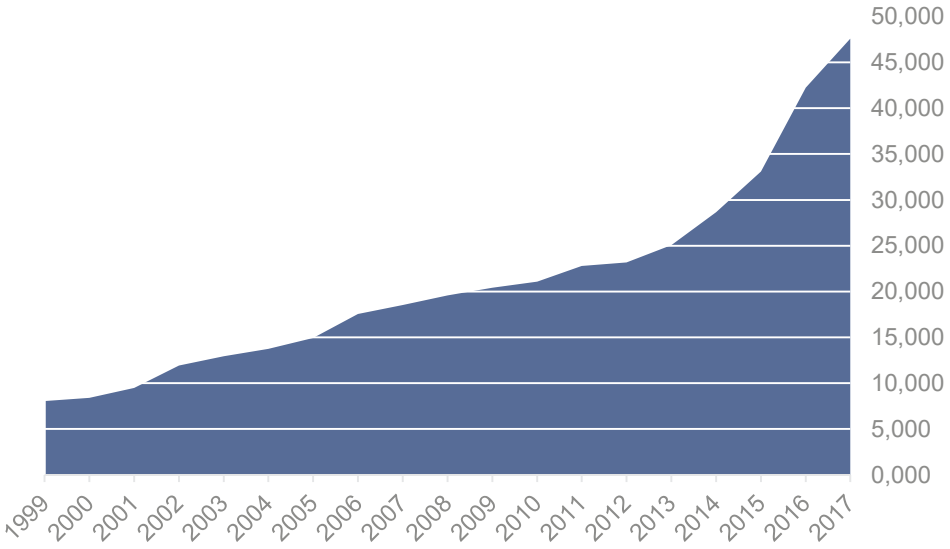
Based on the high unmet medical need and the important product and clinical attributes of Buvidal®, the market opportunity for Buvidal® and Brixadi™ is estimated to be significant. The independent analysis company GlobalData recently predicted US sales of Brixadi™ to around 1.2 billion USD in 2027.[11] In Europe and Australia, Camurus estimates the market opportunity for long-acting buprenorphine injectable to 200-300 million Euros annually.[12]

In the US, a final market approval of Brixadi™ is required before the products can be marketed and sold. For the monthly depot, this is subject to the expiration of an exclusivity period of another product on the market, Sublocade™, which may not last longer than November 2020 or earlier if successfully appealed. The exclusivity period only affects the monthly Brixadi™ product and the weekly product could therefore be resubmitted, approved and launched separately prior to the expiry of the exclusivity period.

Opioid dependence

Opioid dependence is a serious, chronic and relapsing disease that can cause major health, social and economic problems. Symptoms of opioid dependence include a strong compulsive desire to use opioids, increased tolerance to the dose taken, failure to perform daily tasks and maintain relationships and difficulty reducing use. Withdrawal symptoms include nausea, muscle aches, diarrhea, sleeping trouble, a low mood and cravings. Health and social consequences of opioid dependence include overdose, suicide, transmission of HIV and hepatitis B and C through infected needles, unemployment, criminal activity and incarceration.[13]

Dependence on prescription and illicit opioid drugs, including heroin, is a growing global public health challenge. According to the World Drug Report, approximately 34 million individuals globally use opioids for non-medical purposes and an estimated 127,000 people die each year from opioid overdoses.[14] Opioids top the list of drugs that cause the greatest burden of disease and drug-related deaths worldwide. In the US, opioid addiction has reached epidemic proportions, threatening not only public health but economic output and national security. The opioid epidemic predominantly stems from the overuse of opioid medications, prescribed primarily for the treatment of pain. In 2017, US healthcare providers wrote more than 190 million prescriptions for opioids.[15] Misuse of prescription painkillers often lead patients to turn to heroin since it is a cheaper alternative to prescription drugs, accounting for four out of five new heroin users.[16] In 2017, there were approximately 2.1 million people diagnosed with opioid use disorder and close to 50,000 dying from opioid overdoses in the US.[17] This is now the most common cause of death in people in the US under 50 years of age, and a main cause for the decline of US life expectancy seen over the past few years.[18] In a White House report from November 2017, it was estimated that the US opioid crises annually causes a USD 504 billion economic burden to society.[19]



Number of fatal opioid overdoses in the US.[20]

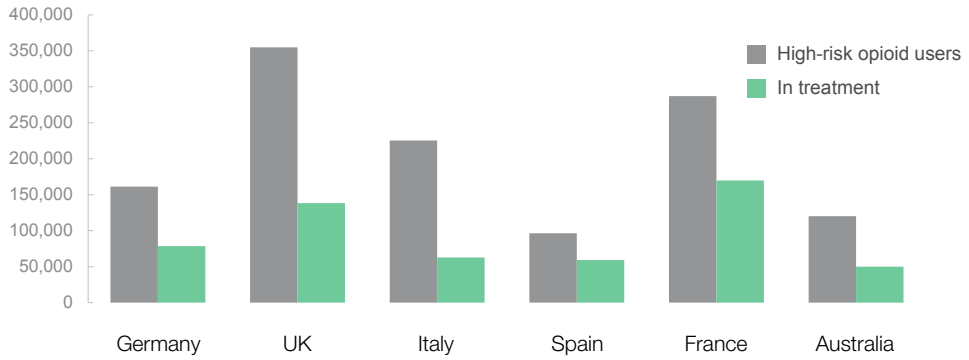
In Europe, an estimated 1.3 million people engage in high-risk opioid use, with only about 630,000 receiving medical treatment.[21] Each year, about 9,000 Europeans die from drug-related overdoses, of which the majority is due to opioids.[22]

[11] Opioid Use Disorder (OUD): Opportunity Analysis and Forecasts to 2027, GlobalData 2018.
[12] Company estimation, see below.
[13] Guidelines for the Psychosocially Assisted Pharmacological Treatment of Opioid Dependence, WHO, 2009, https://www.who.int/substance_abuse/publications/opioid_dependence_guidelines.pdf.
[14] World Drug Report 2018.
[15] U.S. Opioid Prescribing Rate Maps, CDC Centers for Disease Control and Prevention, https://www.cdc.gov/drugoverdose/maps/rxrate-maps.html.
[16] Heroin Overdose Data, CDC Centers for Disease Control and Prevention, https://www.cdc.gov/drugoverdose/data/heroin.html.
[17] SAMHSA, Results from the 2017 National Survey on Drug Use and Health, Sep. 2018.
[18] CDC https://www.cdc.gov/media/releases/2018/s1129-US-life-expectancy.html.
[19] The Council of Economic Advisers, November 2017.
[20] Center for Disease Control & Prevention 2018.
[21] European Drug Report 2018, EMCDDA, http://www.emcdda.europa.eu/edr2018_en.
[22] Statistical Bulletin 2018 — overdose deaths, EMCDDA, http://www.emcdda.europa.eu/data/stats2018/drd_en.

Current treatments and their limitations

Medication-assisted treatment of opioid dependence includes the use of medications in combination with counselling and behavioral therapies.

Of around 1.3 million high-risk opioid users in Europe, less than half (630,000) receive opioid dependence treatment (see figure below).[23] Of these, approximately 38% receive buprenorphine or buprenorphine/naloxone, while methadone accounts for approximately 60%. The estimated average treatment time for European patients was 3.7 years in 2012.[24] In Australia there are an estimated 49,000 patients in treatment for opioid dependence, of which approximately 35% receive buprenorphine.[25]



Number of high-risk opioid users in Europe and Australia by major countries. There are about 1.3 million high-risk opioid users in Europe and about 150,000 in Australia, of which less than 50% are in treatment.[23]

There are several reasons why more than half of the patients with opioid dependence are not in treatment, including poor access to treatment and the burden of stringent treatment rules and regulations. Patients have described how better access to treatment and less burdensome treatment rules would have encouraged them to start treatment earlier.[26]

Buprenorphine treatment benefits

The potency of buprenorphine is at least 30 times higher than that of morphine, but unlike morphine and methadone, buprenorphine is a partial mu-opioid receptor agonist, which means that it does not have the full opioid effects.[27] Buprenorphine has therefore much less risk of causing respiratory depression and overdose, even at high buprenorphine doses. Buprenorphine produces milder euphoric and sedative effects compared with morphine and methadone while still occupying opioid receptors. Moreover, buprenorphine has a higher affinity for the mu-opioid receptor than other opioids and can therefore block the effects of other opioids, such as heroin.[28], [29]

Opioid dependence treatment with buprenorphine is associated with substantial benefits for patients and society, such as reductions in illicit opioid use, criminal activity, fatalities due to overdoses and the transmission of infectious diseases, such as HIV.[30], [31], [32] Buprenorphine treatment also reduces hospital admissions, emergency room visits, morbidity and mortality, and improves quality of life for the individual. Buprenorphine treatment also reduces hospital admissions, emergency room visits, morbidity and mortality, and improves quality of life for the individual. Additionally, buprenorphine treatment is associated with a lower risk of overdose and diversion compared with methadone treatment, and thus offers improved safety and flexibility to both patients and physicians.[33]

Buprenorphine treatment for opioid dependence typically consists of three phases:

Induction	The first days of treatment during which the patient is transitioned from illicit opioid use to treatment with the partial agonist buprenorphine. The goal of the induction phase is to rapidly suppress withdrawal and cravings to enable long-term treatment and recovery. It is important to start with a high enough dose of buprenorphine during the induction phase.
Stabilization	The initial weeks of treatment, during which the patient is frequently monitored at clinic visits. The dose may be adjusted to obtain a dose that is tolerable and that effectively reduces opioid withdrawals and cravings and blocks the effects of illicitly used opioids.
Maintenance treatment	The longest period that a patient is on buprenorphine is the maintenance phase, which can be chronic. During the maintenance phase, the dose may be slowly decreased, and treatment may be shifted to long-term recovery.

[23] European Drug Report 2018, EMCDDA, http://www.emcdda.europa.eu/edr2018_en.
[24] Dale-Perera A et al. Heroin Addict Relat Clin Probl. 2012;14(4):23-38.
[25] National opioid pharmacotherapy statistics (NOPSAD) 2017. https://www.aihw.gov.au/reports/alcohol-other-drug-treatment-services/nopsad-2017/contents/summary.
[26] Benyamina A, Stöver H. Heroin Addict Rel Clin Probl. 2012;14(4):65-80.
[27] Khanna IK, Pillarisetti S. J Pain Res. 2015;8:859–70.
[28] Schuckit MA. N Engl J Med. 2016;375(4):357-68.
[29] Coe MA, et al. J Addict Med. 2018; Oct 23. Epub ahead of print.
[30] Public Health England. https://www.gov.uk/government/publications/alcohol-and-drug-prevention-treatment-and-recovery-why-invest/alcohol-and-drug-prevention-treatment-and-recovery-why-invest.
[31] EMCDDA Drug Report 2018.
[32] WHO Drug Report 2018.
[33] Connery HS. Harv Rev Psychiatry. 2015;23(2):63-75.

Daily treatment limitations

Although sublingual buprenorphine or buprenorphine/naloxone or oral methadone treatments are demonstrated to be effective, they have significant limitations, which may vary depending on region and treatment system.

Limitations of current daily opioid dependence therapy:[34),35),36),37)]

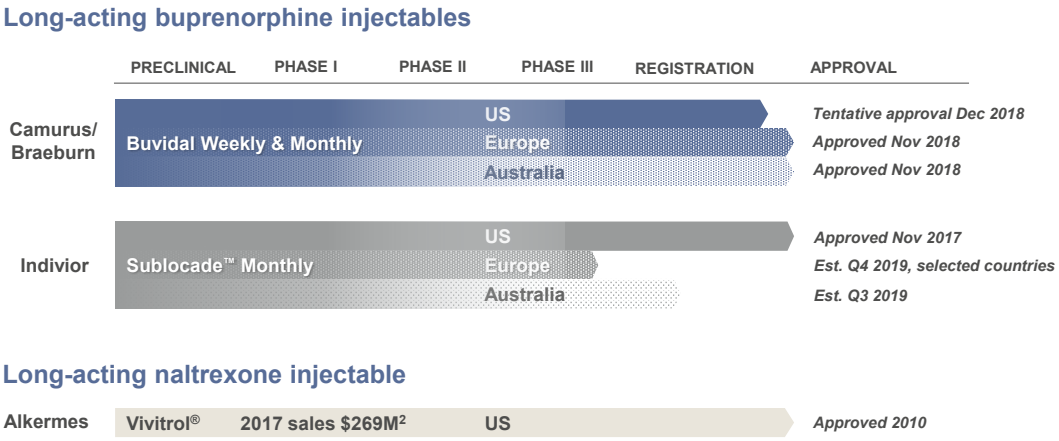
Low retention in treatment	Almost half of the patients who initiate opioid dependence treatment with daily buprenorphine medications discontinue treatment within three to six months.
Continued use of illicit opioids	A majority, about 60 percent, of patients with opioid dependence report some continued use of illicit drugs on top of their prescribed medication.
Medication diversion and misuse	About one third of all prescribed daily buprenorphine medication are diverted. This can result in suboptimal treatment outcomes and subtherapeutic dosing by patients and fear of diversion and misuse amongst prescribers.
Burdens of daily treatment are a barrier	Stringent and burdensome treatment rules, including supervised dosing, constitute significant barriers for treatment. They can also be stigmatizing for patients and costly for healthcare providers and society.
Escalating number of emergency department visits	The increasing prescription of buprenorphine-containing tablets and films has resulted in a large increase in the number of emergency department visits in the US.
Pediatric exposure	For patients who receive take home daily buprenorphine medication and have children, there is a significant risk of life-threatening accidental pediatric exposure. About 1500 emergency department visits involved ingestion of buprenorphine by children under 6 years in the US 2010-11.

Injectable long-acting treatments of opioid dependence

Buvidal® is the only long-acting treatment for opioid dependence approved in the EU and Australia, and the only weekly and monthly buprenorphine depot that can be individually dosed according to patients' needs.

Sublocade™ is a monthly buprenorphine injection depot that was approved in the US in November 2017 and launched by Indivior in March 2018. The indication of use is treatment of opioid use disorder in patients who have initiated treatment with a transmucosal buprenorphine- containing product followed by dose adjustment for a minimum of 7 days, i.e. not including treatment initiation. Treatment with Sublocade™ starts with two monthly 300 mg doses given as 1.5 mL injections, which is more than three times the volume of the largest monthly Buvidal® dose volume. After two months, patients are recommended to continue treatment with 100 mg monthly Sublocade™ dose. The pivotal Phase 3 study for Sublocade™ was a randomized placebo-controlled study in patients with opioid dependence who before randomization were pretreated with sublingual buprenorphine/naloxone film for up to 14 days and who had shown only had mild withdrawal and craving symptoms. Sublocade™ has not been studied in a comparative Phase 3 study versus active control. The product requires cold-chain distribution and refrigerated storage, which is further complicated by Sublocade™ being a controlled drug. The initial interest from physicians and patients has according to Indivior been good, but the conversion of prescription to actual injections has been disappointing, partly due to extended delivery timelines of initially up to two months.[38)]

Vivitrol® is available in the US since its approval in 2010 and is marketed by Alkermes. It is based on the opioid antagonist naltrexone encapsulated in polymeric microparticles. Vivitrol® is injected as a 3.4 mL intramuscular injection once monthly using a 40 or 50 mm long, 20-gauge needle. The product must be stored refrigerated and needs to be conditioned for at least 45 minutes prior to injection. Treatment is complicated by the fact that patients must go through a detox and be abstinent during 7 to 10 days before starting treatment with Vivitrol®.[39)] which is difficult and may expose then patients to risks of relapse and overdosing. The use of Vivitrol® outside the criminal justice system has been limited, but 2017 sales were still USD 269 million.



[34)] Connock M, et al. Health Technol Assess. 2007;11(9):1-171, iii-iv.
[35)] Fischer G, et al. Heroin Addict Relat Clin Probl. 2012;14(4):39-50.
[36)] Benyamina A, Stöver H. Heroin Addict Relat Clin Probl. 2012;14(4):65-80.
[37)] Skinner HG, et al. Trends in Emergency Department Visits, 2006–2011, Statistical Brief #179, Published 2004.
[38)] Indivior Morgan Stanley Global Healthcare Presentation, September 2018.
[39)] Vivitrol® Prescribing Information.

Camurus does not know of any other long-acting injectable treatments in active clinical development in the EU or the US.

Buvidal® – weekly and monthly buprenorphine for individualized treatment of opioid dependence

Buvidal® was approved in the EU in November 2018 for treatment of opioid dependence within a framework of medical, social and psychological treatment. In the same period, Buvidal® Weekly and Buvidal® Monthly were approved for maintenance treatment of opioid dependence in Australia. Buvidal® is designed for flexible dosing and is available in four strengths (8, 16, 24 and 32 mg) for weekly administration and three strengths (64, 96, and 128 mg) for monthly administration, enabling treatment to be tailored to the patient's individual needs. Buvidal® is administered by healthcare professionals to enhance treatment adherence and mitigate risks of diversion, misuse, overdose and accidental exposure to children and teenagers.

Formulated with Camurus' FluidCrystal® injection depot technology (see above), Buvidal® is presented ready for use in pre-filled syringes for weekly or monthly administration as small dose volume (0.16–0.64 mL depending on dose) subcutaneous injection through a thin, 23-gauge needle. Following injection, the fluid spontaneously transforms into a liquid crystalline gel that releases buprenorphine at a steady rate during the period in which the depot slowly degrades in the subcutaneous tissue. The product is equipped with a needle safety device that automatically covers the needle following injection. Buvidal® has been developed for room temperature storage, avoiding the need for cold chain distribution and refrigerator storage. Therefore, no mixing steps or room temperature conditioning are required prior to administration.

Buvidal® is provided in a convenient, ready-to-use pre-filled syringe.

Buvidal® has the potential to overcome the burdens and risks associated with daily medication-assisted treatment and improve outcomes from the first day of treatment. Buvidal® is developed to suit all patient needs from initiation of opioid dependence treatment up to and including the maintenance phase of treatment. Overall, Camurus believe that Buvidal® has several advantages over existing daily products as well as long-acting products (long-acting products are only available in the US), see table below.

Product	Weekly dosing	Monthly dosing	Multiple doses	Choice of inj. site	Small needle	Low injection volume	Room temp. storage	Clinical data vs. Active control
Buvidal®	→	→	→	→	→ 23G	→ 0.16-0.64 mL	→	→
Sublocade™	–	→	–	–	19G	0.5-1.5 mL	–	–
Vivitrol®	–	→	–	–	20G	3.4 mL	–	–

Buvidal® is approved in the EU and Australia, Sublocade™ is approved in the US and Canada, and Vivitrol® is approved in the US.

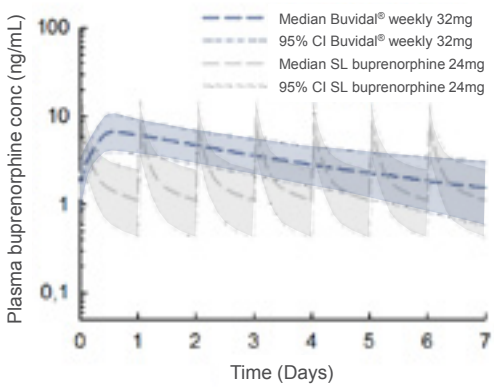
Clinical results

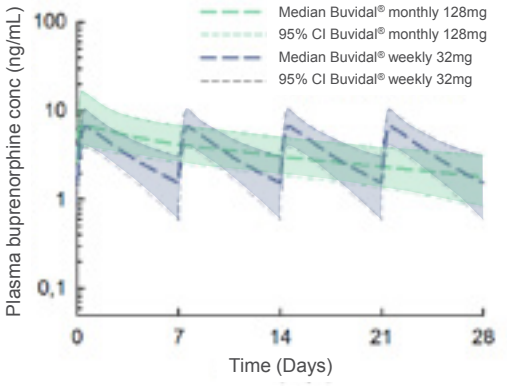
The safety and efficacy profiles of Buvidal® have been evaluated in a comprehensive clinical program comprising seven clinical studies in a total of 944 patients and healthy volunteers, including several pharmacokinetic studies, a pivotal Phase 2 opioid challenge study, a pivotal Phase 3 efficacy study against standard treatment with sublingual buprenorphine/naloxone, and an open-label Phase 3 long-term safety study including both new-to-treatment patients as well as patients switched from sublingual buprenorphine. Based on the results from these studies, registration applications for Buvidal®/Brixadi™ were submitted via the hybrid and 505(b)(2) regulatory pathways in the EU and US, respectively. These pathways allow referencing to be made to the efficacy and safety data for existing reference products.

Pharmacokinetics suited for weekly and monthly dosing

Buvidal® provides a rapid establishment of therapeutic buprenorphine plasma concentrations, which peak during the first 24 hours and then slowly decay over either one or four weeks. The figure below illustrates population pharmacokinetic profiles for weekly and monthly Buvidal® compared to daily sublingual buprenorphine.[40)]

[40)] Albayaty M, et al, Adv Ther. 2017 34(2):560-575.





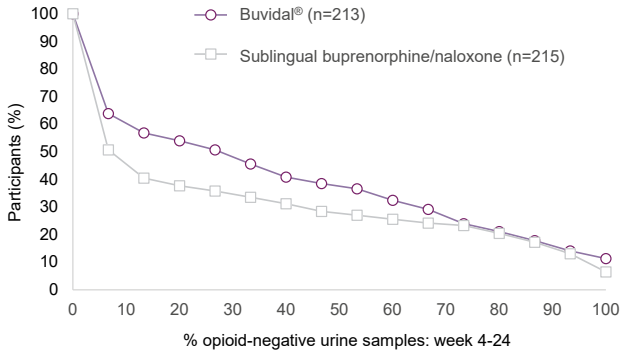
Population pharmacokinetic analysis and modelling based on data from four clinical Phase 1 and Phase 2 trials (N=236). SL: sublingual.

Since both weekly and monthly Buvidal® give dose-proportional buprenorphine levels, dose adjustments are easily made to match sublingual doses and patients' clinical needs.

Noninferiority and superiority versus daily sublingual buprenorphine/naloxone

Buvidal® was studied in a pivotal Phase 3 clinical trial evaluating its safety and efficacy among 428 adult patients with opioid dependence and using sublingual buprenorphine as an active comparator. In the study, Buvidal® was first shown to be at least as effective as standard treatment with daily buprenorphine/naloxone for the primary endpoint of the mean percent urine tests negative for illicit opioids ($p<0.001$). Superior treatment effect was then demonstrated for the key secondary endpoint of cumulative distribution function (CDF) for the percent urine tests negative for illicit opioid use ($p=0.008$).[41] The corresponding FDA endpoint included self-reported and results were similar ($p=0,004$).

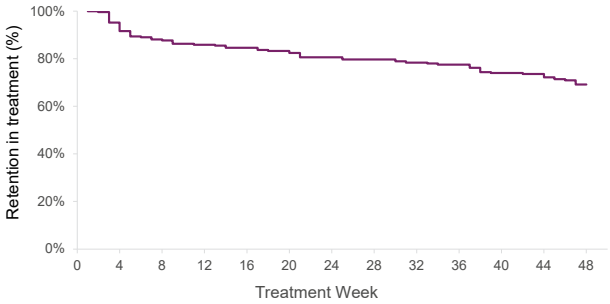
The below figure shows the cumulative distribution of the percentage of study participants with opioid-free urine weeks in the two treatment groups over the 24-week treatment period.



Cumulative percentage of patients versus the mean opioid-free urine samples for treatment weeks 4 to 24.

High treatment retention[42]

Retention in treatment was high, with 156 of 227 patients (68.7%) completing the 48-week treatment period in the long-term safety study, see figure below.

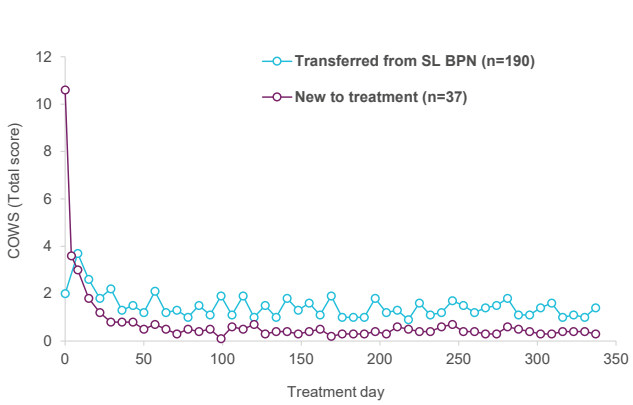


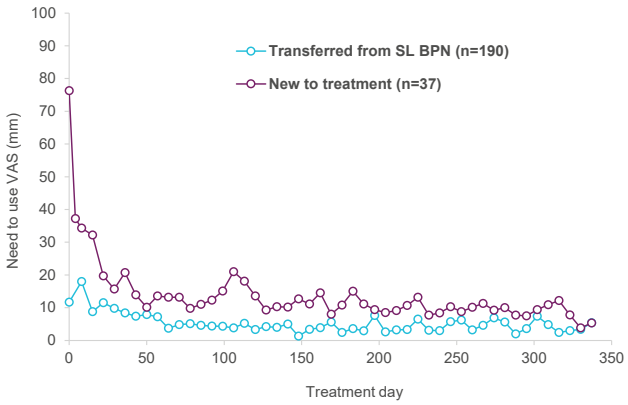
Retention in treatment in the long-term Phase 3 safety trial.

Effective suppression of withdrawal and cravings

Effective suppression of withdrawal and cravings is a primary aim of opioid agonist treatment. In the Phase 3, long-term safety study, Buvidal® demonstrated an impressive long-term suppression and control of withdrawal and cravings in both new-to-treatment patients and patients switched from daily sublingual buprenorphine across the 48-week treatment period. These result have also been confirmed in other clinical trials with Buvidal®.[43),44),45)]

[41] Lofwall et al. JAMA Int. Med. 2018;178(6); 764-773;
[42] Studie HS-14-499, data on file.
[43] Haasen, C, et al, J Subst Abuse Treat. 2017;78:22-29.
[44] Lofwall MR, et al, JAMA Inter Med. 2018; 178(6)764–773.
[45] Walsh et al, JAMA Psychiatry 2017;74(9):894-902.





Withdrawal symptoms (left figure, assessed using the Clinical Opiate Withdrawal Scale (COWS), scores 0 to 48) and craving scores (right figure, assessed using a visual analogue scale, scores 0 to 100) over time in the long-term Phase 3 safety trial.

Blockade of opioid effects from the first dose

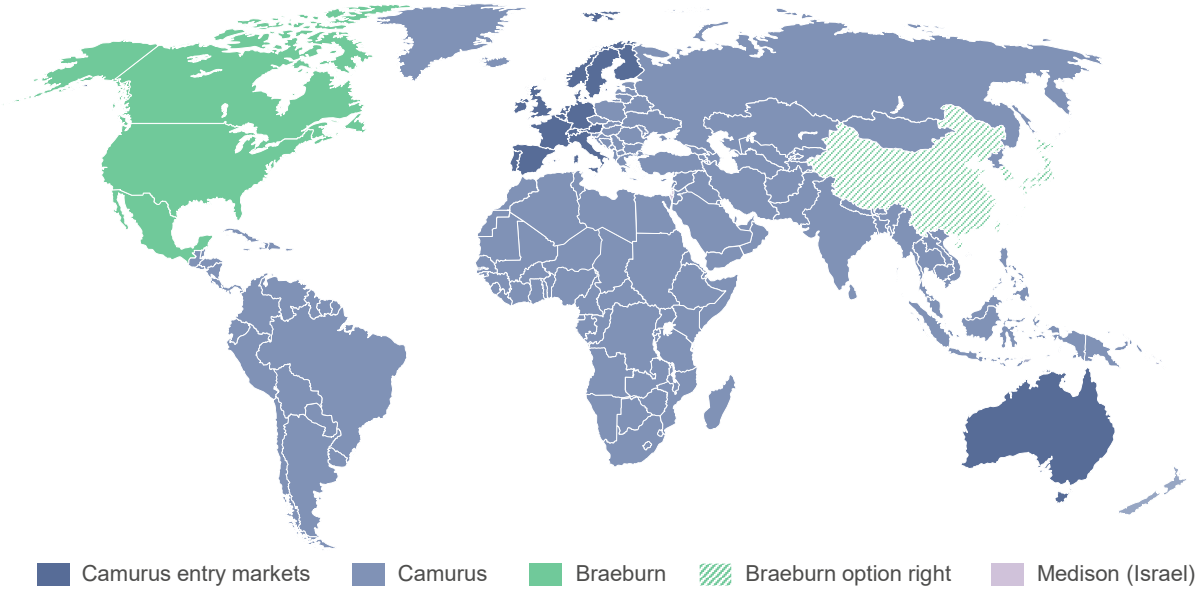
Another important objective of medication-assisted treatment of opioid dependence is to reduce or eliminate the use of illicit opioids. The ability of Buvidal® to block the positive effects of illicit opioids in patients with opioid dependence was studied in a Phase 2 study in non-treatment-seeking participants with moderate-to-severe opioid dependence. Buvidal® met the primary endpoint, demonstrating complete blockade of drug-liking after intramuscular hydromorphone injections from the first Buvidal® dose. Furthermore, tolerability was good across the course of treatment.[46)]

Safety profile comparable to daily sublingual buprenorphine/naloxone

The safety of Buvidal®, including local tolerance at the site of injection, was studied in all clinical trials. The results unanimously showed a good safety profile, which was comparable to the safety profile of sublingual buprenorphine, and good local tolerability at the site of injection. The most commonly reported adverse events in the Phase 3 trials were injection site reactions such as pain, swelling and erythema, headache and nausea. The injection site reactions were in most cases transient and in all cases, but one event of transient pain, of mild or moderate intensity.[47)]

Market potential and the global commercialization of Buvidal®

In accordance with its global commercialization strategy, Camurus initiated the launch of Buvidal® on the European markets soon after approval and is preparing for a second quarter launch in Australia. Commercialization rights for North America have been out-licensed to Braeburn, who also has an option to commercialize Buvidal® in China, Japan, Taiwan and South Korea.



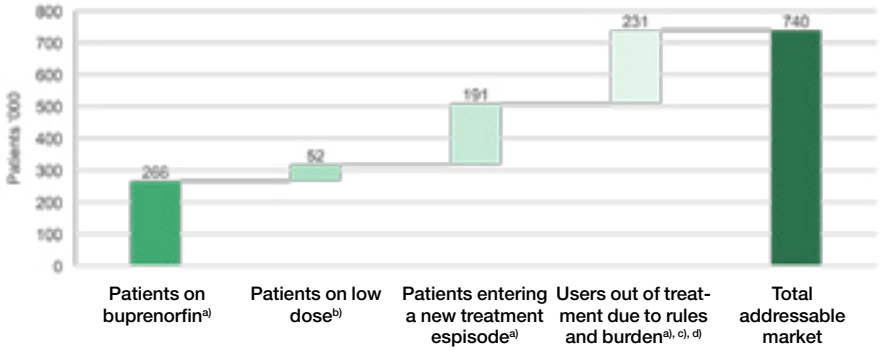
[46)] Walsh S, et al. JAMA Psychiatry. 2017;74(9):894-902.
[47)] Studie HS-14-499, data on file.

Camurus is also assessing the market opportunity in countries outside Europe, Australia and Braeburn's and, depending on the opportunity, Camurus will invest in own sales or find a suitable license or distribution partner. Camurus has already signed a license agreement with Medison, a leading Israeli pharmaceutical company, for the promotion and distribution of Buvidal® in Israel.

Market potential in Europe and Australia

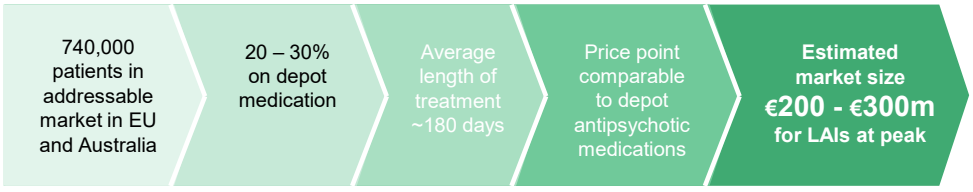
Camurus believes that Buvidal® has the potential to transform the opioid dependence markets. With the broad and competitive labels obtained for Buvidal® in the EU and Australia, the Company believes there is potential to reach a wide group of patients, including patients currently treated with sublingual buprenorphine products, low dose methadone and those entering a new treatment episode. Additionally, as Buvidal® addresses one of the key reasons why many individuals do not seek treatment (for example, the 30 percent that reportedly do not enter treatment due to the rules and regulations), there is a significant opportunity to also attract patients currently out of the treatment.[48)]

In many European countries, daily opioid dependence therapy requires closely monitored dispensing and intake of medication, which intrudes on patients' lives and is costly for healthcare systems. Since Buvidal® only requires weekly or monthly doses, the conditions are in place for cost savings for healthcare systems and an increased quality of life for patients. Variations of treatment practices between countries, for example with differing intervals for psychosocial consultation, makes Buvidal®, with its flexible dose and dosing intervals, an attractive treatment alternative in in the EU and Australia as well as on other global markets.



Estimated number of patients suitable for buprenorphine long-acting injectable (LAI) treatments in EU and Australia.[49)]

The estimated total number of patients suitable for treatment with long-acting buprenorphine products is 740,000 in the EU and Australia. Based on a modest patient fraction of 20-30 percent (see physician estimates below)[50)] this corresponds to annual sales of approximately 200-300 million Euros for long-acting injectables (LAIs) in the EU and Australia. The estimate also assumes a conservative yearly average treatment length of 180 days[51)] and a price point comparable to current long-acting antipsychotics.[52)]



[48)] Benyamina A, Stöver H. Heroin Addict Relat Clin Probl. 2012;14(4):65-80.
[49)] [a)] EMCDDA 2018 Drug report; [b)] Camurus estimate; [c)] Benyamina A, Stöver H. Heroin Addict Relat Clin Probl. 2012;14(4): 65-80; [d)] Camurus data on file 2018 Patient qualitative study.
[50)] Market Access Dynamics in Opioid Addiction: Probing Prescriber Preferences and Payer Strategies for Current and Emerging Agents in the EU5, Decision Resources, 2015.
[51)] Camurus estimat, jämför retention i Buvidal® långtidssäkerhetsstudie av ~270 dagar.
[52)] Camurus data Simon Kucher and Partners pricing research 2018.

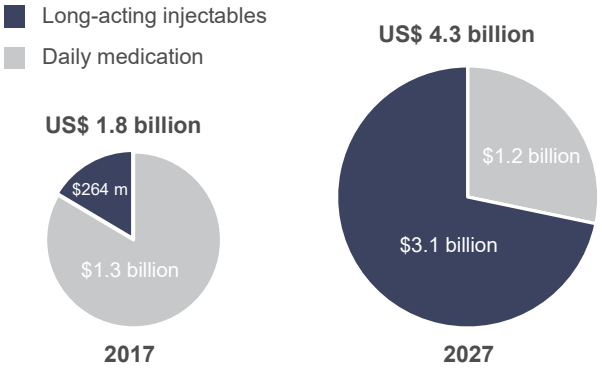
Market potential in the US

Brixadi™ (the US tradename of Buvidal®) represents a significant opportunity in the US with a fundamentally differentiated product offering weekly and monthly flexible dosing that matches current clinical practice and allows induction without the need for oral titration and initiation. Note that about 40 percent of the prescriptions in the US are for one week or shorter, while 28 percent are monthly prescriptions. Another important reason for the positive view on Buvidal® is the possibility to initiate treatment of naïve patients with Buvidal® from the first day of treatment.

Policymakers in the US are strongly advocating for medication-assisted treatment (MAT). FDA Commissioner Scott Gottlieb indicated that there are no more easy solutions to the opioid crisis and that increased access to medication assisted treatment is a cornerstone in FDA's response to the crisi.[53] Payers in the US are faced with an extreme economic burden of opioid use disorder, estimated to cost the US economy in the region of half a trillion USD in 2015.[54]

An estimated 11.8 million individuals misuse opioids in the US, of which 2.1 million reach the criteria for diagnosis of opioid use disorder.[55] Only about half of these, 1.1 million, currently receive medication-assisted treatment with about 780,000 being treated with buprenorphine.[56]

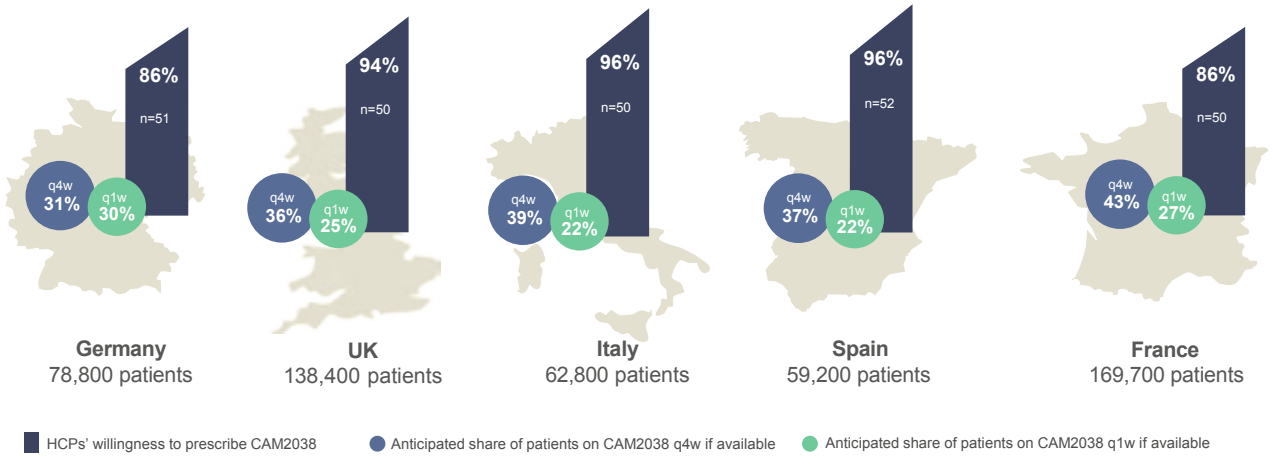
Recent research by GlobalData predicts the US opioid dependence market to grow by a 10% CAGR during the next 10-year period and to reach USD 4.3 billion in 2027.[57] This is primarily driven by depot formulations gaining market share. According to the same report, Brixadi™ is expected to take a patient share of 11% in 2027, corresponding to USD 1.2 billion in sales.



Perceptions of Buvidal® from patients and healthcare providers

Physician surveys demonstrate a clear recognition of Buvidal® and the benefits the product may bring to patients and healthcare providers. Based on EU physician estimate, weekly and monthly buprenorphine depot shares ranged between 22-43 percent.[58], [59]

Both qualitative and quantitative research projects have been performed to gain an in-depth understanding of patients' perceptions of depot formulations. Patients clearly understand the value Buvidal® could bring to their treatment and recognize the reduction in the burden and stigma of treatment, the benefit of having consistent therapeutic exposure and that reducing dosing frequency will make life easier. More than 50% of patients in the survey responded that they definitely or probably will try Buvidal® when it is available. The results align well with the patient satisfaction scores in the long-term Phase 3 study, where 83% of patients reported that Buvidal® was slightly or much better than their previous treatment with sublingual buprenorphine.



A majority of surveyed medical specialists responded that they would be willing to prescribe Buvidal® to their patients with opioid dependence. They also estimated the share of patients that would be prescribed Buvidal® monthly (q4w) or Buvidal® weekly (q1w).

[53] Statement by FDA Commissioner Scott Gottlieb, M.D., on the agency's ongoing work to forcefully address the opioid crisis, Aug 29, 2018 https://www.fda.gov/NewsEvents/Newsroom/PressAnnouncements/ucm618831.htm.
[54] The Council of Economic Advisors, November 2017. The Underestimated Cost of the Opioid Crisis. Accessed on January 18, 2018.
[55] SAMHSA, Results from the 2016 National Survey on Drug Use and Health, Sep. 2017.
[56] Derived from Symphony Health Solution Patient Tracker, 2016. Symphony Health Solutions, Integrated Audit, 2017.
[57] Opioid Use Disorder (OUD): Opportunity Analysis and Forecasts to 2027, GlobalData 2018.
[58] Market Access Dynamics in Opioid Addiction: Probing Prescriber Preferences and Payer Strategies for Current and Emerging Agents in the EU5, Decision Resources, 2015.
[59] Camurus Data 2018 Simon Kucher and Partners pricing research 2018.

European and Australian commercialization of Buvidal®

Patients living with opioid dependence mainly live in urban areas and are treated in specialized clinics. Due to the concentration of clinics and patients, it is Camurus' assessment that the market can be addressed with a relatively small sales force in the EU, Australia and other markets where treatment systems exist. The company has therefore organized its commercial organization as a 'hub & spoke' model with centralized key functions and scalable resources for market access and sales in countries and regional markets. At launch regional offices are established in Cambridge, UK, for Norther Europe including the Nordics, in Mannheim, Germany, for Central Europe, in Paris, France, for Southern Europe, and in Sydney, Australia. To date, the commercial organization total headcount is 55 people, of which 83% are customer facing sales, marketing, medical affairs and market access experts. It will be expanded following pricing and reimbursement approvals and growing patient numbers in the respective countries, and by 2020-2021 the team could consist of about 100 people across the EU and Australia.

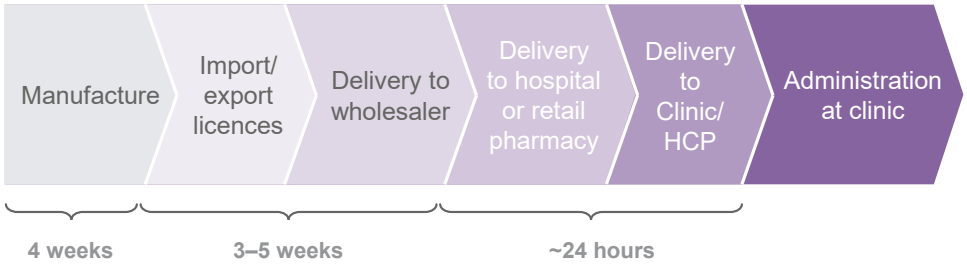
In January 2019, Camurus initiated the European commercialization of Buvidal® with initial launces in Finland and Sweden, which were followed by UK, Germany and Denmark. Patients were initiated on treatment just days after the product was shipped and distributed to pharmacies. The initial response from patients and physicians has been encouraging. Buvidal® has already been launched in all first wave EU markets, and Norway and Australia will follow in the second quarter of 2019. The overall launch sequence for Buvidal® is determined by reimbursement time and the market potential of each market, see table below.

WAVE 1	WAVE 2	WAVE 3	WAVE 4
Finland Sweden UK Germany Denmark Norway Australia	Italy Spain France Israel	Benelux Portugal Greece Croatia Ireland Czech Austria Poland	Rest of the world
310,000 patients: 45% of total EU/Australia	+299,000 patients: 89% of total EU/Australia	+86,000 patients: 98% of total EU/Australia	

Buvidal® launch sequence in EU and Australia.

Camurus estimates that 45% of all patients in Europe and Australia will have access to Buvidal® at the end of the second quarter of 2019. The reimbursement process in the second wave markets typically takes 9–12 months after regulatory approval, and thus launches in these countries are expected in the fourth quarter of 2019 and first quarter 2020.

To secure an efficient product supply from manufacturing to the clinics and patients, Camurus has established the distribution network for Buvidal® in readiness for launch in each country, see figure below.



Schematic Buvidal® distribution chain in the EU.

Aside from preparing for launch, Camurus is currently performing a Phase 4 post-marketing clinical study comparing Buvidal® weekly and monthly with standard of care in Australia. The study focuses on patient satisfaction, quality of life and health economic factors. In addition, the Government of New South Wales in Australia is sponsoring a clinical study investigating the use of Buvidal® for treatment of opioid dependence in the prison setting.

Pricing and reimbursement

The EU is a diversified market where the medical agencies of the respective member states have different guidelines and criteria for pricing and reimbursement levels. In the EU there is a push towards lower prices of pharmaceuticals and to obtain reimbursement, most countries require pharmaceutical companies to demonstrate the cost advantages of their products compared to currently available therapies. Buvidal®, with its many positive attributes and demonstrated ability to improve clinical outcomes, can create a significant health economical value for the society. Camurus believes that this will secure adequate prices and reimbursement levels for Buvidal® in line with current long-acting antipsychotics. The price at pharmacy for Buvidal® in the first wave markets is at launch in the range of 9–14 Euro per day, in line with pricing of long-acting anti-psychotics. All weekly and monthly doses have been priced at the same level per treatment day so that the price will not interfere with clinical judgement and patients' needs.

Partnership with Braeburn

In November 2014, Camurus entered into an exclusive licensing agreement for CAM2038 (Brixadi™, the US trade name for Buvidal®) with Braeburn. Braeburn thereby obtained exclusive rights to Brixadi™ for the treatment of opioid dependence and pain in North America, with option rights in Japan, Korea, Taiwan and China. Camurus retained all rights in Europe and the rest of the world, including Australia.

Braeburn is a US pharmaceutical company dedicated to delivering solutions for people living with the serious, often fatal, consequences of opioid dependence. Braeburn is privately owned, initially backed by Apple Tree Partners, a US-based venture capital firm dedicated to the development of companies in the healthcare sector. In a USD 110 million mezzanine financing round announced in January 2018, the investor base was expanded to include Avista Capital Partners, Deerfield Management, New Leaf Venture Partners, RA Capital Management and Rock Springs Capital.

Braeburn's management team has decades of experience of successfully launching and growing commercially successful pharmaceutical products. Collectively, the management has experience of more than 50 specialty pharma product launches in the US. The company also has extensive experience of clinical and regulatory development in areas including addiction and psychiatric disorders.

Under the licensing agreement, Camurus received an up-front license fee of USD 20 million (SEK 148.4 million)[60] from Braeburn. Since 2014, Camurus has received another USD 4 million (SEK 35.2 million)[60] for the start and completion of the CAM2038 Phase 3 pain efficacy trial as well as USD 1.5 million (SEK 13.8 million)[60] for the buprenorphine combination product Phase 1 trial for the treatment of pain. In addition, Camurus is eligible for a further USD 35 million in development milestones linked to the final approval of Brixadi™ for opioid dependence in the US, USD 17 million for the development and approval of the pain indication for Brixadi™ in the US, and USD 7 million for the development and approval of a buprenorphine combination product in a pain indication in the US. Camurus is also entitled to receive up to an additional USD 75 million in sales milestones, and a mid-teen percentage of royalties on annual product net sales.

Brixadi™ monthly depot blocked by exclusivity in the US

On 23 December 2018, Camurus announced that the US FDA had issued Braeburn a tentative approval of Brixadi™ for the treatment of moderate-to-severe opioid use disorder in patients who have initiated treatment with a single dose of a transmucosal buprenorphine product or who are already being treated with buprenorphine. With the tentative approval, Brixadi™ has met all regulatory standards of clinical and non-clinical safety, efficacy and quality for US approval. However, a final approval of a monthly depot is according to the FDA subject to the expiration of an exclusivity period granted to Sublocade™. The restriction period ceases in November 2020, but both the scope and duration could potentially be reduced if successfully challenged.

Product candidates in clinical development

CAM2038 for the treatment of chronic pain

Chronic pain represents a significant, global health problem and causes deterioration in general health, decreased capacity for work and reduced quality of life and, following medication with strong opioids, may cause opiod dependence. In the US, chronic pain is estimated to affect approximately 116 million people.[61] The associated societal costs, including the costs of healthcare and lost productivity, are estimated at about 560-635 billion USD annually.[62] In Europe, it is estimated that one in every five adults suffers from chronic pain, corresponding to around 100 million people.[63] Worldwide, the corresponding figure is estimated at 1.5 billion people.[64]

CAM2038 is a subcutaneous injection depot of buprenorphine that is developed to provide durable, round-the-clock pain relief without the risks associated with treatment with morphine, oxycodone, fentanyl and other full opioid agonists. CAM2038 allows high and stable buprenorphine exposure and can, therefore, be used for patients who need high opioid doses, equivalent to 40 mg/day or more of morphine. Subcutaneous administration by a healthcare professional once weekly or once monthly is expected to increase compliance and reduce the risks of incorrect use. Thus, CAM2038 could provide the combination of long-lasting efficacious analgesia with the reduced risk of misuse, abuse, illicit diversion and overdoses associated with full mu-opioid receptor agonists, such as morphine, oxycodone and fentanyl.

Background: chronic pain

Chronic pain is often defined as pain lasting longer than 3 months or beyond the normal time for tissue healing. Common types of chronic pain include lower back pain, arthritis, headache, and face and jaw pain. Moderate pain may prevent a person from participating in their daily activities, while severe pain typically stops a person from participating in those activities and prompts them to exhibit pain-avoidance behavior. Chronic pain management is one of the most difficult clinical challenges in medicine today, with limited treatment options available and a high unmet medical need.

The global market for chronic pain exceeded 23.3 billion USD in 2014, with the US market accounting for about half of the market at 15.4 billion USD.[65] More than one quarter of the market is from opioid analgesics.

Current treatments and their limitations

Opioids are recommended for the management of moderate to severe acute and chronic pain that cannot be adequately controlled by means of non-opioid analgesics. Based on the need for extended pain relief, many extended-release opioid products exist on the market in the form of tablets and patches, which are typically based on full opioid agonists, such as morphine, oxycodone and fentanyl. These products are widely used for the treatment of chronic pain, but are also associated with limited compliance, over-dosage, misuse, abuse, and diversion.[66], [67]

With the aim of optimizing pain therapy with opioids, the World Health Organization (WHO) recommends keeping plasma opioid concentrations as stable as possible to ensure long-acting, effective and lasting pain relief, and thereby improved quality of life.

Buprenorphine is an effective analgesic with a potency at least 30 times that of morphine. Dose-dependent pain relief has been observed with intramuscular doses of up to 10 mg, and in parallel, respiratory depression is minimized since buprenorphine is a partial mu-opioid receptor agonist and exhibits a ceiling on some opioid effect.[68] Clinically, buprenorphine also has a less significant effect on gastrointestinal activity, resulting in a lower incidence of constipation compared with full mu-opioid receptor agonists. In addition, the slow dissociation of buprenorphine from the receptors results in an extended effect and minimizes withdrawal symptoms upon discontinuation of therapy.[69]

[60] At book value.
[61] Institute of Medicine (US) Committee on Advancing Pain Research, Care, and Education. Relieving Pain in America: A Blueprint for Transforming Prevention, Care, Education, and Research. National Academies Press, 2011.
[62] Institute of Medicine (US) Committee on Advancing Pain Research, Care, and Education. Relieving Pain in America: A Blueprint for Transforming Prevention, Care, Education, and Research. National Academies Press, 2011.
[63] Breivik H, et al. Eur J Pain. 2006;10:287-333.
[64] Global Industry Analysts, Inc. Report, 2011.
[65] Decision Resources Chronic Pain report 2016.
[66] Salinas GD, et al. J Pain Res. 2012;5:363-9.
[67] The Joint Commission and the FDA take steps to curb adverse events related to the use and misuse of opioid drugs. ED Manag. 2012;24:112-116.
[68] Dahan A, et al. 2005;94:825-34.
[69] Tompkins DA, et al. J Pharmacol Exp Ther. 2014;348(2):217-26.

Buprenorphine is currently available in injectable formulations to treat moderate to severe acute pain (e.g. Temgesic® and Buprenex®) and transdermal patches for chronic pain (e.g. BuTrans®/Norspan® and Transtec®). These products provide stable but relatively low buprenorphine concentrations over a period of 7 and 4 days, respectively. As with tablets, patches are associated with compliance issues, abuse, misuse and diversion, and are also limited by relatively low plasma concentrations, which results in an inadequate analgesic effect for patients requiring high opioid levels.[70)]

CAM2038 – a new treatment alternative for chronic pain

The development focus for CAM2038 in chronic pain has been on transferring pain patients, who are being treated with opioids at morphine-dose equivalents of 40 mg/day or more, to buprenorphine. CAM2038 may offer these patients a safer treatment option that reduces the exposure to dangerous, high-dose opioids. Commercial synergy with the opioid dependence indication for CAM2038 (Buvidal®) is expected, as pain is often a part of the opioid dependence problem and vice versa, and for both indications there are significant unmet needs for products that can improve treatment adherence and effectiveness as well as reduce the risks of misuse and diversion. A label in both indications (opioid dependence and pain) for CAM2038 would allow more effective treatment of these overlapping patient populations. Notably, CAM2038 has the potential to provide continuous round-the-clock therapy, resulting in improved pain relief, increased convenience and enhanced quality of life, particularly for patients looking for an alternative treatment to high-dose opioids.

Clinical results

CAM2038, both as weekly and monthly buprenorphine depots, has been evaluated in a Phase 3 efficacy trial in opioid experienced patients with chronic low-back pain. The trial successfully met its primary efficacy endpoint of average pain intensity (API) demonstrating that patients with chronic low-back pain receiving treatment with CAM2038 experienced a statistically significant reduction in pain compared with patients treated with placebo ($p<0.001$). Furthermore, the key secondary endpoint of worst pain intensity also demonstrated statistical significance ($p<0.001$). The additional secondary endpoints were supportive of the main results. Following completion of the randomized efficacy part of the Phase 3 study, the long-term safety of CAM2038 is being evaluated in a 52-week, open-label extension study, in which patients either are continuing from the randomized efficacy part of the study or are included directly in the open-label extension study phase.

Weekly and monthly CAM2038 have also been studied in a Phase 2 study in opioid dependent patients with moderate to severe non-cancer chronic pain. The results confirmed the target weekly and monthly dosing intervals for the CAM2038 depots, showing extended buprenorphine release with dose dependent steady-state trough concentrations in the 2–3 ng/mL range. Pain and opioid withdrawal scores continued to be well controlled after transitioning from sublingual buprenorphine to CAM2038 in the study.[71)]

Further development

Camurus is currently awaiting outcomes for the open-label extension study and intends to discuss both efficacy and safety outcomes with the European Medicines Agency (EMA) to determine the registration of CAM2038 for the treatment of chronic pain. Marketing authorization application submissions are currently planned for the first half 2020.

CAM2038 for the treatment of moderate to severe chronic pain in opioid-tolerant patients is being developed in collaboration with Braeburn Pharmaceuticals who has exclusive rights to North America.

CAM2029 for the treatment of acromegaly and neuroendocrine tumors

CAM2029, formulated with Camurus' patented FluidCrystal® injection depot technology, contains the active pharmaceutical ingredient octreotide. Octreotide is a synthetic peptide analogue of the natural peptide hormone somatostatin used for treatment of acromegaly and NET. The current market leading somatostatin analogue (SSA) product Sandostatin® LAR® needs to be reconstituted in several steps before intramuscular injection by healthcare professionals. CAM2029 comes in a pre-filled syringe equipped with an automatic needle-stick prevention device and can easily be injected subcutaneously, also by the patient themselves, without the need for complex reconstitution before administration. CAM2029 has also been demonstrated to be compatible with auto injectors, which could further enhance the ease of administration. Furthermore, CAM2029 has a about 500 percent higher bioavailability compared to the market leading product Sandostatin® LAR®, which potentially could improve treatment efficacy for patients not responding satisfactory to current therapies.[72)]

CAM2029 has been evaluated in four clinical Phase 1 and 2 trials and has demonstrated positive results with regards to pharmacokinetics, pharmacodynamics and safety. Positive results from a Phase 2 multicenter trial in patients with acromegaly or NET were recently published, including well maintained or improved biochemical control in patients with acromegaly and symptom control in patients with functioning NET after switch from Sandostatin® LAR®.[73)]

In July 2018, Camurus regained the global development and commercialization rights to CAM2029 and related assets from Novartis. Novartis, who had been responsible for the development of CAM2029 since October 2013, decided to return the rights due to commercial reprioritization among its different programs. According to Novartis, the decision did not reflect a change in the view of the development of CAM2029.

The design of a pivotal Phase 3 trial with CAM2029 for the treatment of acromegaly is finalized, and the protocol is currently undergoing a "Special Protocol Assessment" process at the US FDA. The purpose of the process is to obtain feedback from the FDA and to reach an agreement on the final design of the Phase 3 trial, which is planned to start during mid-2019.

Background: acromegaly and NET

Acromegaly is a rare and chronic hormonal disorder that occurs when the pituitary gland produces excess growth hormone. The disease is insidious, and more than 90% of cases are due to the hypersecretion of growth hormone in a benign pituitary tumor (pituitary adenoma). Acromegaly most commonly affects middle-aged adults with an equal distribution between genders and it occurs in most ethnic groups Acromegaly is associated with reduced quality of life, shortened life expectancy and an increased prevalence of cardiovascular mortality risk factors. The clinical symptoms of acromegaly

[70)] BuTrans® Prescribing Information, June 2014.
[71)] Camurus data on file.
[72)] Pavel M, et al. Cancer Chemother Pharmacol. 2018;Dec 8. Epub ahead of print.
[73)] Pavel M, et al. Cancer Chemother Pharmacol., 2018;Dec 8. Epub ahead of print.

include progressive skeletal growth and soft tissue enlargement, mainly of the extremities (hands and feet) and head. The prevalence of acromegaly in the US and Europe is estimated to be around 8 per 100,000,[74),75),76)] thereby meeting the orphan disease prevalence criteria. The annual incidence rate in these regions has been estimated to 2 to 11 cases per 1,000,000 people. According to DelveInsight's, the total prevalence in the US, EU and Japan is expected to reach 65,337 cases in 2027 compared to 60,610 cases in 2016.[77)]

NET (previously termed carcinoids) are a heterogeneous group of rare and malignant neoplasms that originate from regulatory hormone-producing neuroendocrine cells that can arise throughout the body. Depending on their histology and primary origin, these tumors can secrete various bioactive amines and hormones, causing the classical carcinoid syndrome of diarrhea, flushing and sometimes wheezing. Most NET are malignant, commonly metastasizing to lymph nodes and the liver. They can remain asymptomatic for years, presenting at a relatively late stage with symptoms of mass effect or distant (usually hepatic) metastases. Although functioning tumors result in distinct syndromes, individual symptoms are commonly non-specific, often leading to a delay in diagnosis of several years (5–7 years on average) and increasing the probability of metastatic disease.[78)] The incidence rate of NET has significantly increased in recent years and is now estimated to be seven per 100,000 per year, with an estimated prevalence of 54 per 100,000 in the US.[79)]

Current treatment and their limitations

Surgery is the most effective option to achieve a rapid and complete cure of both acromegaly and NET. However, for most patients, where surgery is not possible, pharmacological therapy with the SSAs octreotide and lanreotide is the standard treatment option. SSAs have an effective normalizing impact on growth hormone and IGF-1 in about 55% of patients with acromegaly, while about 40% of NET patients experience therapeutic effects for carcinoid syndrome in the form of reduced flushing and diarrhea.[80)] Later studies have shown that SSAs also have tumor reducing effects.[81),82)]

Three different SSAs are currently approved for the treatment of acromegaly or NET:

- octreotide, in Sandostatin® and Sandostatin® LAR® from Novartis
- lanreotide, in Somatuline® LA® and Somatuline® Autogel® from Ipsen
- pasireotide, in Signifor® LAR® from Novartis.

In addition, generic versions of the immediate release version of octreotide (Sandostatin®) are available on several markets.

Sandostatin® LAR® is a long-acting depot of octreotide administered once-monthly as an intramuscular injection. The product requires refrigeration and must therefore be conditioned to room temperature before administration. Due to its complex reconstitution procedure and the need for intramuscular injection, Sandostatin® LAR® requires administration by a specially trained healthcare professional.

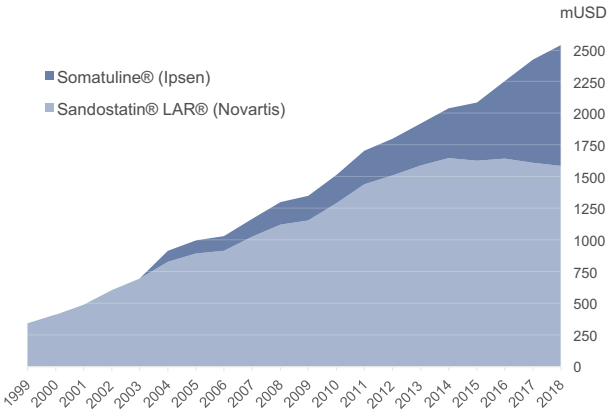
Somatuline® Autogel® is a depot formulation of lanreotide for deep subcutaneous injection once a month. Due to the high viscosity of the product, the custom-made syringe has a relatively thick needle and the injection time is long. In addition, it requires refrigeration and must be conditioned to room temperature before administration.

Signifor® LAR® is a relatively new, long-acting SSA based on pasireotide, which has a broader binding affinity to several somatostatin receptor subtypes. It is approved for the treatment of acromegaly, but due risks of serious side-effects and a black box warning because of the risk of increased blood glucose levels, the uptake has been relatively limited and it is used as a second-line medical treatment.

Camurus is not currently aware of any other SSA depot formulations in late-stage clinical development in Europe or the US. However, Chiasma Pharmaceuticals is in Phase 3 development with an oral octreotide product candidate, Mycapssa®.

Market opportunity

The global market for leading SSA products Sandostatin® LAR® and Somatuline® Autogel® has more than quintupled over the past 15 years, with a compound annual growth rate of 13%. In 2018, the global market for these products was valued at 2.5 billion USD.[83)] Despite several patent expiries since 2010, the sales of Sandostatin® LAR® continued to rise steadily and no generic long-acting product has entered the market. In recent years, Sandostatin® LAR® has lost market share to Somatuline® Autogel®, probably due to the recently expanded indication label for the treatment of NET patients to include not only symptom control but also tumor control



The annual growth of the SSA market has increased by a CAGR of 13 percent over the last 20 years.[83)]

[74)] Lavrentaki A, et al. Pituitary. 2017;20(1):4-9.
[75)] Burton T, et al. Pituitary. 2016;19(3):262-7.
[76)] Broder MS, et al. Endocrine practice: official journal of the American College of Endocrinology and the American Association of Clinical Endocrinologists. 2016;22(11):1327-35.
[77)] Acromegaly: Market Insights, Epidemiology and Market Forecast-2027, DelveInsight 2018.
[78)] Modlin IM, et al. Lancet Oncol. 2008;9:61-72.
[79)] Acromegaly: Market Insights, Epidemiology and Market Forecast-2027, DelveInsight 2018
[80)] Modlin IM, et al. Aliment Pharmacol Ther. 2010;31:169-88.
[81)] Giustina A, et al. PLoS One. 2012;7:e36411.
[82)] Caron PJ, et al. J Clin Endocrinol Metab. 2014;99:1282–90.
[83)] GlobalData, 2019

Increases in awareness and diagnosis rate of rare endocrine disorders have contributed to the market expansion. The acromegaly market in the US, EU and Japan is expected to grow from 848 million in 2016 to USD 1,088 million in 2027, corresponding to a yearly increase of 2.3%.[84] Growth may be further strengthened by potential new therapeutic indications for SSA products. Such applications include diabetic complications such as retinopathy, nephropathy and obesity, polycystic kidney disease, and pancreatitis.[85], [86], [87]

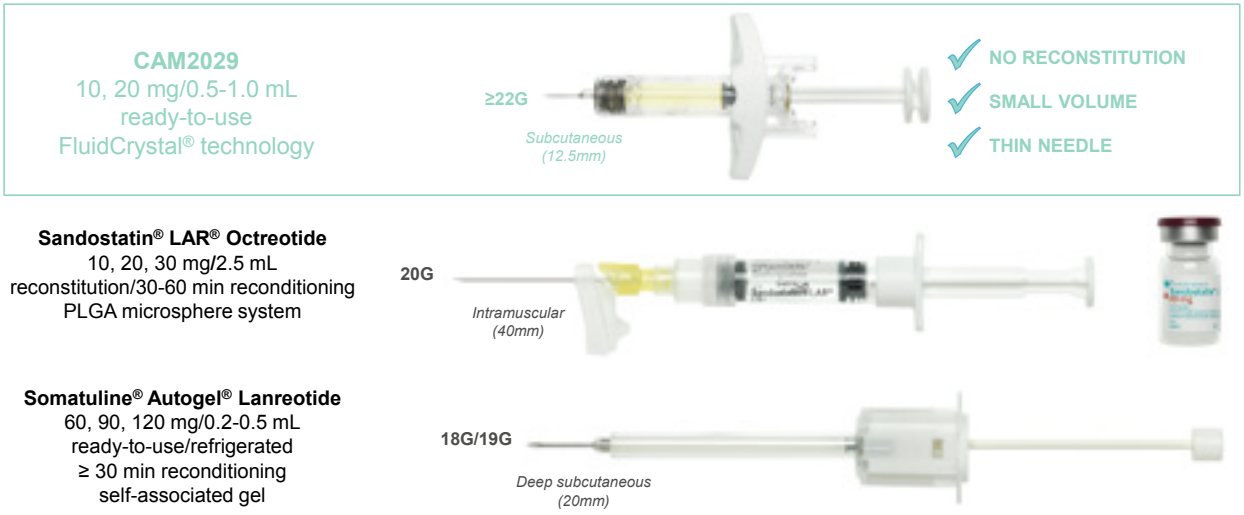
CAM2029 – a new treatment alternative for acromegaly and NET®

CAM2029 for the treatment of acromegaly has been granted orphan designation by the European Commission. This status is granted for medicines of significant benefit to patients with rare diseases. Obtaining orphan designation provides several benefits during product development, such as scientific advice and protocol assistance, and additional market exclusivity once the medicine is approved.

CAM2029 is expected to simplify treatment for patients, by allowing easy self-administration and avoiding frequent and sometimes long journeys to specialist clinics for injections, with the further potential of reducing healthcare costs and workloads for healthcare professionals. In addition, CAM2029 is expected to provide a faster initial and potentially improved treatment efficacy in certain groups of patients with acromegaly and NET.

Due to its thinner needle, injections of CAM2029 may be less painful than Sandostatin® LAR® and Somatuline® Autogel®, which use thicker 20- and 18/19-gauge needles, respectively. Furthermore, Sandostatin® LAR® requires multi-step reconstitution from a powder before administration as an intramuscular injection by a trained healthcare professional.

The image below shows a product design comparison.



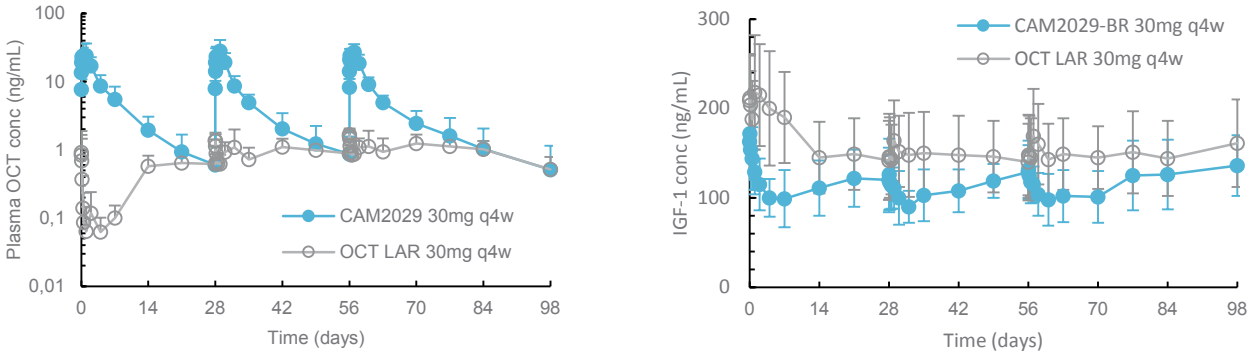
Camurus believes that the many positive features of CAM2029 create a potential for the product, if approved, to capture a significant future share of the global SSA market.

Clinical results

The pharmacokinetic and pharmacodynamic profiles, as well as safety and efficacy of CAM2029, have been documented after administration of single and repeated doses of CAM2029 in three Phase 1 clinical trials in healthy volunteers and one Phase 2 trial in patients with acromegaly or NET. More than 260 subjects have received over 570 injections of CAM2029 in these trials, which have also included immediate release Sandostatin® and Sandostatin® LAR® as reference products.

Following administration, CAM2029 gives rapid and long-acting release of octreotide to therapeutic concentrations (see figure below). Compared to Sandostatin® LAR®, CAM2029 has been shown to provide about 500% higher bioavailability of octreotide. The difference in bioavailability is also reflected in the pharmacodynamic effects on the insulin-like growth factor 1 (IGF-1). The figure below on the right shows how a much faster suppression, and generally lower levels, of IGF-1 is obtained with CAM2029 than with Sandostatin® LAR®. Notably, IGF-1 is a well-established surrogate biomarker for treatment efficacy in patients with acromegaly.[88]

[84] Acromegaly: Market Insights, Epidemiology and Market Forecast-2027, DelveInsight 2018
[85] Rai U, et al. 2015;152:98-110.
[86] Woon C, et al. BMC Nephrol. 2015;16:140.
[87] Jin K, et al. Dig Surg. 2015;32:196-207.
[88] Tiberg F, et al. Br J Clin Pharmacol. 2015;80:460-72.



Plasma octreotide (left) and IGF-1 (right) concentration after repeat dosing of CAM2029 and Sandostatin® LAR®.

The higher octreotide exposure achieved with CAM2029 may potentially improve efficacy in some patient populations with acromegaly and NET, as well as potentially provide opportunities in other therapeutic areas. A Phase 2 trial in patients with acromegaly (N=7) or NET (N=5), indicated that switching from Sandostatin® LAR® to CAM2029 resulted in maintained or decreased IGF-1 levels in acromegaly patients (see figure below, left). In patients with NET, switching to CAM2029 resulted in maintenance or improvement of symptom control, as measured by flushing episodes and bowel movements, see figure below (right).[89] Camurus has also performed simulations of octreotide, GH, and IGF-1 for CAM2029 based on published or own models and data. The work has been performed in order for Camurus to better predict anticipated effects of CAM2029 in phase 3.

Although CAM2029 demonstrates about 500% higher octreotide exposure and a faster and more powerful suppression of IGF-1, the safety profile after repeat doses of CAM2029 was found to be comparable with that of Sandostatin® LAR®.[90]

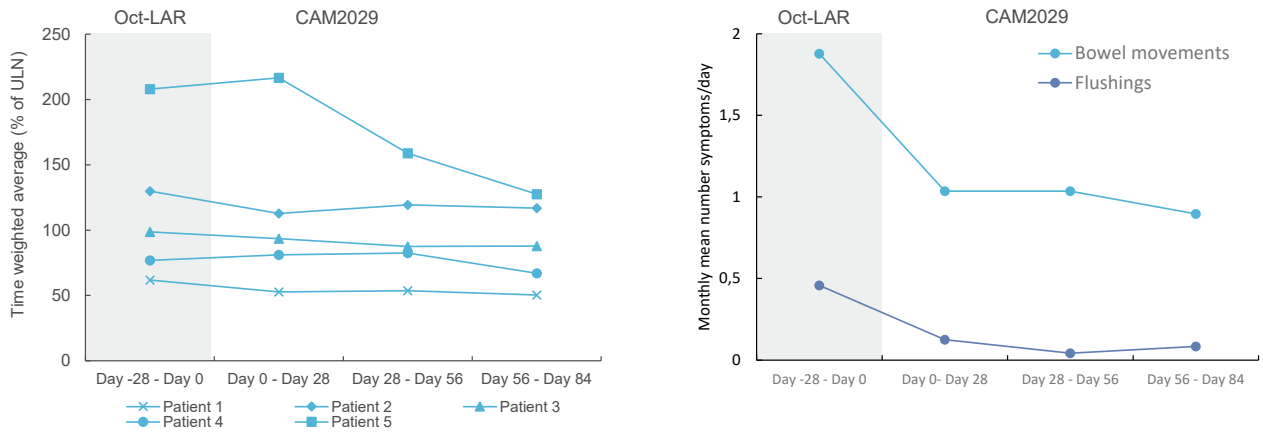
Further development and market registration

End of Phase 2 meetings have been held with both European and US health authorities, with alignment achieved on the registration programs for CAM2029 in acromegaly and NET. Camurus is planning to initiate a Phase 3 clinical trial in acromegaly in mid-2019 to assess the superiority of CAM2029 compared to placebo in maintaining biochemical response. A Special Protocol Assistance process is ongoing to align details on the study design with the FDA. The long-term safety, pharmacokinetics and patient satisfaction to CAM2029 will also be evaluated in the trial.

A Phase 3 clinical trial in patients with low or intermediate grade gastroenteropancreatic NET is designed to demonstrate superiority of CAM2029 to prolong progression free survival (PFS) compared to best available therapy (Sandostatin® LAR® or lanreotide ATG).

CAM2043 for the treatment of pulmonary arterial hypertension

CAM2043 is a novel, long-acting treprostinil formulation for subcutaneous administration currently in development for the treatment of PAH. Based on Camurus' proprietary FluidCrystal® technology, CAM2043 offers both convenience in terms of a single weekly dose, eliminating the need for infusion systems or nebulizers used with other treprostinil products, and a favorable pharmacokinetic profile, eliminating the need for daily dosing. Based on these features, CAM2043 has the potential to be a suitable therapy for patients over the full range of disease severities in PAH. CAM2043 could potentially also find use in the treatment of Systemic Sclerosis and Raynaud's Phenomenon, where prostacyclins such as treprostinil



Left: Time average IGF-1 concentration for acromegaly patients treated with Sandostatin® LAR® (Oct-LAR) and after switch to CAM2029. Right: Average number of symptoms per day for NET-patients during the dosing period after treatment with Sandostatin® LAR® (Oct-LAR, steady state) and after switch to CAM2029.

[89] Pavel M et al, Cancer Chemother. Pharmacol. 2018;Dec 8. Epub ahead of print.
[90] Tiberg F, et al. Br J Clin Pharmacol. 2015;80:460-72.

are considered as a promising treatment option but no products are currently approved.

Background: pulmonary arterial hypertension

Pulmonary arterial hypertension (PAH) is a progressive and life-threatening disease, characterized by an increase in the pulmonary vascular pressure and resistance, vascular remodeling and cellular proliferation within the lung, which may lead to right ventricular failure and premature death. The disease is clinically defined by an elevated mean pulmonary arterial pressure of >25 mmHg at rest and with a pulmonary arterial wedge pressure of <15 mmHg. PAH is divided into four different functional classes based on the severity of the disease, see table below.[91)]

Classification of pulmonary arterial hypertension (PAH):

WHO functional class	Symptomatic Profile
I	Patients with pulmonary hypertension but without resulting limitation of physical activity. Ordinary physical activity does not cause undue dyspnea or fatigue, chest pain, or near syncope
II	Patients with pulmonary hypertension resulting in slight limitation of physical activity. They are comfortable at rest. Ordinary physical activity causes undue dyspnea or fatigue, chest pain, or near syncope
III	Patients with pulmonary hypertension resulting in marked limitation of physical activity. They are comfortable at rest. Less than ordinary activity causes undue dyspnea or fatigue, chest pain, or near syncope
IV	Patients with pulmonary hypertension with inability to carry out any physical activity without symptoms. These patients' manifest signs of right heart failure. Dyspnea and/or fatigue may even be present at rest. Discomfort is increased by any physical activity

The prevalence of PAH is approximately 15–50 cases per million. This equates to about 80,000 patients within the EU.[92)]

The early symptoms of PAH such as dyspnea, dizziness and fatigue, are often mild and similar to many other conditions, such as cardiovascular and respiratory disease. At rest, there are often no symptoms and no apparent signs of illness. As a result, time from symptom onset to disease diagnosis is on average more than 2 years. This means that PAH is often not detected until the disease is relatively advanced. Without pharmacological therapy, death by progressive right ventricular failure is common.

There are currently four pharmacological treatment classes for PAH available on the market: prostacyclins (e.g. treprostinil), endothelial receptor antagonists, phosphodiesterase type 5 (PDE-5) inhibitors and soluble guanylate cyclase stimulators. Prior to the introduction of these therapies, median overall survival was 2.8 years, with median 6-month survival in patients with functional class IV of PAH. The cause of PAH is related to several factors but may develop due to imbalances in the endothelial, nitric oxide and prostacyclin pathways.

Current treatments and their limitations

Treprostinil is a prostacyclin analogue, which mainly reduces the pulmonary arterial pressure (PAP) by vasodilation of the pulmonary and systemic vascular bed. This leads to an improved systemic oxygen transportation and increased cardiac output.

Treprostinil was first approved by the FDA in May 2002 as a subcutaneous infusion formulation marketed as Remodulin® for the treatment of PAH. Treprostinil is now also available in the forms of intravenous infusion (Remodulin®), inhalation (Tyvaso®) and orally administered product (Orenitram®). All currently commercially available products have a documented efficacy in PAH as assessed for example by the 6 minutes walking distance test. The best efficacy has been shown for parenteral (subcutaneous and intravenous) infusion products, but due to the complicated handling and the associated risks of serious bloodstream infections, and with infusion site reactions and pain, parenteral treprostinil is primarily used in patients with more severe PAH (WHO Functional Class IV).[93)] Factors such as poor bioavailability and variability of plasma concentrations, complex dosing schedules and handling of device, are limiting the use of oral and inhaled treprostinil to less severe cases of PAH (WHO FC I-III).

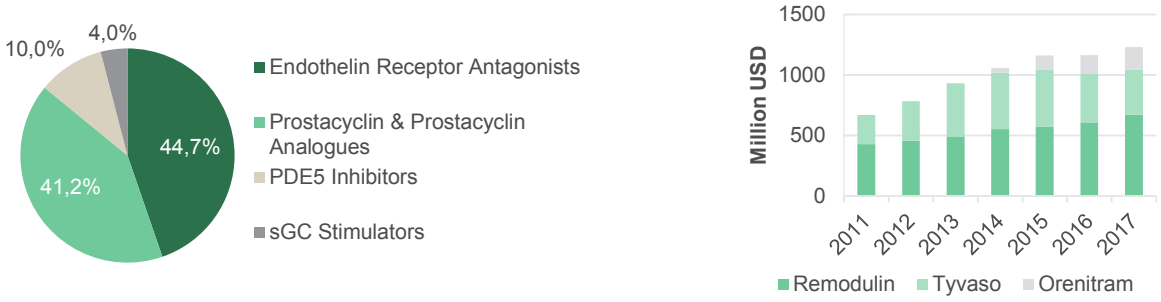
To Camurus' knowledge, there are no other long-acting injectable products in clinical development for PAH. There are two other formulations of treprostinil in clinical development. SteadyMed (a wholly owned subsidiary of United Therapeutics Inc) is in registration phase for their single-use pump device and Liquidia is in Phase 3 development with their inhaled treprostinil product. Arena pharmaceuticals is developing a new prostacyclin receptor agonist, ralinepag, and is expected to complete Phase 3 in 2022. In addition, there is one combination treatment in Phase 3 development for PAH by Lung Biotechnology/United therapeutics, which combines esuberaprost (oral administration) with Tyvaso®.

Market opportunity

The four classes of products currently approved for the treatment of PAH include 13 approved products. The global market for PAH exceeded USD 5 billion in 2017.[94)] Future growth is expected, with the major growth drivers being the launch of new drugs, reimbursement support and an increased use of combination therapies.[95)] The US is the largest market with more than 50% of the global sales. Furthermore, there is great potential for the market to grow with the rising awareness of treatment options for PAH.

The global annual sales of the three commercially available treprostinil products (Remodulin®, Tyvaso® and Orenitram®), amounted to USD 1.2 billion in 2017.[96)]

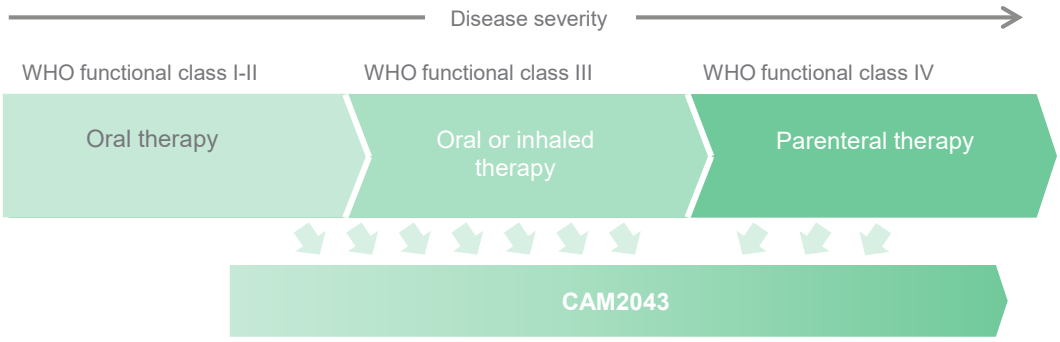
91) Rich S.. Advances in Pulmonary Hypertension. 2002;1(1):3-8.
92) Norman P. Expert Opinion on Orphan Drugs 2014;2 (11):1137-45.
93) Buckley MS, et al.. Core Evid 2014; 9:71-80.
94) GlobalData, 2018
95) Pulmonary Arterial Hypertension – Opportunity Analysis and Forecasts to 2026, GlobalData, 2017
96) GlobalData, 2018



The PAH market by pharmacological treatment class (left) and global sales development of commercially available treprostinil products.

CAM2043 – a new treatment alternative for PAH

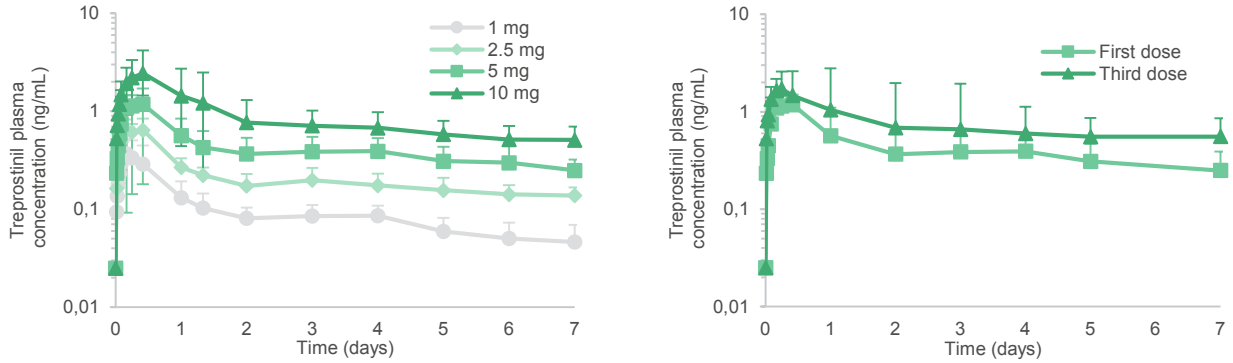
CAM2043 has the potential to offer once-weekly subcutaneous dosing without the risk of infusion-related infections and pump-related complications and an improved quality of life for patients alleviated from the burden of carrying the extracorporal pump. With its product design, CAM2043 may be a treatment alternative not only to infusion products but also oral and inhaled products, by providing consistent drug exposure and convenient once-weekly self-administration by patients in a home setting. Based on this, CAM2043 has the potential to be a suitable therapy for patients across all functional classes of PAH.



Based on the favorable product profile, CAM2043 may take market share from current parenteral, oral and inhaled therapy.

Clinical results

The pharmacokinetics and safety of CAM2043 have been evaluated in a Phase 1 trial in 60 healthy subjects. Single doses of CAM2043 showed dose proportional extended release of treprostinil in the dose range of 1–10 mg, see figure below.



Pharmacokinetic profiles of treprostinil after a) single doses of CAM2043 (left figure), and b) first versus third dose of weekly repeated 5 mg CAM2043 doses.

The tolerability of CAM2043 was generally acceptable with no observations of unexpected or serious adverse events. Injection site reactions were acceptable and resolved over time.

Further development

Camurus is currently planning two Phase 2 trials with CAM2043; one in patients with PAH and one in patients with Raynaud's Phenomenon secondary to systemic sclerosis. The trial in patients with PAH is planned to be an open-label, flexible-dose trial enrolling patients wishing to switch from their current treprostinil treatment to CAM2043. The trial will assess efficacy, pharmacokinetics, safety and tolerability of CAM2043. The trial in patients with Raynaud's Phenomenon secondary to systemic scleroderma is planned to be an exploratory trial, enrolling a small number of patients.

CAM2032 – Flexible treatment of advanced prostate cancer

The well-established hormone therapies for prostate cancer, based on gonadotropin releasing hormone (GnRH) agonists such as leuprolide, aim to reduce testosterone levels and thereby impede the growth of cancer cells. Long-term treatment with GnRH agonists results in symptomatic improvement and the regression of prostate tumors in most patients. In comparative clinical trials on patients with metastatic prostate cancer, such treatment has proven to deliver comparable survival rates to surgical castration. GnRH agonists have also proven to be efficient in the treatment of other diseases, such as precocious puberty and endometriosis.

CAM2032 is a long-acting subcutaneous leuprolide depot for the treatment of prostate cancer. Based on Camurus' FluidCrystal® injection depot technology, CAM2032 is being developed for self-administration with a pre-filled syringe as a small dose volume which does not require any reconstitution or temperature conditioning.

The market for GnRH agonists is dominated by long-acting injection products and has remained stable for some time, with total global annual sales of USD 3–4 billion.[97] However, the established products are not suitable for self-administration and require preparation by healthcare professionals prior to administration. Designed to enable self-administration, CAM2032 can provide patients with increased flexibility, while reducing the burden of scheduled injections by healthcare professionals.

CAM2032 has being evaluated in two clinical Phase 2 studies; one single-dose study including 27 patients with prostate cancer and one repeated-dose study including 51 patients with prostate cancer. Both studies demonstrated pharmacokinetic and pharmacodynamic profiles, i.e. the release of therapeutic levels of leuprolide and the reduction in testosterone levels, in accordance with the target product profile for a month by administration. The figure below shows the pharmacokinetic profile of leuprolide following repeated dosing of CAM2032 compared to the active control product Eligard®. The treatment effect, assessed by the suppression of testosterone and prostate specific antigen (PSA) levels over time, was found to be similar between the two treatments.

CAM2032 also demonstrated a favorable safety profile with good local tolerability. Discussions with potential development and commercialization partners are ongoing.

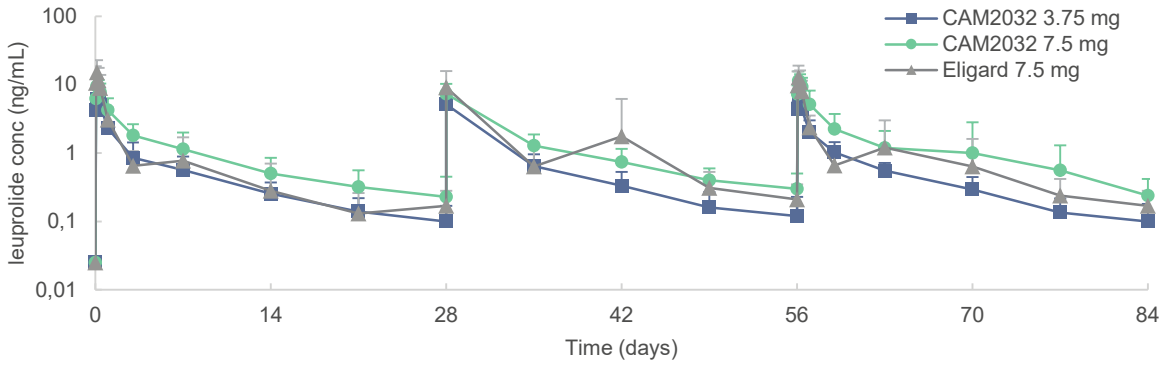
CAM4072 for the treatment of genetic obesity

Based on Camurus' FluidCrystal® technology, CAM4072 is a weekly formulation of the melanocortin 4 (MC4) agonist setmelanotide which is being developed by the company's partner Rhythm Pharmaceuticals for the treatment of rare genetic obesity disorders. The FDA has granted Rhythm's setmelanotide Breakthrough Therapy designation for the treatment of pro-opiomelanocortin (POMC) and leptin receptor (LepR) deficiency obesity and Orphan Drug Designation for the treatment of Prader-Willis Syndrome. Rhythm Pharmaceuticals has also received PRIority MEdicines (PRIME) designation for setmelanotide in Rare Genetic Disorders of Obesity from the EMA.

Results from Phase 2 clinical trials of setmelanotide demonstrated significant reductions in hyperphagia and body weight for patients with POMC and LepR deficiency obesity. Phase 3 clinical trials with a daily setmelanotide formulation are ongoing in both indications, while the long-acting formulation of setmelanotide, CAM4072, is being developed in parallel. Rhythm has successfully completed Phase 1 studies of single and repeated doses of CAM4072 and further clinical studies of CAM4072 in patients with rare genetic obesity disorders are currently ongoing and being prepared.

CAM2047 for the treatment of chemotherapy-induced nausea and vomiting

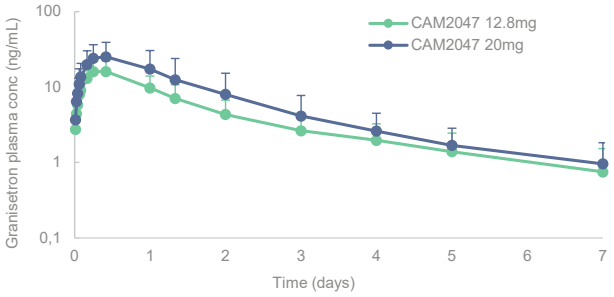
Nausea and vomiting are among the most distressing side effects of chemotherapy, experienced by many cancer patients each year. The global chemotherapy-induced nausea and vomiting (CINV) market is expected to reach 2.7 billion USD in 2022.[98] The total cost associated with the development of CINV has been estimated at nearly 800 USD per patient for the first 5 days of the first cycle of chemotherapy.[99]



Mean leuprolide plasma concentration after repeated monthly dosing of CAM2032 vs. comparator drug Eligard (Phase 2 data).

[97] GlobalData, 2018.
[98] Chemotherapy-Induced Nausea and Vomiting Market: Global Opportunities and Forecast 2014-2022, Allied Market Research 2017.
[99] Haiderali et al, Support Care Cancer. 2011 Jun;19(6):843-51.

Granisetron is a 5-HT3 receptor antagonist used for the treatment of acute CINV. Based on Camurus' proprietary FluidCrystal® technology, CAM2047 is being developed as a long-acting subcutaneous depot providing prolonged exposure of granisetron for the treatment of acute and delayed CINV. Results from a Phase 1 trial assessing the safety and pharmacokinetic profile after single dose administration of CAM2047 demonstrated that the product candidate was well tolerated locally and systemically, with pharmacokinetic profiles meeting the target specifications.



Mean granisetron plasma concentration after single doses of CAM2047 (Phase 1 data).

Discussions with potential development and commercialization partners are ongoing.

CAM2048 and CAM2058 for the treatment of acute pain and post-operative nausea and vomiting

Post-operative pain and post-operative nausea and vomiting are common adverse effects after surgery. Many patients receive inadequate pain therapy, which can lead to delayed mobilization and recovery, reduced pulmonary function, cardiac complications, and an increased likelihood of developing neuropathic pain.[100] Opioid therapy is among the most effective treatments for postoperative pain, and buprenorphine offers a superior safety profile compared with full opioid agonists.[101]

Based on Camurus' proprietary FluidCrystal® technology, CAM2048 is being developed as a buprenorphine depot, providing rapid onset of action and sustained plasma levels of buprenorphine for the treatment of post-operative pain. CAM2058 is a unique combination of buprenorphine and granisetron, which not only addresses post-operative pain, but also the symptoms of nausea and vomiting that often co-occur with the pain.

Results from a Phase 1 trial of CAM2048 and CAM2058 demonstrated that the products were well tolerated locally and systemically, with pharmacokinetic profiles meeting the target specifications for these product candidates. Planning of the registration program and analysis of market potential is ongoing.

CAM2048 and CAM2058 are being developed in collaboration with Braeburn Pharmaceuticals.

Additional early stage collaborations

In addition to the clinical stage development projects being conducted by Camurus both in-house and under collaboration agreements, the company also has several projects in the pre-clinical evaluation phase in collaboration with various international biotech and pharmaceutical companies. These collaborations include both clinical and marketed, patented active ingredients, where Camurus' project can be part of the life-cycle management, and entirely new active ingredients where FluidCrystal® technology is included in the product development strategy from the start of clinical development. Aside from co-funding Camurus' R&D of its technologies and further boosting the company's knowledge, these collaborations may also result in new collaboration and licensing agreements with possibilities of significant future revenues in the forms of development and sales milestones and royalties on future product sales. Camurus is currently performing several feasibility studies assessing partner drug compounds formulated with FluidCrystal® technology.

Preclinical in-house pipeline

Camurus' early stage product pipeline comprises a number of promising internal product candidates in preclinical development, based on the FluidCrystal® technology. The evaluation and selection process of new product candidates uses a set of key criteria, including:

- the possibility of fulfilling an important unmet medical need;
- technology matching;
- expeditious clinical development and market registration process;
- the possibility of market exclusivity, including patent protection; and
- attractive markets.

Furthermore, development and commercial synergies with Camurus' other projects and future commercial interests are also taken into consideration.

If the selection criteria are met, the product candidate is evaluated in preclinical studies against the target product profile in terms of drug loading, manufacture, stability and drug release *in vitro* and *in vivo*. Only once this preclinical evaluation is deemed successful does planning and initiation of the clinical development program, and technology transfer for manufacturing of the product candidate, begin.

New products are usually protected by existing technology patents and supplemented by additional product-specific patent applications. An initial freedom-to-operate analysis is normally conducted when the product candidate's properties have been identified; preliminary market analyses take place early in the project and are refined during clinical development.

Research and development strategy

R&D is a key strategic priority for Camurus. The company's long-term success is largely dependent on its continued innovation and development of new and enhanced technologies and products that improve treatment outcomes and the quality of life of patients, while reducing the burden on the healthcare system.

Camurus' R&D organization comprises pre-clinical, pharmaceutical and analytical, and clinical and regulatory development units. In 2014, Camurus invested in an additional new analytical laboratory with capacity for both advanced pharmaceutical analysis and bioanalysis.

New product ideas and development come from a deep understanding of the different possibilities offered by Camurus' technology platforms and from interaction with external stakeholders. The input from these sources is complemented by scientific documentation and market assessments to evaluate attractive product candidates and development projects. New development projects are aimed at solving medical problems within indication areas that can be addressed by Camurus' development organization and/or commercial capabilities and that also have significant global market potential.

In addition to candidates identified in-house, new development projects come from other biotech and pharmaceutical companies. In

[100] Gan TJ, et al. Currt Med Res Opin. 2014;30(1):149-60.
[101] Khanna IK, Pillarisetti S. J Pain Res. 2015;8:859-75.

these cases, Camurus assesses whether the project is of strategic interest and then conducts a feasibility study, where key properties of the target product profile are evaluated, prior to entering into a more extensive clinical collaboration in the form of, for example, collaboration and licensing agreements.

Assessments of in-house ideas and feasibility studies for third parties typically include formulation optimization, stability assessment, the determination of *in vitro* and *in vivo* release profiles, and a basic toxicology evaluation. Depending on this assessment, Camurus or its partner may initiate clinical trials.

All R&D units at Camurus are involved in the preparation and execution of early clinical trials. The company's technical operation function is responsible for technology transfers of manufacturing under good manufacturing practice (GMP) to one of Camurus' contracted manufacturers of investigational medical products. Provided positive clinical results are achieved, in terms of, for example, pharmacokinetics and safety, the project may proceed to a late development phase including the preparation and execution of pivotal trials (Phase 3 trials) for market registration (based, for example, on advice from the EMA and FDA) and the transfer of manufacturing to a commercial scale. Depending on the disease area, size and costs of the clinical program, and the market dynamics, Camurus may engage a partner in parts of or the full late-stage clinical development. However, usually the company retains rights to in-house projects for as long as possible to maximize the increase in value. When entering into a cooperation agreement, the agreement is structured to utilize the specific expertise of the respective partners to the greatest extent possible.

Following registration submission and approval, Camurus evaluates possibilities for conducting post-marketing studies and initiating life-cycle planning.

Medical device – episil®

The medical device episil® has been developed and registered by Camurus. episil® is a lipid-based liquid that is sprayed over the oral mucosa and immediately transforms into a strongly bioadhesive film protecting the sore and sensitized mucosa. The product has been studied in several clinical trials that have demonstrated positive treatment outcomes for, among other conditions, mouth pain in cases of oral mucositis, and episil® has been registered and launched in the US, EU and Japan.

Oral mucositis

Oral mucositis is a painful inflammation and ulceration of the oral mucosa. It is a frequent side effect of radiotherapy and chemotherapy, affecting nearly all head and neck cancer patients receiving radiotherapy and 30–75% of patients undergoing chemotherapy for other cancer types, including breast cancer. In severe cases, oral mucositis may be treatment limiting, necessitating a reduction in dosage or delays in the delivery of therapy. Furthermore, oral mucositis can in advanced stages be extremely painful, preventing the patient from eating and requiring hospitalization for re-hydration, opioid analgesia and total parenteral nutrition. Destruction of the protective mucous membrane may further place the patient at a serious risk of infection.[102]

episil®

Despite the development of various medications and targeted therapeutic interventions for the treatment of oral mucositis, a substantial medical need remains for effective pain control and mitigation of the symptoms of the disease. episil® has been developed to reduce pain in the oral cavity and can thereby maintain the patient's ability to eat and drink and potentially reduce the need for total parenteral nutrition and opioid analgesics.[103]

The product is based on Camurus' FluidCrystal® topical bioadhesive technology. Clinical trials on cancer patients with oral mucositis have demonstrated that the lipid film, which is formed a few minutes after administration of episil®, strongly adheres to the mucosal surfaces and thereby providing protection. In clinical trials, episil® has been demonstrated to rapidly reduce intraoral pain by an average of about 40% in cancer patients treated for head and neck cancer with radiation treatment, with a long-lasting effect of up to 8 hours.[104] episil® has been shown to be well-tolerated with no systemic effects and very good local tolerability.[105] episil® has obtained 501(k) market approval from the FDA in the US and a CE marking (class 1) in the EU. Camurus is ISO 13485:2016-certified, thereby ensuring that the applicable quality requirements for the design and manufacture of episil® are met.

episil® is currently marketed in Europe, the US, the United Arab Emirates, Japan and Australia. Its sales and distribution are conducted through several distribution partners, including Solasia Pharma KK and its distribution partner Meiji Seika Pharma in Japan, and through Camurus' own sales efforts in Sweden, Denmark and the UK. Recently, episil® was also approved in China by the National Medical Products Administration (NMPA, formerly CFDA).

IP rights

Camurus has an active IP rights strategy and strives to effectively maximize the protection of its inventions, technologies, products and product candidates with patents in all major pharmaceutical markets. The company has made numerous innovations, resulting in more than 330 patents providing an extensive geographical coverage. Camurus' patents cover its technologies, products and product candidates. Patent families for technologies includes WO2005/117830 for FluidCrystal® injection depot and WO2006/075123 for FluidCrystal® topical bioadhesive; and for product candidates includes WO2006/075124 for CAM2029, WO2014/016428 for CAM2038 and WO2018/050864 for CAM2043. In addition to maximizing the protection of the company's technologies and product candidates, Camurus' patent strategy aims to also allow the licensing of products to major pharmaceutical companies in specific product areas without losing overall control of the company's core IP assets.

[102] Al-Ansari S, et al. Curr Oral Health Rep. 2015;2:202–11.
[103] Svanberg A, et al. Support Care Cancer. 2010;18:S114-5.
[104] Tiberg F, et al.. Support Care Cancer. 2009;17:918.
[105] Patient information leaflet (PIL) for episil®.

Camurus' material patents for the FluidCrystal® technologies and various pharmaceutical candidates for main markets are set out in the table below.

		Geographical scope granted/pending			Expiry	
Technology/ Product	Publication Number (US & EP and/or International)	US	Europe (EPO & national)	RoW	US (predicted)	EPO/
FluidCrystal® injection depot	US8236292, EP1768650	2/2	13/0	16/0	2027	2025
	US8097239, EP2052716	1/0	12/0	0/1	2028	2028
	US8865021, EP1682091	1/0	16/0	1/0	2028	2024
	WO2010/020794, EP2328552	1/1	11/0	2/0	2031	2029
	WO2013083460 US9585959 EP2787975	1/0	16/0	6/7	2032	2032
	WO2012160213	0/1	0/1	10/16	(2032)	2032
	WO2018/060212	–	–	0/2	(2037)	2037
FluidCrystal® topical bioadhesive	EP2206495 US9649382 US9968680	3/0	12/0	0/0	2025	2025
FluidCrystal® nanoparticles	US9060935, WO2006077362	1/0	0/1	7/0	2029	2025
	US8182834, EP1713446	1/0	83/0	0/0	2027	2025
	US8187629	1/0	3/0	0/0	2026	2025
Buvidal®/Brixadi™	US8236292 US8236755 US8545832	3/0	13/0	16/0	2027	2025
	WO2014016428 US9937164	1/1	0/1	9/16	2032	2033
CAM2029	US8871712, EP1843746	1/0	11/0	4/0	2027	2025
	WO2008152401 US9974861	1	1	7/1	2029	2028
	WO2012160213	0/1	0/1	10/16	(2032)	2032
	WO2018/060213	–	–	3/0	(2037)	2037
CAM2043	WO2018/050864	–	–	1/0–		2037/(2038)
CAM2032	US20090170782, EP1845942 US9757461	1/1	20/0	2/0	2025	2025
	WO2010/020794, EP2328552	1/1	11/0	2/0	2031	2029
CAM2047/CAM2058	WO2017/046384	0/1	0/1	0/10		2037
CAM4071	WO2013/174978	0/1	0/1	1/6	(2033)	2033
episil®	US8920782 EP1848403	1/0	8/0	3/1	2030	2025

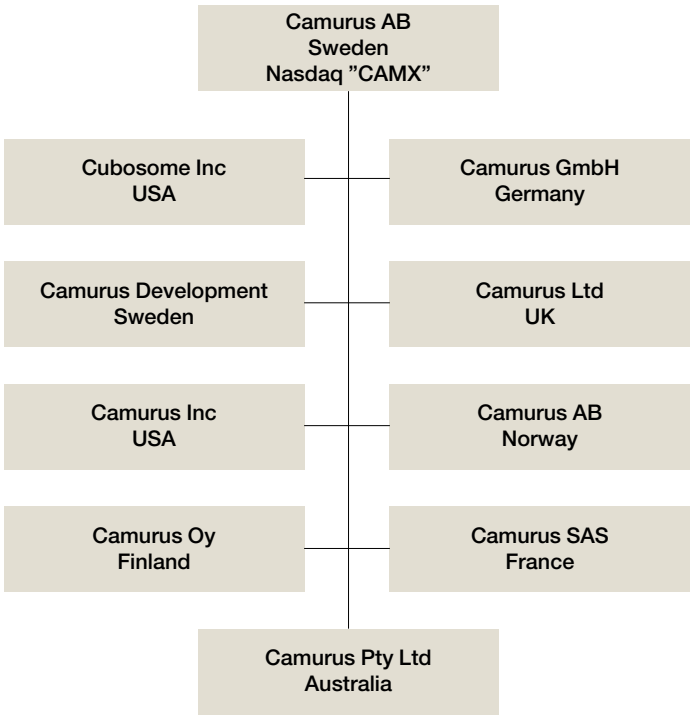
Camurus utilizes advanced research to develop innovative and differentiated technologies and products that provide significant value for patients and healthcare systems. R&D require substantial resources and efficient patent management to ensure adequate patent protection to capitalize on the future value of the technologies and products by establishing an exclusive market position. Camurus has built long-standing relationships with leading international IP firms to be able to efficiently protect its developments, and to maintain and defend its existing patents and trademarks, and ultimately the commercial value of the company's various commercial assets.

Manufacturing

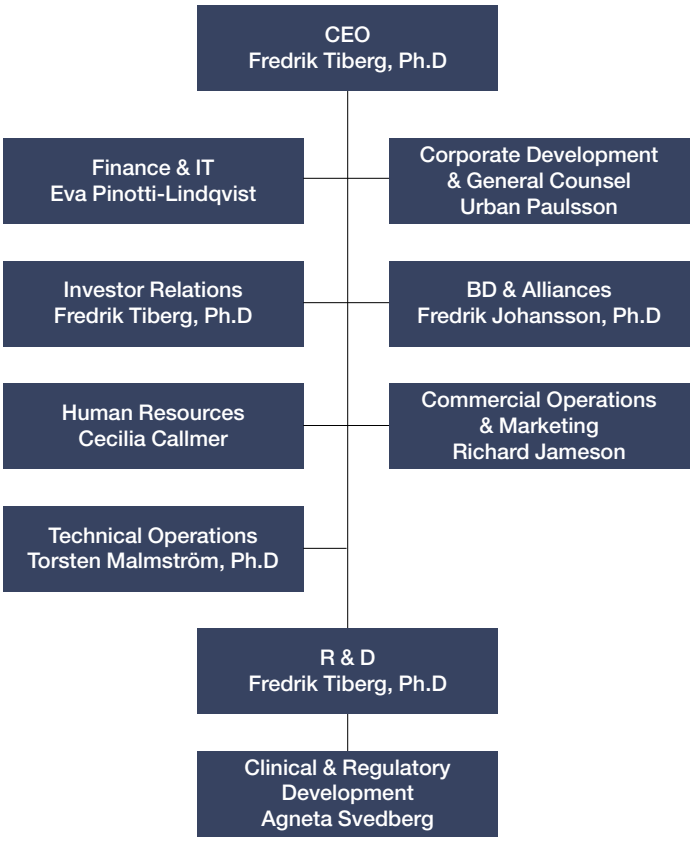
Camurus' manufacturing strategy is based on partnerships and outsourcing, where in-house knowledge and expertise are combined with external contractors' best practices, process experience, infrastructure and production capacity. Camurus has established a network of preferred contract manufacturing partners in both Europe and the US to support its manufacturing needs, ranging from the supply of small batch sizes of investigational medicinal products to large-scale commercial product supply. Camurus has substantial experience of technology transfers to contract manufacturers and has through such collaborations manufactured several products for commercial use as well as materials for clinical trials. Furthermore, Camurus has established a full supply chain for all key components and ingredients, and a commercial distribution network in Europe and Australia.

Organizational overview

Camurus'Group structure:



Camurus' Executive Management, R&D and Commercial.

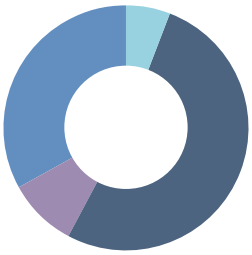


As of 31 January 2019, Camurus had 100 employees, and an additional 26 consultants – 12 in the commercial organization and 14 in R&D and HQ support functions.

No. of permanent employees	31 Jan 2019	2018	2017	2016
At the end of period	100	94	71	62
Women/men	54/46	51/43	39/32	37/25

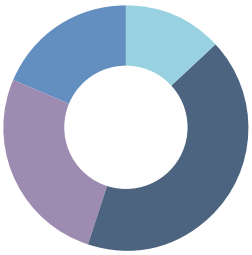
Camurus' head office is located at the Ideon Science Park in Lund, Sweden. The company's premises consist of approximately 2,000 m^2 of offices and laboratories. The division of employees by function is depicted below:

Employees per function



- Support functions, 6
- R&D incl. Medical Affairs, 52
- Tech Ops & Supply, 8
- Commercial organization, 33

Commercial organization



- HQ Commercial, 5
- CEU, 16
- NEU, 10
- ROW (Australia, France, Iberia), 7

Sustainability

Social and environmental sustainability are vital aspects of Camurus' Code of Conduct and the way the company operates, ensuring its long-term success for the benefit of patients. The third goal of the United Nations Sustainable Development Goals is to "Ensure healthy lives and promote well-being for all at all ages". At Camurus, everybody works towards this goal through the mission to improve the lives of patients suffering from serious and chronic conditions by providing innovative treatment solutions. In the effort to develop new pharmaceutical products, a broad range of internal and external stakeholders, including employees, healthcare professionals, regulatory authorities, payers and supply chain partners are engaged. Clear, effective and transparent communication with stakeholders is essential for ensuring sustainability throughout the entire value chain. Social responsibility at Camurus focuses on three main areas: employee wellbeing, patient safety and business ethics.

Camurus' single greatest asset is its employees. The company does its utmost to provide a secure and safe workplace and a positive working environment. Guidelines and procedures have been implemented to integrate health and safety aspects in all business activities, and to prevent employees from being exposed to unnecessary risks.

Patient safety is Camurus' highest priority. Internal guidelines and procedures have been implemented to protect patient safety and to ensure the high quality of products. Furthermore, all relevant laws and regulations in governing R&D, manufacture, storage and distribution activities, including the disclosure of information regarding the safety of the company's pharmaceutical products are followed. Any side effects related to compounds in clinical development as required by relevant laws and regulations are reported. Products already on the market are tracked and monitored for side effects and new and unexpected safety signals. The company notifies regulators about relevant data in accordance with applicable regulations.

Camurus operates within a strictly regulated industry. Government regulatory bodies routinely demand information through audits, evaluations and inspections. Camurus' employees are committed to upholding the highest standards of integrity and honesty and adhering to all relevant laws and guidelines regarding interactions with regulatory bodies and healthcare professionals. Services of healthcare professionals or organizations are utilized when there is a justifiable need. Compensation, if relevant, is in line with local legislation. Clinical research to evaluate the safety and efficacy of medicines is a crucial component of pharmaceutical development. Camurus is committed to protecting the patients and healthy volunteers who participate in clinical trials, upholding the highest ethical, scientific, and clinical standards in all research, and communicating clinical trial results in a timely, accurate and transparent way. All data from clinical research is registered, processed and stored in a manner that facilitates thorough reporting, interpretation and verification. Camurus is committed to providing accurate and non-misleading information about its products. The company's Code of Conduct guides efforts against corruption and bribery. Suppliers play an important role in research, development and pharmaceutical sales. Camurus selects its suppliers based on objective criteria with the expectation that they act in a manner that corresponds to the company's commitment to adhering to relevant laws and ethical business practices.

To protect the environment, Camurus strives to continually reduce waste and energy consumption, and to minimize the environmental impact of R&D work and products. Environmentally friendly ingredients and transportation are chosen whenever possible, and regional supply chains are established wherever practicable.

Industry and market information

This prospectus contains certain industry and market information sourced from third parties, including statistics and data from industry publications and other publicly available information. Even if the information has been accurately reproduced and Camurus considers the sources reliable, Camurus has not independently verified the information and, accordingly, cannot provide any assurances as to its accuracy and completeness. As far as Camurus is aware and can ascertain by comparison with other information published by these sources, no information has been omitted that could render the reproduced information inaccurate or misleading.

Pharmaceutical development and regulatory overview

Development process for pharmaceuticals

In order to obtain authorization for marketing of a pharmaceutical product, the developer must carry out extensive studies and comply with a rigorous regulatory framework. The studies are divided into pre-clinical studies and clinical trials.

Discovery phase

New pharmaceuticals are typically discovered through one of the following steps:

- new insights into a disease process that allow researchers to design a product to stop or reverse the effects of the disease;
- a broad range of tests of molecular compounds to find possible beneficial effects against diseases;
- existing treatments that have unanticipated effects;
- new technologies that for example provide new ways to target pharmaceutical products to specific sites within the body or new ways to manipulate genetic material.

Once researchers identify a promising compound for development, they commence experiments to gather more information about the product and its effects through pre-clinical studies.

Pre-clinical studies and preparations for clinical trials

Before testing a compound on humans, the developer must investigate whether there is a risk that the compound can lead to serious harm or toxicity. Pre-clinical studies using laboratory trials and human models evaluate the product's chemistry, toxicity and formulation.

To proceed with clinical trials in humans in the US, the developer must make an investigational new drug (IND) application to the FDA, which includes the results of the pre-clinical studies, manufacturing information, analytical data, any available clinical data or literature data, and the proposed protocols of the clinical trials that are to be conducted. The clinical trial may be initiated 30 days after the IND application, unless the FDA has raised questions or concerns related to the clinical trials during that time period. In such case, the drug developer or sponsor must handle these issues and amend the application before the clinical trials can begin.

Pharmaceutical product development in the EU and the European Economic Area (EEA) is subject to regulations by authorities at both EU and national levels. Clinical trials in the EU must be conducted in accordance with EU and national regulations, as well as with Good Clinical Practice (GCP). Any interventional clinical trials that are conducted in the EU/EEA, as well as clinical trials conducted outside the EU/EEA that are linked to European pediatric-medicine development, must be registered with the EU Clinical Trials Database (EudraCT).

Clinical trials

In a clinical trial, a pharmaceutical product is administered to humans under the supervision of qualified investigators in accordance with GCP requirements. A clinical protocol must be submitted to the relevant supervisory authority, including the purpose of the trial, what parameters are to be used in monitoring safety, and the effectiveness criteria to be evaluated. An independent ethics committee or institutional review board consisting of scientists and non-scientists in hospitals and research institutions will also review and approve the clinical trial plan from an ethical perspective. Informed written consent is required from all trial participants.

Human clinical trials are typically conducted in three or four sequential phases, which may overlap or be combined. The different phases are:

- Phase 1: usually conducted on healthy volunteers but can also involve patients with the target disease. The goal is to determine how the product is tolerated and how it is absorbed, distributed, metabolized and excreted. The initial doses are often low and may gradually be increased. Phase 1 trials can also yield important information about the product's pharmaceutical effects. The number of subjects typically range from 20 to 80 people.
- Phase 2: aims to obtain preliminary data on whether the product is efficacious in patients with the targeted condition and establish an appropriate dosage for later large-scale testing of the product. Safety aspects are continuously monitored and short-term side effects are studied. The number of subjects typically range from a few dozen to about 300 patients.
- Phase 3: only commences if Phase 2, or in some cases Phase 1, results are promising, i.e. if evidence of efficacy and safety is obtained. Phase 3 trials gather further information to document safety, tolerability, statistically significant treatment efficacy, and different populations and dosages. Sometimes the product is studied in combination with other pharmaceuticals. In controlled trials, patients receiving the product are compared with patients receiving a different treatment, usually an inactive substance (placebo), or a different authorized pharmaceutical in a double-blind randomized model. The number of subjects typically range from a few hundred to a few thousand patients.
- Phase 4: also called post-marketing surveillance studies as they are typically conducted after the trials required to obtain product approval. If the relevant supervisory authority, such as the FDA or European Commission, approves the application for market authorization of the new product, it may condition the approval with undertakings for the market authorization holder to conduct additional clinical trials after the receipt of approval. A developer may also voluntarily conduct additional trials, in order to get more information about the product's long-term effects and health economic aspects.

During clinical trials, reports on the participants' safety must be submitted to the authorities at least annually and more often if major adverse events occur. If it is found that the research subjects are being exposed to unacceptable health or safety risks, the clinical trial can be suspended or terminated by the authority at any time.

The developer of the pharmaceutical product must also develop a process for product manufacturing in commercial quantities in accordance with current Good Manufacturing Practice requirements. It is important that the manufacturing process is capable of consistently producing the product with high quality and that there are methods for testing the identity, strength, quality and purity of the final product. In addition, appropriate packaging must be selected and evaluated, and stability studies performed in order to demonstrate that the product does not undergo unacceptable deterioration over its shelf life.

Regulatory overview

Approval process

The regulatory framework for development and receipt of marketing authorization for pharmaceutical products is extensive. Authorities regulate areas including research, development, testing, manufacturing, safety surveillance, efficacy, quality control, packaging, storage, recordkeeping, labeling and the reporting of safety and other post-marketing information of the pharmaceutical product. Advertising, promotion, distribution, marketing, sales, import and export is also regulated. Before a pharmaceutical product can be sold and promoted, it must be approved by the national authority in the relevant country or region.

US regulations

In the US, pharmaceutical development and marketing is regulated under the Federal Food, Drug and Cosmetic Act (FDCA) and federal, state and local regulatory authorities. The FDCA's regulations contain requirements for the research, testing, development, manufacture, quality control, safety, effectiveness, approval, labeling, storage, record keeping, reporting, distribution, import, export, advertising and promotion of pharmaceutical products. Failure to comply during the review process or after receipt of marketing authorization may result in a variety of administrative or judicial sanctions, including refusal from the FDA to approve pending new drug applications (NDAs), withdrawal of an approval, product recalls, total or partial suspensions of production or distribution, injunctions, refusals of government contracts, disgorgement or civil or criminal penalties.

Under the provisions of section 505(b)(2), an NDA can rely on data not developed by the sponsor itself. These provisions of section 505(b)(2) were created, in part, to help avoid unnecessary duplication of studies already performed on a previously approved ('referenced' or 'listed') product. A 505(b)(2) NDA contains full safety and effectiveness reports but allows some of the information required for NDA approval, such as safety and efficacy information on the active pharmaceutical ingredient, to come from studies not conducted by or for the sponsor. This way, the traditional steps of formula development and extensive non-clinical studies may largely be avoided, and the clinical program may be reduced to fewer trials, including at least one Phase 3 trial. As a result, the route to an approval may be less expensive and faster compared with a traditional development path.

Regulations within the EU/EEA

In the EU/EEA, a marketing authorization (MA) is required before a pharmaceutical product can be placed on the EU market. The MA application is submitted for assessment to the EMA or the national authority. An MA is initially valid for 5 years and can be renewed based on a re-evaluation of the risk-benefit balance.

An MA issued through the centralized procedure gives the marketing authorization holder (MAH) access to all member states of the EEA. In this instance, the MA application must be submitted to the EMA for a scientific evaluation to be conducted.

An MA issued through the decentralized procedure or the mutual recognition process is based on the mutual recognition by national authorities. If the pharmaceutical product has not been granted an MA in any member state within the EEA at the time of application, the applicant can, through the decentralized procedure, submit an application in all member states where it intends to obtain an MA at the same time. One of the member states must be chosen as a reference member state where the main assessment will be made. If the pharmaceutical product has already received an MA in a member state at the time of application, the member states concerned must under the mutual recognition process recognize the MA granted by the reference member state.

An MA granted through the national procedure will give the MAH access to only one particular member state.

Data from pre-clinical studies as well as from clinical trials must be included in the application procedures, except when the application is made by the decentralized procedure or the mutual recognition process. If the applicant can demonstrate that the active substances of the pharmaceutical product have been in well-established medicinal use within the EEA for at least 10 years, with recognized efficacy and an acceptable level of safety, the study and trial results may be replaced by appropriate scientific literature. There is therefore the possibility of a shortened development process for pharmaceutical product candidates where this so-called hybrid pathway is applicable, as the MA application can rely in part on pre-clinical and clinical data already submitted for a reference product.

Post-approval requirements

Pharmaceutical products distributed or manufactured in accordance with an approval from the FDA or a national authority in the EEA or the European Commission, are subject to extensive and continuously updated regulations including record keeping, periodic safety reporting, product sampling and distribution, advertising and promotion and reporting of adverse experiences. The manufacturers must continue to spend time, money and effort on production and quality controls in order to ensure GMP compliance. If any non-compliance with regulatory requirements occurs or if there are other problems with the product, the authority may withdraw the approval.

If the developer seeks to modify the approved product, for example by adding new indications, a preview and approval of the change is required from the regulatory authority. In addition to this, there are annual user fee requirements for all marketed products, as well as new application fees for supplemental applications with clinical data. As a condition of approval for an NDA or MA, the FDA or the authority in the EEA may impose several post-approval requirements, such as additional testing, including Phase 4 clinical trials, and surveillance to assess and monitor the safety and effectiveness of the product.

In the US, manufacturers and others involved in the process must register their establishments with the FDA and relevant state authorities and they may be subject to unannounced inspections by the FDA and the relevant state authorities, for evaluation of GMP compliance. If a deviation from GMP requirements occurs, the regulations require an investigation and correction of the deviation which in turn imposes reporting and documentation requirements.

The holder of an MA in the EEA must establish and maintain a pharmacovigilance system and appoint a qualified individual person who is responsible for the supervision of this system, who also has an extended duty to report suspected serious adverse reactions and to submit safety update reports. With regards to the advertising and promotional activities for the product, all off-label promotion and direct-to-consumer advertising of prescription pharmaceuticals is prohibited in the EU. In both EU/EEA and the US, an approved product must only be promoted for the approved indications and in accordance with the provisions of the approved label.

Non-compliance with the regulations or the discovery of previously unknown problems with a product, including adverse events of unanticipated severity or frequency, may result in, for example, an obligation to add new safety information to the product, restrictions regarding the import or export of products, an obligation to conduct post-market studies or clinical trials, withdrawal of the product and/or injunctions or the imposition of civil or criminal penalties.

US regulation on controlled substances

Brixadi™ contains buprenorphine, which is a controlled substance subject to extensive regulation under the US Controlled Substances Act of 1970 (CSA). The CSA and its implementing regulations establish a framework through which the use of controlled substances for legitimate medical, scientific, research and industrial purposes is regulated. The regulations prevent the controlled substances from being diverted for illegal purposes.

Any person who handles controlled substances, for example pharmaceutical manufacturers, wholesale distributors and scientific researchers, must register with the Drug Enforcement Administration (DEA) in the US Department of Justice. Registrants must establish and maintain updated and complete records of all transactions involving controlled substances and detailed inventories of the substances in their possession, and periodically file reports with the DEA. In addition, they must ensure that controlled substances are securely stored and safeguarded in accordance with DEA regulations. If a non-compliance with the CSA regulation occurs in the possession, manufacture or distribution of a controlled substances, criminal sanctions may apply.[106)]

EU regulation on the wholesale of pharmaceutical products, including narcotic substances

Directive 2001/83/EG establishes that all wholesale distributors of pharmaceutical products within the EEA need to apply for a permit with the national authority. A permit will be issued for the specified product if minimum requirements on premises, installations and security systems etc. are met. EU member states can apply more stringent rules in relation to narcotic substances on a national level.

As set out in the Directive, the European Commission has issued its Guidelines for Good Distribution Practice for pharmaceuticals for human use, 2013/C 343/01. These guidelines include rules on quality control and risk management, appointment of a responsible person within the wholesaling entity and other matters relating to employees, hygiene, premises, equipment, documentation, warehousing, transport and return policies.

[106)] Yeh BT. The Controlled Substances Act: Regulatory Requirements. https://www.fas.org/sgp/crs/misc/RL34635.pdf

Selected consolidated historical financial information

The below condensed financial statements (as well as measures defined under IFRS) pertaining to the full years 2016 and 2017 have been derived from Camurus' annual reports for the financial years 2016–2017, which have been prepared in accordance with IFRS as they have been adopted by the EU and audited by the Company's auditor. The condensed financial statements pertaining to 2018 have been derived from Camurus' interim report for the period January–December 2018, which has been prepared in accordance with IAS 34 *Interim Financial Reporting* and the Swedish Annual Accounts Act (*årsredovisningslagen (1995:1554)*). The interim report has, as regards January–September 2018, been reviewed by the Company's auditor. For further information on how reporting has been performed, reference is made to "*Significant accounting principles*" on p. 52 and onwards in Camurus' 2017 annual report.

The prospectus also includes certain measures that are not defined under IFRS (alternative performance measures). These non-IFRS measures have not been reviewed or audited by the Company's auditor. Camurus believes these measures are commonly used by certain investors, securities analysts and other interested parties as supplementary measures of performance trends and financial position. Camurus' non-IFRS measures may not be comparable to other similarly titled measures presented by other companies and have certain limitations as analysis tools. Consequently, they should not be considered in isolation of, or as an alternative to, Camurus' financial information prepared in accordance with IFRS.

The information below should be read in conjunction with "*Operating and financial review*" and Camurus' annual reports for the financial years 2016–2017 and the interim report for the period January-December 2018, which have been incorporated by reference in this prospectus (see "*Incorporation by reference, etc*." in "*Legal considerations and supplementary information*"). All financial statements are available on Camurus' website, www.camurus.com.

Other than as stated above, no information in this prospectus has been reviewed or audited by the Company's auditor.

Condensed consolidated income statement

SEK thousand	2018	2017	2016
Net sales	49,321	54,308	113,737
Cost of sold goods	–6,822	–1,356	–2,140
Gross profit	**42,499**	**52,952**	**111,597**
Operating expenses			
Marketing and distribution costs	–100,884	–45,893	–24,738
Administrative expenses	–21,999	–26,590	–17,985
Research and development costs	–207,664	–222,939	–172,077
Other operating income	830	93	751
Other operating expenses	–	–1,147	–
Operating result	**–287,218**	**–243,524**	**–102,452**
Result from financial items			
Finance income	175	174	95
Finance expenses	–25	–18	–1,002
Net financial items	**150**	**156**	**–907**
Result before tax	**–287,068**	**–243,368**	**–103,359**
Income tax	52,392	52,794	22,367
Result for the year	**–234,676**	**–190,574**	**–80,993**
Exchange-rate differences	46	16*)	–
Comprehensive income for the year	**–234,630**	**–190,558**	**–80,993**
Comprehensive income for the year is attributable to parent company shareholders.			
Earnings per share based on earnings attributable to parent company shareholders for the year (in SEK per share)			
Earnings per share before dilution	–6.20	–5.11	–2.17
Earnings per share after dilution	–6.20	–5.11	–2.17

*) As from the full year report for 2018, exchange-rate differences from conversion of subsidiaries outside of Sweden are reported under the item "Comprehensive income for the period". Adjustments has been made accordingly for 2017, which has entailed that the exchange-rate differences for 2017 amounting to SEK 16 thousand has been moved, within consolidated equity from the item "Retained earnings" to the item "Comprehensive income for the period". The items "Adjustment for non-cash items" and "Translation difference in cash flow and liquid assets" in the consolidated cash flow statement have been adjusted accordingly with SEK 16 thousand.

Condensed consolidated balance sheet

SEK thousand	31 Dec 2018	31 Dec 2017	31 Dec 2016
ASSETS			
Fixed assets			
Intangible assets			
Capitalized development expenditure	15,975	16,653	18,741
Tangible assets			
Equipment	10,899	9,902	9,759
Financial assets			
Deferred tax receivables	170,955	114,997	61,685
Total fixed assets	**197,829**	**141,552**	**90,185**
Current assets			
Inventories			
Finished goods	4,700	724	2,187
Raw materials	5,130	2,829	10,193
Current receivables			
Trade receivables	2,280	5,781	8,304
Other receivables	9,604	3,285	3,855
Prepayments and accrued income	10,804	7,239	16,459
Total current receivables	**22,688**	**16,305**	**28,618**
Cash and cash equivalents	134,377	314,524	508,594
Total current assets	**166,895**	**334,382**	**549,592**
TOTAL ASSETS	**364,724**	**475,934**	**639,776**
EQUITY AND LIABILITIES			
Equity			
Equity attributable to parent company shareholders			
Share capital	960	932	932
Other contributed capital	744,140	642,175	631,034
Retained earnings, including comprehensive result for the period	–492,776	–258,107	–67,549
Total equity	**252,324**	**385,000**	**564,418**
LIABILITIES			
Short-term liabilities			
Trade payables	35,781	15,086	17,560
Income taxes	1,708	517	–
Other liabilities	3,549	2,672	2,571
Accrued expenses and deferred income	71,362	72,659	55,228
Total short-term liabilities	**112,400**	**90,934**	**75,358**
TOTAL EQUITY AND LIABILITIES	**364,724**	**475,934**	**639,776**

Condensed consolidated cash flow statement

SEK thousand	2018	2017	2016
Operating activities			
Operating result before financial items	–287,218	–243,524	–102,452
Adjustment for non-cash items	4,450	4,088*)	3,524
Interest received	175	174	95
Interest paid	–25	–18	–1,002
Income taxes paid	–272	0	–9,917
Cash flow from operating activities before changes in working capital	**–282,890**	**–239,280**	**–109,752**
Increase/decrease in inventories	–6,277	8,827	–9,139
Increase/decrease in trade receivables	3,501	2,523	613
Increase/decrease in other current receivables	–9,884	9,787	1,005
Increase/decrease in trade payables	20,695	–2,474	–14,272
Increase/decrease in other current operating liabilities	771	17,532	–76,242
Cash flow from changes in working capital	**8,806**	**36,196**	**–98,036**
Cash flow from operating activities	**–274,084**	**–203,084**	**–207,788**
Investing activities			
Acquisition of intangible assets	–1,404	–	–
Acquisition of tangible assets	–3,357	–2,143	–4,567
Cash flow from investing activities	**–4,761**	**–2,143**	**–4,567**
Financing activities			
Directed share issue	92,741	–	–
Warrants issued	7,110	11,141	4,853
Cash flow from financing activities	**99,851**	**11,141**	**4,853**
Net cash flow for the year	**–178,994**	**–194,086**	**–207,502**
Cash and cash equivalents at beginning of the year	314,524	508,594	716,096
Translation difference in cash flow and liquid assets	–1,153	–16*)	–
Cash and cash equivalents at the end of the year	**134,377**	**314,524**	**508,594**

*) As from the full year report for 2018, exchange-rate differences from conversion of subsidiaries outside of Sweden are reported under the item "Comprehensive income for the period". Adjustments has been made accordingly for 2017, which has entailed that the exchange-rate differences for 2017 amounting to SEK 16 thousand has been moved, within consolidated equity from the item "Retained earnings" to the item "Comprehensive income for the period". The items "Adjustment for non-cash items" and "Translation difference in cash flow and liquid assets" in the consolidated cash flow statement have been adjusted accordingly with SEK 16 thousand.

Key operating metrics and data per share, the Group

MSEK	2018	2017	2016
Income statement			
Net sales[1)]	49.3	54.3	113.7
Operating result[2)]	–287.2	–243.5	–102.5
Result for the period[1)]	–234.7	–190.6	–81.0
R&D costs as percentage of operating expenses (%)[2)]	63%	75%	80%
Balance sheet			
Equity[2)]	252.3	385.0	564.4
Cash and cash equivalents[2)]	134.4	314.5	508.6
Equity/assets ratio (%)[2)]	69%	81%	88%
Total assets[1)]	364.7	475.9	639.8
Cash flow			
Cash flow from operating activities[2)]	–274.1	–203.1	–207.8
Data per share			
Average number of shares, before dilution[1)]	37,842,034	37,281,486	37,281,486
Average number of shares, after dilution[1)]	39,231,356	38,058,289	37,487,937
Earnings per share, before dilution (SEK)[1)]	–6.20	–5.11	–2.17
Earnings per share, after dilution (SEK)[1)]	–6.20	–5.11	–2.17
Equity per share, before dilution (SEK)[2)]	6.67	10.33	15.14
Equity per share, after dilution (SEK)[2)]	6.43	10.12	15.06
Other			
Number of employees at end of period[2)]	94	71	62
Number of employees in R&D at end of period[2)]	58	48	44

Measures for the interim period January–December 2018 are not audited.

1) IFRS measure, audited.

2) Non-IFRS measure, not audited.

Definitions of IFRS measures

Measure	Definition	Reason for use
Net sales	Total sales proceeds relating to goods and services less discounts, value added tax and other taxes attributable to the sales.	Camurus considers this measure to be relevant for keeping track of the development of the Group's revenues.
Result for the period	Net earnings, the Company's profit or loss after taxes.	This measure recognizes Camurus' financial result for the period.
Total assets	The Group's total assets and liabilities respectively, as well as equity.	This measure recognizes Camurus' total assets and liabilities respectively, as well as equity at the end of the period.
Average number of shares, before dilution	Average number of shares, before adjustment for dilution due to new shares.	Relevant when calculating the earnings per share, before adjustment for dilution.
Average number of shares, after dilution	Average number of shares, adjusted for dilution due to new shares.	Relevant when calculating the earnings per share, adjusted for potential dilution.
Earnings per share, before dilution (SEK)	Earnings divided by the average number of shares, before dilution.	This measure recognizes Camurus' earnings per share, before potential dilution.
Earnings per share, after dilution (SEK)	Earnings divided by the average number of shares, adjusted for dilution.	This measure recognizes Camurus' earnings per share, adjusted for potential dilution.

Definitions of non-IFRS measures

Measure	Definition	Reason for use
Operating result (EBIT)	Profit/loss for the period before financial revenues, financial costs and income tax on the result for the year.	Camurus considers that operating profit/loss (EBIT) recognizes the profit generated by the operating activities.
R&D costs as a percentage of operating expenses (%)	Research and development costs divided by operating expenses (marketing and distribution costs, administrative expenses and research and development costs).	Camurus considers that this is a useful measure for recognizing what portion of the operating expenses that is attributable to research and development.
Equity	Equity is the difference between the Group's assets and liabilities. Refers to the Group's own resources.	Camurus considers that equity recognizes the Group's own resources.
Cash and cash equivalents	Cash and cash bank balances.	Camurus considers this to be a measure for how the Group can finance further activities and handle unexpected costs.
Equity/assets ratio (%)	Equity divided by total capital.	Camurus considers this to be a measure for the Group's long term solvency.
Cash flow from operating activities	Cash flow from operating activities after changes in working capital	Camurus considers that this measure recognizes the cash flow generated by the Company's business activities.
Equity per share before dilution (SEK)	Equity divided by number of shares at end of period, before dilution.	Camurus considers that this measure recognizes the amount of the Group's own resources per share, before adjustment for potential dilution.
Equity per share after dilution (SEK)	Equity divided by number of shares at end of period, adjusted for dilution.	Camurus considers that this measure recognizes the amount of the Group's own resources per share, adjusted for potential dilution.
Number of employees at end of period	Number of employees at end of period (Compared with average number of employees according to IFRS)	Camurus is currently in an expansion phase and considers that this information is useful for keeping track of said expansion.
Number of employees in R&D at end of period	Number of employees mainly working within research and development at end of period	Camurus considers this to be a useful measure for recognizing what portion of the employees that is attributable to research and development.

Operating and financial review

This operating and financial overview is provided to facilitate the understanding and assessment of trends and changes in the Company's results and financial position. Historical results do not necessarily provide an accurate indication of future results. The information in this section should be read together with "*Selected historical financial information*" and the financial reports incorporated in this prospectus by reference (see "*Incorporation by reference etc.*" in "*Legal considerations and supplementary information*").

January–December 2018 compared to January–December 2017

Figures in parentheses refer to the corresponding period the previous year.

Net sales

The Group's net sales amounted to SEK 49.3 (54.3) million, which is an increase of 9.2 percent. The net sales was generated from milestone payments and other revenues received under license agreements as well as from products sales. Other income, SEK 0.8 (0.1) million, was mainly generated from exchange gains.

Costs

According to plan, the continued expansion of the commercial organization in, among other things, medical affairs, market access and marketing as well as the establishment of a subsidiary in Australia, preparations for the launch of Buvidal® in Europe and Australia including commercial manufacturing and distribution, and also clinical studies of Buvidal® in Australia, have entailed an increase of the Group's costs for the year.

The Group's marketing and sales costs during the financial year amounted to SEK 100.9 (45.9) million, which is an increase of 119.8 percent. Administrative expenses was SEK 22.0 (26.6) million, representing a decrease of 17.3 percent. Research and development costs amounted to SEK 207.7 (222.9) million, which is a decrease of 6.9 percent. Other expenses amounted to SEK 0 (1.1) million.

Results and return

The operating result for the financial year was SEK –287.2 (–243.5) million, representing a deterioration in the result of 17.9 percent. The Group's net financial items amounted to SEK 0.2 (0.2) million. Following an assessment of the parent company's tax loss carryforwards, a tax revenue of SEK 52.4 (52.8) million was recognized. The Group's loss increased by 23.1 percent and amounted to SEK –234.7 (–190.6) million.

Cash flow

Cash flow from operating activities before change in working capital was negative and amounted to SEK –282.9 (–239.3) million, representing an increased outflow by 18.2 percent. Change in working capital was positive and amounted to SEK 8.8 (36.2) million. Cash flow from investing activities amounted to SEK –4.8 (–2.1) million, and cash flow from finance activities amounted to SEK 99.9 (11.1) million related to a directed share issue and the issuance of warrants. Cash flow for the year was negative but improved by 7.8 percent and totaled SEK –179.0 (–194.1) million.

Financial position

The Group's cash position as of 31 December 2018 was SEK 134.4 (314.5) million. The change compared to the previous year mainly relates to the Group's operating result. Consolidated equity was SEK 252.3 (385.0) million. Similar to in 2017, there were no outstanding loans as of 31 December 2018.

2017 compared to 2016

Figures in parentheses refer to the corresponding period the previous year.

Net sales

The Group's net sales amounted to SEK 54.3 (113.7) million, which is a decrease of 52.2 percent. The net sales was generated from license agreements as well as project related activities and product sales. The difference compared with the preceding year is mainly due to that the company's revenue streams, from license and development milestones, varies from year to year. Other income during the year amounted to SEK 0.1 (0.8) million and was mainly generated from exchange gains.

Costs

According to plan, the completion of the comprehensive pivotal clinical program of CAM2038 in opioid dependence, the continuous development of the early project pipeline and the expansion of the commercial organization in preparation of the planned launch of CAM2038 have entailed an increase of the Group's costs for the year.

The Group's marketing and sales costs during the financial year amounted to SEK 45.9 (24.7) million, which is an increase of 85.5 percent. Administrative expenses increased by 47.8 percent and amounted to SEK 26.6 (18.0) million for the year. Research and development costs amounted to SEK 222.9 (172.1) million, an increase of 29.6 percent. Other expenses amounted to SEK 1.1 (0.0) million.

Results and return

The Group's operating result for the financial year was SEK –243.5 (–102.5) million, representing an increased loss of 137.7 percent. The Group's net financial items amounted to SEK 0.2 (–0.9) million. Following an assessment of the parent company's tax loss carryforwards, a tax revenue of SEK 52.8 (22.4) million was recognized. The Group's loss increased by 135.3 percent and amounted to SEK –190.6 (–81.0) million.

Cash flow

The Group's cash flow from operating activities before change in working capital was negative and amounted to SEK –239.3 (–109.8) million, representing an increased outflow by 118.0 percent. Change in working capital affected the cash flow positively by SEK 36.2 (–98.0) million. Cash flow from investing activities amounted to SEK –2.1 (–4.6) million, and cash flow from finance activities amounted to SEK 11.1 (4.9) million related to the issuance of warrants. Cash flow for the year was negative but improved by 6.5 percent and totaled SEK –194.1 (–207.5) million.

Financial position

The Group's cash position as of 31 December 2017 was SEK 314.5 (508.6) million. The change compared to the previous year mainly relates to the Group's operating result. Consolidated equity was SEK 385.0 (564.4) million. Similar to 2016, there were no outstanding loans as of 31 December 2017.

Capitalization, indebtedness and other financial information

Capitalization and indebtedness, the Group

Capitalization

Set forth below is Camurus' capitalization as of 31 December 2018.

SEK thousand	31 December 2018
Total current liabilities	**112,400**
Guaranteed	–
Secured	–
Unguaranteed/unsecured	112,400
Total non-current liabilities	**–**
Guaranteed	–
Secured	–
Unguaranteed/unsecured	–
Shareholders' equity	**252,324**
Share capital	960
Other contributed capital	744,140
Retained earnings, including profit for the period.	–492,776

Net indebtedness, interest-bearing

Set forth below is Camurus' net indebtedness as of 31 December 2018.

SEK thousand	31 December 2018
(A) Cash	–
(B) Cash equivalents	134,377
(C) Trading securities	–
(D) Liquidity (A)+(B)+(C)	**134,377**
(E) Current financial receivables	**–**
(F) Current bank debt	–
(G) Current portion of non-current debt	–
(H) Other current financial debt	–
(I) Current financial debt (F)+(G)+(H)	**–**
(J) Net current financial indebtedness (I)-(E)-(D)	**–134,377**
(K) Non-current bank debt	–
(L) Bonds issued	–
(M) Other non-current loans	–
(N) Non-current financial indebtedness (K)+(L)+(M)	**–**
(O) Net financial indebtedness (J)+(N)	**–134,377**

Working capital statement

It is Camurus' assessment that the working capital is not sufficient for the present requirements during the next twelve months.

Camurus' working capital requirements are mainly related to the continued development of the Company's product candidates and the establishment of a commercial organization for the sale of Buvidal® on selected markets in Europe and Australia. The working capital is deemed to be sufficient for financing Camurus' operations until May 2019 and the shortfall in working capital for the next twelve months is expected to be somewhere in the range SEK 300-350 million. The forthcoming rights issue is estimated to raise approximately SEK 403 million before transaction costs. Considering that the rights issue is fully underwritten through subscription and underwriting commitments from existing shareholders and external guarantors, the Board of Directors' assessment is that the conditions for a fully subscribed rights issue are very good. However, the subscription and underwriting commitments are not secured.

If the rights issue, despite the abovementioned subscription and underwriting commitments, does not raise a capital contribution of at least SEK 403 million and if Camurus does not succeed to generate further revenues or to perform sufficient cost reductions, the Company may have to seek further external financing and postpone or terminate research and development activities. This can ultimately entail that the Group's operations may have to be reduced.

Research and development

Camurus' operations are based on research and development activities and Camurus' possibility to succeed in the long term is highly dependent on continuous success with innovation and development activities as regards new technologies and pharmaceutical products. Camurus' research and development activities are further described in "*Business and market overview*".

Due to the high level of risk associated with the Company's development projects, all development work is treated as research until the point at which the product has been granted market approval (since the work does not meet the criteria for being recognized as an intangible asset before that point). Research expenditure is expensed as it occurs. Please also refer to note 14 on p. 66 in the 2017 annual report.

The table below shows Camurus' research and development expenses during the financial years 2016–2018.

SEK thousand	2018	2017	2016
Research and development expenses	207,664	222,939	172,077
Total	**207,664**	**222,939**	**172,077**

Investments

The table below summarizes the Group's total investments for the financial years 2016–2018. The investments mainly consist of, with respect to tangible assets, laboratories and production equipment, and with respect to intangible assets, capitalised expenditure related to the ongoing clinical study in Australia.

SEK thousand	2018	2017	2016
Tangible assets	3,357	2,143	4,567
Intangible assets	1,404	–	–
Total	**4,761**	**2,143**	**4,567**

Current and future capital expenditures

Camurus does not have any material current or future capital expenditures. The Company's planned use of proceeds is described in "*Background and reasons*".

Significant changes since 31 December 2018

On 11 January 2019, Camurus announced that the European launch of the Company's long-acting depot treatment of opioid dependence, Buvidal®, had been initiated and that the medicine is available for healthcare providers and patients in Finland and Sweden. On 6 February 2019, the Company announced its intention to carry out a rights issue on approximately SEK 403 million with preferential rights for the Company's shareholders, subject to approval by the general meeting.

Board of Directors, Group Management and Auditor

Board of Directors

According to Camurus' Articles of Association, the Board of Directors shall comprise of not less than three and not more than ten members elected by the shareholders at the general meeting. In addition and by law, employee organizations are entitled to appoint employee representatives. The Board of Directors currently comprises seven members elected by the general meeting (elected by the 2018 Annual general meeting for a term of office extending until the close of the 2019 Annual general meeting).

Name	Assignment	Elected	Independent	Audit Committee	Remuneration Committee	Shareholding[1)]
Per-Olof Wallström	Chairman	2010	Yes	Member	Chairman	77,748
Per-Anders Abrahamsson	Member	2006	Yes			33,561
Marianne Dicander Alexandersson	Member	2015	Yes	Member		12,050
Martin Jonsson	Member	2013	No[2)]	Chairman	Member	22,682
Kerstin Valinder Strinnholm	Member	2015	Yes		Member	19,928
Fredrik Tiberg	Member, CEO	2002	No[3)]			1,512,551
Behshad Sheldon	Member	2018	Yes			–

1) Own holdings and holdings of related persons and affiliated companies as at 31 January 2019 (and known changes thereafter).
2) Not independent in relation to major shareholders.
3) Not independent in relation to the Company and Group Management.

Per-Olof Wallström

Born 1949. Chairman of the Board since 2015 and Board member since 2010. Chairman of the Remuneration Committee and member of the Audit Committee.
Principal education and professional experience: M.Sc. in Pharmacy from Uppsala University. CEO of Q-Med AB, Melacure AB and Karo Bio AB. Senior management at Merck Sharpe & Dohme, Astra Zeneca, Pharmacia and Bristol Myers Squibb.
Other current assignments/positions: Board member of Arosia Communication AB and Q-linea AB.
Previous assignments/positions (past five years): Chairman of the Board of AROSGRUPPEN Holding AB, Chemilia Aktiebolag, Masmästaren Fjärdingen AB, MB Erikssons Bygg & Fastighet AB, Nexttobe AB and Neodynamics AB (publ). Board member of Aggal Invest AB, Hansa Biopharma AB, Patients Pending Ltd and Mediplast AB. Deputy board member of Addcode Design AB.
Holding: 77,748 shares.
Independent in relation to the Company and Group Management as well as the Company's major shareholders.

Per-Anders Abrahamsson

Born 1949. Board member since 2006.
Principal education and professional experience: Doctor of Medicine from Lund University, Ph.D., Professor of Oncological Urology. Chairman of the departments of Urology in Malmö and Lund and the department of Urology at Skåne University Hospital. Laboratory Director at the department of Urology at University of Rochester Medical Centre and Adjunct Professor at the University of Rochester, Medical Centre, New York. Secretary General of the European Association of Urology.
Other current assignments/positions: Chief Physician and Professor Emeritus at the department of Urology, Lund University, Skåne University Hospital, Malmö. Board member of Cernelle AB, IDL Biotech AB, Medisport AB and Medisport Holding AB. Consultant for Prostatalund AB, Cernelle AB and IDL Biotech AB.
Previous assignments/positions (past five years): Associate Vice President, Medical Affairs, Ferring Pharmaceuticals A/S. Board member of GOAR Holding A/S.
Holding: 33,561 shares.
Independent in relation to the Company and Group Management as well as the Company's major shareholders.

Marianne Dicander Alexandersson

Born 1959. Board member since 2015. Member of the Audit Committee.
Principal education and professional experience: M.Sc. in Chemical Engineering from Chalmers University of Technology. Many years of experience in the life science industry and from board work, including as CEO of Kronans Droghandel, Global Health Partner and the Sixth AP Fund, deputy CEO of Apoteket AB and positions within quality and market development at Pharmacia, Imperial Chemical Industries and Volvo.
Other current assignments/positions: Chairman of the Board of Sahlgrenska Science Park AB and the Royal Swedish Academy of Engineering Sciences (IVA Väst) and Co-Chair of International Women Forum (IWF). Board member of Addera Care AB (publ), Enzymatica AB (publ), Praktikertjänst Aktiebolag, Promore Pharma AB (publ), Recipharm AB (publ) and Xperentia AB. Board member and CEO of MDA Management AB. Member of the council at Skandia and member of the Advisory Council of the Dental and Pharmaceutical Agency.
Previous assignments/positions (past five years): Board member of Castellum Aktiebolag (publ), West Atlantic AB (publ), Mölnlycke AB and Easy Lighting Scandinavia AB.
Holding: 12,050 shares.
Independent in relation to the Company and Group Management as well as the Company's major shareholders.

Martin Jonsson

Born 1961. Board member since 2013. Chairman of the Audit Committee and member of the Remuneration Committee.
Principal education and professional experience: M.Sc. in Business Administration from Lund University. Over 25 years of combined experience in corporate management and working in senior positions in various industries such as medical devices, biotechnology and industrial kitchens.
Other current assignments/positions: Chairman of the Board of Scandinavian Water Technology AB. Board member and CEO of Sandberg Development AB. Board member of ISEC Monitoring Systems AB and Orbital Systems AB.
Previous assignments/positions (past five years): Partner at Amadea Partnership.
Holding: 22,682 shares.
Independent in relation to the Company and Group Management, but not in relation to the Company's major shareholders.

Kerstin Valinder Strinnholm

Born 1960. Board member since 2015. Member of the Remuneration Committee.
Principal education and professional experience: Degree from the School of Journalism at the University of Gothenburg. Many years of experience in sales, marketing and business development from senior positions at Astra/AstraZeneca and Nycomed/Takeda.
Other current assignments/positions: Board member of Klifo A/S, Corline Biomedical AB, Immunicum AB, KVS Invest AB, Gedea Biotech AB and Cavastor AB. Deputy board member of Pollux Pharma AB.
Previous assignments/positions (past five years): EVP Business Development for the Nycomed Group.
Holding: 19,928 shares.
Independent in relation to the Company and Group Management as well as the Company's major shareholders.

Fredrik Tiberg

Born 1963. Board member since 2002. CEO since 2003.
Principal education and professional experience: M.Sc. in Chemical Engineering from Lund Institute of Technology. Ph.D. and associate professor in physical chemistry from Lund University, adjunct professor of surface chemistry at Lund University. Visiting professor of physical and theoretical chemistry at the University of Oxford. Head of Research at Camurus and visiting professor of physical chemistry at Lund University.
Other current assignments/positions: Board member of Camurus Lipid Research Foundation. Member of the Royal Swedish Academy of Engineering Sciences (IVA).
Previous assignments/positions (past five years): Board member of Medicon Valley Alliance.
Holding: 1,512,551 shares and 205,000 warrants.
Independent in relation to the Company's major shareholders, but not in relation to the Company and Group Management.

Behshad Sheldon

Born 1963. Board member since 2018.
Principal education and professional experience: B.Sc. in Neuroscience from University of Rochester. Extensive experience from various senior positions in international pharmaceutical companies, including Smithkline Beecham, Bristol-Myers Squibb and Otsuka Pharmaceuticals.
Other current assignments/positions: Chairman of the Board of FORCE (Female Opioid Research and Clinical Experts) in Princeton, New Jersey.
Previous assignments/positions (past five years): President and CEO of Braeburn Pharmaceuticals.
Holding: -
Independent in relation to the Company and Group Management as well as the Company's major shareholders.

Group Management

Name	Position	Member of Group Management since	Employed within Camurus since	Shareholding[1)]	Holding of warrants[1)]
Fredrik Tiberg	CEO	2003	2002	1,512,551	205,000
Eva Pinotti-Lindqvist	Chief Financial Officer	2014	2014	36,291	33,882
Richard Jameson	Chief Commercial Officer	2016	2016	16,395	120,000
Agneta Svedberg	Vice President, Clinical and Regulatory Development	2015	2015	9,073	70,000
Fredrik Joabsson	Chief Business Development Officer	2011	2001	36,391	40,000
Cecilia Callmer	Vice President, Human Resources	2017	2017	–	26,000
Torsten Malmström	Vice President, Technical Operations	2013	2013	36,291	28,000
Urban Paulsson	Vice President Corporate Development & General Counsel	2017	2017	6,500	115,000

[1)] Own holdings and holdings of related persons and affiliated companies as at 31 January 2019 (and known changes thereafter).

Fredrik Tiberg

CEO since 2003.
See *"Board of Directors"* above.

Eva Pinotti-Lindqvist

Born 1963. Chief Financial Officer since 2014.
Principal education and professional experience: M.Sc. in Business Administration from Lund University. More than 25 years of experience in Finance and more than 15 years of experience from the pharmaceutical industry, including as CFO and Vice President Business Development at EQL Pharma AB and Market analyst at Nordic Drugs AB. Controller at Svedala Svenska AB and Finance Manager at Poseidon Yacht Charter AB.
Other current assignments/positions: Owner of the sole proprietorship (Sw. *enskild firma*) JOCE Häst & Hö.
Previous assignments/positions (past five years): Board member of EQL Pharma OY. Deputy board member of EQL Pharma Int AB.
Holding: 36,291 shares and 33,882 warrants.

Richard Jameson

Born 1964. Chief Commercial Officer since 2016.
Principal education and professional experience: BSC (Hons) in Applied Biological Sciences from University West of England. More

than 20 years in the pharmaceutical industry including executive/ senior positions in sales leadership, marketing, market access and general management for companies which include Serono, Schering Plough, Ferring and Indivior PLC.
Other current assignments/positions: Board member of Glidebirth Ltd.
Previous assignments/positions (past five years): Area Director Europe, Middle East and Africa at Indivior PLC.
Holding: 16,395 shares and 120,000 warrants.

Agneta Svedberg

Born 1963. Vice President, Clinical and Regulatory Development since 2015.
Principal education and professional experience: M.Sc. in radiophysics and Executive MBA, Executive Foundation Lund (EFL), B.Sc. in Medicine, all from Lund University. Over 25 years of experience in drug development, including as COO for Zealand Pharma A/S, CEO of Cantargia AB and Senior Vice President, Clinical Development at Genmab A/S.
Other current assignments/positions: -
Previous assignments/positions (past five years): COO for Zealand Pharma A/S.
Holding: 9,073 shares and 70,000 warrants.

Fredrik Joabsson

Born 1972. Chief Business Development Officer since 2019.
Principal education and professional experience: Ph.D. in physical chemistry and M.Sc. in chemistry from Lund University. Many years of experience in drug development through various positions in research and development and business development at Camurus.
Other current assignments/positions: -
Previous assignments/positions (past five years): -
Holding: 36,391 shares and 40,000 warrants.

Cecilia Callmer

Born 1974. Vice President, Human Resources since 2017.
Principal education and professional experience: Bachelor studies in Psychology at Lund University and Copenhagen University, and Master studies in Psychology at Copenhagen University and Bond University. Many years of experience of Human Resources in international companies and more than ten years within the pharmaceutical industry, including positions at Novo Nordisk and Ferring Pharmaceuticals A/S.
Other current assignments/positions: -
Previous assignments/positions (past five years): -
Holding: 26,000 warrants.

Torsten Malmström

Born 1968. Vice President, Technical Operations since 2013.
Principal education and professional experience: Ph.D. in chemistry from Lund University. Almost 20 years of experience in the pharmaceutical industry, including as Director Pharmaceutical Development for Zealand Pharma A/S, Director Development for Polypeptide and Team Manager at Astra Zeneca.
Other current assignments/positions: -
Previous assignments/positions (past five years): -
Holding: 36,291 shares and 28,000 warrants.

Urban Paulsson

Born 1963. Vice President Corporate Development & General Counsel since 2017.
Principal education and professional experience: Master of Law from Lund University. More than 20 years of experience from the life science industry including as Legal Counsel at Pharmacia Corporation, and General Counsel for Vitrolife AB. Former partner at law firms Bird & Bird and Nordia Law.
Other current assignments/positions: Chairman of the Board of Buzzard Pharmaceuticals AB, Cavis Technologies AB, Cordivest AB, Gesynta Pharma AB and Molecules of Man AB. Board member of Nylof Holding AB and Urban Paulsson AB.
Previous assignments/positions (past five years): Chairman of the Board of Axcentua Pharmaceuticals AB and Cormorant Pharmaceuticals AB. Board member of DermaEffect Sweden AB and Cinclus Pharma AG.
Holding: 6,500 shares and 115,000 warrants.

Other information concerning the Board of Directors and Group Management

All members of the Board and Group Management can be contacted via the Company's address, Camurus AB, Ideon Science Park, SE-223 70 Lund, Sweden.

There are no family ties between any of the members of the Board of Directors and/or Group Management. No Board member or senior executive has been convicted in any case involving fraudulence during the past five years. None of them have been involved in any bankruptcy, receiverships or liquidation during the past five years in the capacity of a member of administrative, management or supervisory bodies or a senior executive. No incrimination and/ or sanctions have been issued by statutory or regulatory authorities (including designated professional bodies) during the past five years against any of the members of the Board or Group Management. Nor, during the past five years, has any member of the Board or Group Management been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company.

In June 2018, there were reports in media that the Swedish Economic Crime Authority had initiated a preliminary investigation regarding gross market abuse against Per-Olof Wallström due to his acquisition of shares in the Company in the end of May 2018. The acquisition was made and reported in accordance with applicable laws and the Company's internal policies and guidelines. As per the date of this prospectus, it has not been possible to confirm whether the media reports regarding a preliminary investigation are correct or not. Per-Olof Wallström has not been contacted by the Economic Crime Authority and Per-Olof Wallström has neither, when contacting the authority, been able to receive any information regarding the alleged preliminary investigation.

No member of the Board or Group Management has any private interests which might conflict with their duties to Camurus. However, as stated above, a number of the members of the Board and Group Management have a financial interest in Camurus through shareholdings.

Auditor

PricewaterhouseCoopers AB (Torsgatan 21, 113 97 Stockholm, Sweden) is the Company's auditor since the Annual general meeting on 11 May 2015, with Ola Bjärehäll as auditor in charge since then. Ola Bjärehäll is an authorized public accountant and a member of FAR (the professional institute for authorized public accountants in Sweden).

Corporate governance

Corporate governance within Camurus

The governance of Camurus is based on Swedish law, Camurus' Articles of Association, the Swedish Code of Corporate Governance (the "**Code**") and Nasdaq Stockholm's Rule Book for Issuers as well as other relevant laws and regulations. The Code is based on the "*comply or explain*" principle, meaning that companies are not obliged to at all times apply every rule in the Code, but are allowed the freedom to choose alternative solutions which they feel are better in their particular circumstances, provided they report every deviation, describe the alternative solution and explain the reasons for the deviation. Camurus applies the Code without any deviation.

Board Committees

The Board of Directors has established two committees, the Audit Committee and the Remuneration Committee.

The main duties of the Audit Committee are to supervise the Company's financial reporting, monitor efficiency in its internal controls, internal audit and risk management, and apprise itself of information regarding the audit of the annual report and consolidated financial statements, review and monitor the auditor's impartiality and independence and, in so doing, take particularly into account whether the auditor provides Camurus with services other than audit services. The Audit Committee shall also assist the Nomination Committee with proposal to the general meeting for election of auditors. The Audit Committee has regular contacts with the auditors of Camurus.

The Audit Committee comprises Martin Jonsson (chairman), Marianne Dicander Alexandersson and Per-Olof Wallström. The Committee complies with the Companies Act's requirements for independence and accounting and auditing expertise.

The main duties of the Remuneration Committee are to prepare decisions by the Board of Directors on issues concerning remuneration principles, remuneration and other employment terms for the CEO and other members of the Group Management, and to monitor and assess ongoing programs for variable remuneration to the Group Management, as well as such programs as have been completed during the year. Furthermore, the Committee shall monitor and assess the application of the guidelines for remuneration to the executive management resolved by the annual general meeting, as well as applicable remuneration structures and remuneration levels in the Company.

The Remuneration Committee comprises Per-Olof Wallström (chairman), Martin Jonsson and Kerstin Valinder Strinnholm. The Committee is assessed to comply with the Code's requirements for independence and appropriate knowledge and experience in questions related to remuneration of executive management.

Compensation to the Board of Directors

The 2018 Annual general meeting resolved that a fee of SEK 550,000 shall be paid to the Chairman of the Board and a fee of SEK 200,000 to each other Board member who is not employed by Camurus. In addition, the general meeting resolved that a fee of SEK 100,000 shall be paid to the Chairman of the Audit Committee and a fee of SEK 50,000 to each other member of the Committee, while a fee of SEK 50,000 shall be paid to the Chairman of the Remuneration Committee and SEK 25,000 to each other member of the Committee.

The table below specifies resolved fees payable to Board members elected by the general meeting during 2018.

SEK	Function	Board fee[1)]	Fee Audit Committee[1)]	Fee Remuneration Committee[1)]	Total
Per-Olof Wallström	Chairman	550,000	50,000	50,000	650,000
Per-Anders Abrahamsson	Member	200,000	–	–	200,000
Marianne Dicander Alexandersson	Member	200,000	50,000	–	250,000
Martin Jonsson	Member	200,000	100,000	25,000	325,000
Svein Mathisen[2)3)]	Member	59,461	16,989	8,494	84,944
Kerstin Valinder Strinnholm	Member	200,000	–	25,000	225,000
Fredrik Tiberg	Member, CEO	–	–	–	–
Behshad Sheldon[4)]	Member	200,000	–	–	200,000
Totalt		**1 609 461**	**216 989**	**108 494**	**1 934 944**

1) Refers to fees resolved by the 2018 Annual general meeting for the time until the Annual general meeting 2019. CEO Fredrik Tiberg does not receive any fee.
2) Resigned from the Board at the Annual general meeting on 3 May 2018. Received a fee for the period 1 January-3 May 2018 amounting to SEK 84,944.
3) Refers to fee for work within the Board, not including social security contributions, paid to the Board member's company.
4) Elected at the Annual general meeting in May 2018.

Compensation to Group Management

The compensation to members of Group Management comprises fixed salary, variable salary, pension benefits, other benefits and conditions for termination. The table below shows the compensation paid to the CEO and other members of the Group Management in 2018.

SEK thousand	Fixed salary[1)]	Variable salary	Other benefits[2)]	Pension benefits[3)]	Total
President and CEO	4,899	1,617	87	1,488	8,091
Other Group Management*	10,369	2,751	308	2,157	15,585
Total	**15,268**	**4,368**	**395**	**3,645**	**23,676**

* 7 persons in 2018.
1) In addition to the above agreed remuneration, earned and paid stay-on bonuses, in accordance with the terms in the warrant programs TO 2016/2019, TO 2017/2020 and TO 2018/2021, to CEO of SEK 1,012 thousand and to other senior executives of SEK 2,170 thousand, have been accounted for.
2) Refers primarily to car benefits.
3) The Group Management's pension plans are defined contribution plans. There are consequently no amounts set aside or accrued to provide pension, retirement or similar benefits to the current Group Management.

Between Camurus and the CEO a notice period of 12 months applies in respect of the Company and 6 months in respect of the CEO. No severance payment will be made. In the event that the CEO's employment in the Company is terminated due to or in connection with a transfer of the Company to a new owner, a 24 month notice period applies from the Company's side. During the notice period the CEO is entitled to fixed monthly salary and other benefits in accordance with the current employment contract. If the employment contract is terminated by the Company, remuneration from the Company shall not be reduced by any other benefits as the CEO may receive during the notice period. Between the Company and other senior executives, a mutual notice period of three to twelve months applies. No severance payment will be made.

Share capital and ownership structure

Share information

According to Camurus' Articles of Association, the share capital shall be not less than SEK 500,000 and not more than SEK 2,000,000, divided into not less than 20,000,000 shares and not more than 80,000,000 shares. There is only a single class of shares in the Company. As of 31 December 2018, the Company's registered share capital was SEK 959,537.15, represented by 38,381,486 shares (37,281,486 shares as at 1 January 2018), each with a quota value of SEK 0.025. The shares in Camurus have been issued in accordance with Swedish law, are fully paid and denominated in SEK. The shares are not subject to any restrictions on transferability. The rights of the shareholders may only be changed pursuant to the procedures set out in the Swedish Companies Act (*aktiebolagslagen (2005:551)*).

No changes to the number of shares have occurred since 31 December 2018. The forthcoming rights issue will, if fully subscribed, result in an increase of the number of shares in the Company from 38,381,486 to 47,976,858 shares, representing an increase of 25 percent. For shareholders who decline to subscribe for shares in the rights issue, the shareholding will be diluted with a total of 9,595,372 new shares, representing approximately 20 percent of the total shares in the Company after the rights issue.

The shares in Camurus are not subject to any offer made pursuant to a mandatory takeover bid and/or squeeze-out and sell-out rules. No public takeover bids have been made in respect of the shares in Camurus during the current financial or previous financial year.

Certain rights attached to the shares

General meetings

Notice of general meetings shall be published in the Swedish Official Gazette (*Post- och Inrikes Tidningar*) and on the Company's website. Simultaneously, an announcement with information that the notice has been issued shall be published in Svenska Dagbladet. To be entitled to participate in a general meeting, the shareholder must be registered in the share register five weekdays prior to the meeting, and notify the Company of the participation not later than on the day specified in the notice of the meeting.

Voting rights

Each share carries one vote. Each shareholder is entitled to vote for the total number of shares held without limitation of the voting powers.

Preferential rights to new shares, etc.

Should the Company decide to issue shares, warrants or convertibles (Sw. *konvertibler*) by way of a cash issue or a set-off issue (Sw. *kvittningsemission*), shareholders shall have preferential rights to subscribe in proportion to their existing shareholdings. There are, however, no provisions in the Company's Articles of Association that limit the Company's ability to decide to, in accordance with the rules set out in the Swedish Companies Act, issue new shares, warrants or convertibles with deviation from the shareholders' preferential rights.

Rights to dividends and surplus in the event of liquidation

All shares carry the same right to share in the Company's profit and any surplus in the event of liquidation.

Dividends are resolved upon by the general meeting and the payment is administered by Euroclear Sweden. Dividends may only be paid if the Company, after such dividends, still has full coverage of its restricted equity and further to the extent that such dividends are justified taking into consideration (i) the demands with respect to size of shareholders' equity which are imposed by the nature, scope and risks associated with the operations, and (ii) the Company's and the Group's consolidation needs, liquidity and financial position in general (the so-called prudence rule). As a general rule, the shareholders may not decide upon larger dividends than those proposed or approved by the Board of Directors. Dividends are normally paid to shareholders in cash on a per share basis, but may also be paid in kind. See also "*Dividend policy*" below.

On the record date established by the general meeting, holders recorded as owners of shares in the register of shareholders maintained by Euroclear Sweden will be entitled to receive dividends. If a shareholder cannot be paid through Euroclear Sweden, such shareholder still retains its claim to the dividend amount, and the claim remains against the Company subject to a statutory limitation of 10 years. Should the claim become barred by the statute of limitations, the dividend amount is forfeited to the Company. Neither the Swedish Companies Act nor the Company's Articles of Association contain any restrictions regarding dividend rights of shareholders outside Sweden. Subject to any restrictions imposed by banks or clearing systems in the relevant jurisdiction, payments to such shareholders are made in the same manner as for shareholders resident in Sweden. However, shareholders with limited tax liability in Sweden are normally subject to Swedish withholding tax. See "*Certain tax issues in Sweden*" for additional information.

Share capital development

The table below shows the development of the Company's share capital since 1 January 2016.

Year	Event	Change in number of shares	Change in share capital, SEK	Total number of shares	Total share capital, SEK	Quota value, SEK	Subscription price, SEK per share
2018	New share issue	1,100,000	27,500	38,381,486	959,537.15	0.025	93
2019	*Forthcoming rights issue*	*9,595,372*[1)]	*239,884*[1)]	*47,976,858*[1)]	*1,199,421*[1)]	*0.025*	*42*

[1)] Assuming the rights issue will be fully subscribed.

Ownership structure

As at 31 January 2019, Camurus had approximately 5,500 shareholders. The largest shareholder was Sandberg Development AB, with approximately 53.2 percent of the total share capital and voting rights in the Company. The table below shows the Company's largest shareholders as of 31 January 2019.

Major shareholders as of 31 January 2019

Holder/nominee/custodian	Number of shares	Shares and votes, %
Sandberg Development AB	20,414,978	53.19
Gladiator	2,495,000	6.50
Fredrik Tiberg, CEO	1,512,551	3.94
Fjärde AP-fonden	896,116	2.33
Backahill Utveckling AB	877,193	2.29
Catella Fondförvaltning AB	779,624	2.03
Avanza Pension	732,749	1.91
Swedbank Robur Fonder	706,456	1.84
Camurus Lipid Research Foundation	445,000	1.16
Grenspecialisten Förvaltning AB	372,721	0.97
Total ten largest shareholders	29,232,388	76.16
Other shareholders	9,149,098	23.84
Total	**38,381,486**	**100.0**

Source: Euroclear Sweden.

Sandberg Development can exercise significant influence over the Company in matters where the shareholders have a voting right. Due to its shareholding, Sandberg Development may put through several proposals at a general meeting, even if other shareholders do not agree with the proposal. Sandberg Development is therefore able to exercise significant influence over Camurus. The control is, however, limited in accordance with the rules set out in the Swedish Companies Act (2005:551) on minority protection.

In Sweden, the lowest limit for disclosure of holdings (so-called flagging) is five percent of all shares or the voting rights of all shares.

Listing and share price performance

The Camurus share is listed on Nasdaq Stockholm since 3 December 2015. The share is traded on the Mid Cap list under the ticker CAMX.

Authorizations

At Camurus' annual general meeting 2018, the Board of Directors was authorized to resolve on new issue of shares with or without deviation from the shareholders' preferential right. The authorization may be exercised on one or several occasions up to the annual general meeting 2019, and a maximum of 3,728,149 shares may be issued. An issue may be made against cash payment, by set-off or by contribution in kind, and the issue rate shall, at deviation from the shareholders' preferential right, be determined in accordance with market practice. The Board of Directors shall be entitled to determine other terms of the issue.

On 29 June 2018, the Board of Directors resolved to exercise part of the authorization granted by the annual general meeting by resolving on a directed share issue of 1,100,000 new shares. The issue entailed a dilution of approximately 2.9 percent of the share capital in relation to the number of shares in Camurus after the issue, through an increase in the number of outstanding shares by 1,100,000 from 37,281,486 to 38,381,486 and a share capital increase by SEK 27,500 from SEK 932,037 to SEK 959,537.

Shareholders' agreements, etc.

To the Board of Directors' knowledge, there are no shareholders' agreement or other agreements between shareholders in the Company intended to exercise joint control of the Company. Neither is the Board of Directors aware of any agreements or similar which may cause changes to the control of the Company.

Share-based incentive programs, etc.

Share-based incentive programs

At the 2016, 2017 and 2018 Annual general meeting, it was resolved to adopt incentive programs for the Company's employees, including issue and transfer of warrants. The warrants have been valued by an independent institute in accordance with the Black&Scholes model and were acquired by the participants at market value. As part of the incentive programs, the participants receive a threepiece stay-on bonus in the form of gross salary addition from the company, which is conditional upon continued employment and equivalent to the amount paid by the participant for its warrants. The terms and conditions for the warrant programs, which are further described below, contain customary recalculation terms, including for preferential rights issues carried out before the time for exercise.

Warrant program 2016/2019

At the Annual general meeting in May 2016 it was resolved to issue and transfer warrants to the Company's employees under Warrant program 2016/2019. In total, the incentive program includes 550,000 warrants, which give the right to subscribe for an equal number of shares during the period 15 May 2019 – 15 December 2019. The dilution effect on a maximum utilization of subscribed warrants corresponds to 1.4 percent calculated as the number of new shares in proportion to the number of existing and new shares. The subscription price for subscription of shares upon exercise of the warrants was set at 99.50 SEK, which corresponds to 140 percent of the volume weighted average price paid for the Company's share during the period from and including 18 May 2016 to and including 24 May 2016.

Altogether, 47 employees have chosen to participate in the program and in total subscribed for 404,300 warrants. No further allocation can be made under the program, which entails an actual maximum dilution effect corresponding to 1.1 percent.

Warrant program 2017/2020

At the Annual general meeting in May 2017 it was resolved to issue and transfer warrants to the Company's employees under Warrant program 2017/2020. In total, the incentive program includes 750,000 warrants, which give the right to subscribe for an equal number of shares during the period 15 May 2020 – 15 December 2020. The dilution effect on a maximum utilization of subscribed warrants corresponds to 2.0 percent calculated as the number of new shares in proportion to the number of existing and new shares. The subscription price for subscription of shares upon exercise of the warrants was set at 167.20 SEK, which corresponds to 140 percent of the volume weighted average price paid for the Company's share during the period from and including 10 May 2017 to and including 16 May 2017.

Altogether, 44 employees have chosen to participate in the program and in total subscribed for 658,932 warrants. No further allocation can be made under the program, which entails an actual maximum dilution effect corresponding to 1.7 percent.

Warrant program 2018/2021

At the Annual general meeting in May 2018 it was resolved to issue and transfer warrants to the Company's employees under Warrant program 2018/2021. In total, the incentive program includes 1,000,000 warrants, which give the right to subscribe for an equal number of shares during the period 15 May 2021 – 15 December 2021. The dilution effect on a maximum utilization of subscribed warrants corresponds to approximately 2.6 percent calculated as the number of new shares in proportion to the number of existing and new shares. The subscription price for subscription of shares upon exercise of the warrants was set at 144.9 SEK, which corresponds to 140 percent of the volume weighted average price paid for the Company's share during the period from and including 4 May 2018 to and including 11 May 2018.

To date, 47 employees have chosen to participate in the program and in total subscribed for 562,400 warrants, which entails an actual maximum dilution effect corresponding to 1.5 percent. Transfer of warrants to future employees is allowed until the Annual general meeting on 9 May 2019.

Total amounts

The table below shows the aggregate increase in number of shares and of the share capital as well as the dilution effect if all outstanding warrants are exercised (prior to any recalculation by reason of the upcoming rights issue and not taking into account actual allocation or subscription in the programmes).

Program	Number of new shares	Share capital increase SEK	Dilution of shares and votes, %	Actual maximum dilution of shares and votes, %
Warrant program TO 2018/2021	1,000,000	25,000	2.6	1.5*
Warrant program TO 2017/2020	750,000	18,750	2.0	1.7
Warrant program TO 2016/2019	550,000	13,750	1.4	1.1
Total	**2,300,000**	**57,500**	**6.0**	**4.3**

* Under Warrant program TO 2018/2021, transfer of warrants to future employees may take place until the AGM 2019, which would entail further dilution.

Central securities depository

The Company's shares are book-entry registered in a securities register in accordance with the Swedish Central Securities Depository and Financial Instruments Accounts Act (lagen (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument). The register is operated by Euroclear Sweden (Euroclear Sweden AB, Box 191, SE-101 23 Stockholm, Sweden). The shares are registered on person. No share certificates have been issued for the shares or will be issued for the new shares. The ISIN code of the share in Camurus is SE0007692850.

LEI code

Camurus' LEI code is 5493003S6Z6VI7WYFQ06.

Dividend policy

In accordance with the dividend policy adopted by the Board of Directors, Camurus will continue to focus on its strategy of developing and expanding the Company's clinical project portfolio further and pursuing commercial operations, and the available financial resources will be utilized to finance this strategy. Consequently, the Board of Directors does not intend to propose any dividend to shareholders until Camurus generates sustainable profitability.

Dividend history

SEK	2017	2016
Dividend per share	–	–

Articles of association

Adopted by the Extraordinary General Meeting on 7 October 2015.

1. Company name

The name of the company is Camurus AB. The company is a public company (publ).

2. Object of business

The objective of the company's business is to conduct research and production primarily within the fields of chemistry and biotechnology, sales of know-how and products within these fields, and to acquire and manage securities and other personal property and to conduct business compatible therewith.

3. Registered office

The registered office of the company shall be in the municipality of Lund.

4. Share capital

The company's share capital shall amount to not less than SEK 500,000 and not more than SEK 2,000,000.

5. Number of shares

The number of shares shall be not less than 20,000,000 and not more than 80,000,000.

6. Board of directors

The board of directors shall consist of no less than three (3) and no more than ten (10) members.

7. Auditors

The company shall have one (1) or two (2) auditors with no more than two (2) deputy auditors. As auditor shall be elected an authorized public accountant or a registered public accounting firm.

8. Annual general meeting

The annual general meeting shall be held no later than six (6) months after the end of the financial year.

At the annual general meeting the following matters shall be addressed:

1. Election of the chairman of the meeting.
2. Preparation and approval of the voting list.
3. Election of one or two persons to approve the minutes.
4. Determination of whether the meeting has been duly convened.
5. Approval of the agenda.
6. Presentation of the annual report and the auditor's report, and if applicable, the consolidated financial statements and the group auditor's report.
7. Resolutions regarding:
   a. adoption of the income statement and the balance sheet, and, if applicable, the consolidated income statement and the consolidated balance sheet;
   b. appropriation of the company's profit or loss according to the adopted balance sheet;
   c. discharge from liability for the members of the board of directors and the managing director.
8. Resolution regarding fees for the members of the board of directors and fees for the auditors.
9. Resolution regarding the number of members of the board of directors and auditors and deputy auditors.
10. Election of members of the board of directors, as well as election of auditors and deputy auditors.
11. Any other matter on which the annual general meeting is required to decide pursuant to the Swedish Companies Act or the articles of association.

9. Notice

Notice convening a general meeting shall be published in the Swedish Official Gazette (Sw. *Post- och Inrikes Tidningar*) and on the company's website. It shall be advertised in Svenska Dagbladet that notice convening a general meeting has been made.

Shareholders that wishes to participate in a general meeting shall be recorded in a printout or other representation of the entire share register as at the date falling five weekdays (Sw. *vardagar*) prior to the meeting and notify the company of their intention to participate by the date specified in the notice convening the meeting. The last mentioned day must not be a Sunday, other public holiday, Saturday, Midsummer's Eve, Christmas Eve or New Year's Eve and not fall earlier than the fifth weekday prior to the meeting.

At a general meeting, shareholders may be accompanied by one or two assistants, however only if the shareholder has notified the company of the number of assistants in the manner stated in the previous paragraph.

10. Financial year

The financial year of the company shall comprise the period 1 January to 31 December.

11. CSD Company

The company's shares shall be registered in a central securities depository register in accordance with the Swedish Financial Instruments Accounts Act (1998:1479).

Legal considerations and supplementary information

General corporate and group information

The legal name of the Company (and its commercial name) is Camurus AB. Camurus' Swedish corporate ID No. is 556667-9105 and the registered office of the Board of Directors is situated in Lund, Sweden. The Company was incorporated in Sweden on 8 September 2004 and registered with the Swedish Companies Registration Office on 8 October 2004. The operations was initiated in 1991 and was conducted up until 2005 in Camurus Development AB, which today is a wholly own subsidiary to the Company. The Company is a Swedish public limited liability company governed by the Swedish Companies Act (*aktiebolagslagen (2005:551)*).

Camurus is the ultimate parent company of the Group, which comprises nine legal entities in eight countries, see the table below. Currently, all the companies except for Camurus Development AB, Camurus Inc and Cubosome Inc are operating.

Subsidiary	Country	Shares and voting rights, %
Camurus Development AB	Sweden	100.0
Camurus Inc	USA	100.0
Cubosome Inc	USA	100.0
Camurus GmbH	Germany	100.0
Camurus Ltd	UK	100.0
Camurus Oy	Finland	100.0
Camurus AS	Norway	100.0
Camurus SAS	France	100.0
Camurus Pty Ltd	Australia	100.0

Material agreements

Camurus has not entered into any material agreements during the past two years and has neither entered into any agreements which contains any rights or obligations which are material to Camurus (in both cases excluding agreements entered into in the ordinary course of business).

Camurus' license agreement with Braeburn, which has been entered into in the ordinary course of business, contains rights and obligations which are material to Camurus. For a more detailed description of this license agreement, reference is made to "*Partnership with Braeburn*" in the section "*Business and market description*".

Subscription and underwriting commitments

Subscription undertakings

Seven larger shareholders in Camurus, together holding shares representing 69 percent of the total number of shares and votes in the Company, have undertaken in whole or in part to exercise their preferential rights in the rights issue and thereby subscribe for new shares corresponding to in whole or in part their respective holdings in the Company. These subscription undertakings amounts to approximately SEK 129 million, equivalent to approximately 32 percent of the rights issue (see breakdown in the table below). No compensation is paid for these subscription undertakings.

The aforementioned shareholders have also undertaken not to reduce their respective holdings in the Company up to and including the day on which the rights issue is fully registered by the Swedish Companies Registration Office and to vote in favor of the rights issue at the extraordinary general meeting.

Underwriting commitments

In addition to the subscription undertakings, certain existing shareholders, including Gladiator, the Fourth Swedish National Pension Fund, Grenspecialisten Förvaltning and Maven Investment Partners and also certain other external investors, including LMK Venture Partners and CVI Investments Inc. (through Heights Capital Management) have underwritten subscription for additional shares at an aggregate amount of approximately SEK 190 million, corresponding to approximately 47 percent of the rights issue (see breakdown in the table below). The remaining approximately SEK 83 million of the rights issue is underwritten, subject to customary terms and conditions, by Joint Global Coordinators. For these underwriting commitments, Camurus will pay a fee of four percent of the underwritten amount, in total approximately SEK 8.9 million and also compensate the Joint Global Coordinators for costs relating to legal advisors and other expenses incurred in connection with the rights issue.

The Company has provided customary warranties and indemnities for the Joint Global Coordinators' underwriting commitments, which are also subject to customary terms and conditions – including that Joint Global Coordinators shall be provided with legal disclosures and disclosures from the Company's auditors with respect to the rights issue. The Joint Global Coordinators' commitments are subject to customary termination provisions whereby they are entitled to terminate the agreement for breach of the guarantees provided by the Company and if the conditions set for the commitments are not met. As is customary, the Company has also undertaken, for a period of 120 calendar days from the date of the underwriting commitments, not to carry out a capital increase, issue or similar action, sell shares or certain equity-related instruments or other similar measures, which would result in the transfer of economic rights associated with the shares (with some exceptions), without the prior written consent of the Joint Global Coordinators.

The underwriting commitments are conditional upon that Camurus' Board of Directors and general meeting adopting the resolutions that are necessary to carry out the rights issue. These conditions have been met through the Board of Director's resolution on the rights issue on 6 February 2019 and the general meeting's approval thereof on 5 March 2019.

Unsecured commitments

The above-mentioned subscription and underwriting commitments are not secured. Consequently there is a risk that one or more of the above-mentioned parties are not able to fulfill their undertakings in whole or in part. See "*Unsecured subscription and underwriting commitments*" in "*Risk factors*".

Total commitments

Altogether, the subscription and underwriting commitments total 100 percent of the rights issue as detailed in the below table. All commitments were entered into before and in conjunction with the Board's rights issue resolution on 6 February 2019.

Shareholder/investor	Current holding	Subscription undertaking (preferential rights), share of the rights issue, %	Underwriting commitment, MSEK	Underwriting commitment, share of the rights issue, %	Total commitment, share of the rights issue, %
Sandberg Development	20,414,978	18.61	–	–	18.61
Gladiator[1)]	2,495,000	6.50	50	12.41	18.91
Fredrik Tiberg	1,512,551	1.24	–	–	1.24
Fjärde AP-fonden[2)]	896,116	2.33	50	12.41	14.74
Backahill Utveckling	877,193	2.29	–	–	2.29
Grenspecialisten Förvaltning[3)]	387,721	1.01	30	7.44	8.45
Maven Investment Partners Ltd[4)]	84,219	0.22	23	5.71	5.93
CVI Investments Inc.[5)] (through Heights Capital Management)	–	–	27	6.70	6.70
LMK Venture Partners[6)]	–	–	10	2.48	2.48
Jefferies International Limited[7)]	–	–	57.63	14.30	14.30
Carnegie Investment Bank AB[8)]	–	–	25.60	6.35	6.35
Total	**26,667,778**	**32.2**	**273.23**	**67.80**	**100.00**

1) PO Box 7472, SE 103 92 Stockholm, Sweden. C/o Max Mitteregger kapitalförvaltning AB.
2) Östersjögatan 11-13, 00180 Helsingfors, Finland. C/o Handelsbanken HCXI-F.
3) PO Box 4042, SE 203 11 Malmö, Sweden. C/o SEB.
4) 6 Bevis Marks, London EC3A 7BA, United Kingdom.
5) South Church Street Ugland House, Box 309GT George Town, KY1-1104 Cayman Islands.
7) PO Box 2025, SE 220 02 Lund, Sweden.
8) Vintners Place, 68 Upper Thames Street, London EC4V 3BJ, United Kingdom.
9) Regeringsgatan 56, SE 103 38 Stockholm, Sweden.

Declarations of intent

Swedbank Robur Fonder and Enter Fonder, together representing approximately 3 percent of the total number of shares and votes in the Company, have expressed their intention to subscribe for their *pro rata* shares in the rights issue.

Legal and arbitration proceedings

The Group is present in several countries and from time to time the Group is subject to disputes, claims and administrative proceedings in the ordinary course of business. However, during the past 12 months the Group has not been part to any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which Camurus is aware) which may have, or have had in the recent past, significant effects on Camurus' financial position or profitability.

Related-party transactions

The table below sets forth transactions between Camurus AB and related parties, including subsidiaries, during the financial years 2016–2018. No related-party transactions which, as a single transaction or in their entirety, are material to the Group have occurred after 31 December 2018.

Purchase of services (SEK thousand)	2018	2017	2016
The parent company	–	–	132
Piir & Partners AB	–	359	1,136
Subsidiaries	78,274	33,266	–
Total	**78,274**	**33,625**	**1,268**

Sale of services (SEK thousand)	2018	2017	2016
The parent company	–	–	40
Subsidiaries	17,789	10,332	–
Total	**17,789**	**10,332**	**40**

Please also refer to note 28 on p. 73 in the 2017 annual report. For information on remuneration to the members of the Board of Directors and Group Management, see "*Board of Directors, Group Management and auditor*".

Advisors, etc.

Carnegie and Jefferies provide financial advice to Camurus in conjunction with the rights issue. From time to time, these advisors (and their affiliates) have in the ordinary course of business provided, and may in the future provide, various banking, financial, investment, commercial and other services to Camurus for which they have received, and may receive, compensation.

Mannheimer Swartling Advokatbyrå is Camurus' legal advisor in the rights issue.

Incorporation by reference, etc.

Certain parts of Camurus' consolidated financial statements for the financial years 2016–2017 as well as for the period January–December 2018 are incorporated into this prospectus by reference and consequently form part of this prospectus and are to be read as part hereof. The said financial statements are included in Camurus' annual reports for the financial years 2016 and 2017 and Camurus' interim report for the period January–December 2018, where reference is made as follows:

- **Annual report 2017:**[1] directors' report (p. 40-44), consolidated statement of comprehensive income (p. 47), consolidated balance sheet (page 48), change in consolidated equity (p. 50), consolidated cash flow statement (p. 51), notes (p. 52–75) and audit report (p. 77–79).
- **Annual report 2016:**[2] directors' report (p. 40–44), consolidated statement of comprehensive income (p. 47), consolidated balance sheet (page 48), change in consolidated equity (p. 50), consolidated cash flow statement (p. 51), notes (p. 52–75) and audit report (p. 77–79).
- **Interim report January–December 2018:**[3] consolidated statement of comprehensive income (p. 13–14), consolidated balance sheet (p. 15), consolidated statement of changes in equity (p. 16), consolidated cash flow statement (p. 17) and notes (p. 21– 26).

Non-incorporated parts of the above reports contain information presented elsewhere in this prospectus or which is deemed not relevant to investors. Camurus' consolidated financial statements for the financial years 2016–2017 have been audited by the Company's auditor. The consolidated financial statements for January–December 2018 have, as regards the period January–September 2018, been reviewed by the auditor.

Documents on display

The following documents (with the exception of annual reports of subsidiaries) can be downloaded on Camurus' website, www.camurus.com. Copies of the documents can also be obtained at the head office of Camurus (Sölvegatan 41 A in Lund, Sweden) during the validity of this prospectus (regular office hours on business days).

- Camurus' articles of association.
- Camurus' annual reports for the financial years 2016–2017 (including audit reports).
- Camurus' interim report for the period January–December 2018.
- Camurus' subsidiaries' annual reports for the financial years 2016–2017.

[1] https://www.camurus.com/wp-content/uploads/2018/03/Camurus_AnnualReport_2017.pdf.
[2] https://www.camurus.com/wp-content/uploads/2017/04/annual_report_2016.pdf.
[3] https://mb.cision.com/Main/13456/2733331/986370.pdf.

Certain tax issues in Sweden

The following summary outlines certain Swedish tax consequences relating to holding of shares in the Company and the offer to subscribe for new shares for shareholders and holders of subscription rights in the Company. The summary is only applicable to individuals and limited liability companies (Sw. *aktiebolag*) tax resident in Sweden, unless otherwise stated. The summary is based on the laws of Sweden as currently in effect and is intended to provide general information only. The summary does not cover securities held by partnerships or held as current assets in business operations. Furthermore, the summary does not cover the specific rules on tax-exempt dividends and capital gains (including non-deductibility for capital losses) in the corporate sector, which may become applicable when shareholders hold securities that are considered to be held for business purposes (Sw. *näringsbetingade andelar*). Nor does the summary cover the special rules which may be applicable to holdings in companies which are, or previously were, closely-held companies, or to shares acquired pursuant to so-called qualified shares in closely-held companies. Moreover, the summary does not cover shares or other securities that are held in a so-called investment savings account (Sw. *investeringssparkonto*) and that are subject to special rules on standardised taxation. Special rules apply to certain categories of taxpayers, for example, investment companies and insurance companies. The tax treatment of each individual shareholder depends on such investor's particular circumstances. Each holder of shares and subscription rights should, therefore, consult a tax advisor for information on the specific implications that may arise in an individual case, including the applicability and effect of foreign rules and tax treaties.

Individuals

Capital gains taxation

Upon the sale or other disposition of listed shares or other equity-related securities, such as subscription rights, a taxable capital gain or deductible capital loss may arise. Capital gains are taxed as capital income at a rate of 30 percent. The capital gain or loss is normally calculated as the difference between the sales proceeds, after deducting sales costs, and the tax basis (for specific information about the tax basis for subscription rights, see "*Exercise and disposal of subscription rights*" below). The tax basis for all equity-related securities of the same class and type is calculated together in accordance with the "average cost method". It should be noted that BTAs (paid subscribed shares) in this context are not considered to be of the same class and type as the existing shares that entitled the shareholder to the preferential right in the rights issue until the resolution of the rights issue has been registered with the Swedish Companies Registration Office.

Alternatively, upon the sale of listed shares, such as the shares in the Company, the tax basis may alternatively be determined as 20 percent of the sales proceeds, after deducting sales costs, under the "notional rule".

Capital losses on listed shares and other listed equity-related securities are fully deductible against taxable capital gains on shares and on other listed equity-related securities, with the exception of units in securities funds or special funds that consist solely of Swedish receivables (Sw. *räntefonder*). Capital losses on shares and other equity-related securities which cannot be set off in this way can be deducted with up to 70 percent against other capital income. If there is a net loss in the capital income category, a tax reduction is allowed against municipal and national income tax, as well as against real estate tax and municipal real estate charges. A tax reduction is allowed with 30 percent on the portion of such net loss that does not exceed SEK 100,000 and with 21 percent on any remaining loss. Such net loss cannot be carried forward to future income years.

Dividend taxation

For individuals, dividends on listed shares are taxed as income from capital at a rate of 30 percent. For individuals resident in Sweden, a preliminary tax of 30 percent is generally withheld by Euroclear or, in respect of nominee-registered shares, by the Swedish nominee.

Exercise and disposal of subscription rights

The exercise of subscription rights does not give rise to any taxation. The acquisition cost for shares received is the issue price. If subscription rights used for subscribing for shares have been purchased or otherwise acquired (i.e. that have not been received based on a holding of existing shares) the tax basis for the subscription rights should be included when calculating the tax basis for the subscribed shares.

For shareholders that do not wish to utilise their preferential right to participate in the rights issue and therefore dispose of their subscription rights, a capital gain or loss is calculated. Subscription rights based on a holding of existing shares are considered to have been acquired at SEK 0. The total sales proceeds, after deduction of sales costs, are thus taxable. The "notional rule" is not applicable in this case. The tax basis for the original shares is not affected.
For subscription rights purchased or otherwise acquired, the price paid for the rights constitutes the tax basis. The "notional rule" may be applied on disposal of listed subscription rights in this case. A subscription right that is not exercised or sold, and thus expires, is considered to have been disposed of at SEK 0.

Limited liability companies

Capital gains and dividends taxation

For Swedish limited liability companies (Sw. *aktiebolag*) all income, including taxable capital gains and dividends, is taxed as business income. For a financial year commencing before 1 January 2019 the rate is 22 percent and for a financial year commencing from and including 1 January 2019 the rate is 21.4 percent.[1)] Capital gains and capital losses are calculated in the same manner as described above for individuals. Deductible capital losses on shares and other equity-related securities may only be deducted against taxable capital gains on such securities. Under certain circumstances, such capital losses may also be deducted against capital gains in another company in the same group, provided that the requirements for exchanging group contributions (Sw. *koncernbidragsrätt*) between the companies are met. A capital loss that cannot be utilised during a given income year may be carried forward and be offset against taxable capital gains on shares and other equity-related securities during subsequent income years, without limitation in time.

Exercise and disposal of subscription rights

The exercise of subscription rights does not give rise to any taxation. The acquisition cost for shares received is the issue price. If subscription rights used for subscribing for shares have been purchased or otherwise acquired (i.e. that have not been received based on a holding of existing shares) the tax basis for the subscription rights should be included when calculating the tax basis for the subscribed shares.

For shareholders that do not wish to utilise their preferential right to participate in the rights issue, and therefore dispose of their subscription rights, a capital gain or loss is calculated. Subscription rights based on a holding of existing shares are considered to have been acquired at SEK 0. The total sales proceeds, after deduction of sales costs, are thus taxable. The "notional rule" is not applicable in this case. The tax basis for the original shares is not affected.

For subscription rights purchased or otherwise acquired, the price paid for the rights constitutes the tax basis. The "notional rule" may be applied on disposal of listed subscription rights in this case. A subscription right that is not exercised or sold, and thus expires, is considered to have been disposed of at SEK 0.

Specific tax considerations for shareholders or holders of subscription rights who are not tax residents in Sweden

Withholding tax on dividends

For shareholders not tax resident in Sweden who receive dividends from a Swedish limited liability company, Swedish withholding tax is normally payable. The tax rate is 30 percent. However, the tax rate is often reduced by tax treaties between Sweden and other countries for the avoidance of double taxation. The majority of Sweden's tax treaties allow for a reduction of the Swedish tax to the tax rate stipulated in the treaty directly at the payment of dividends, provided that necessary information is available in relation to the person entitled to such dividends. In Sweden, Euroclear or, for nominee-registered shares, the nominee normally carries out the withholding. The receipt of subscription rights does not give rise to any obligation to pay withholding tax.

If a 30 percent withholding tax is deducted from a payment to a person entitled to be taxed at a lower rate, or if excessive withholding tax has otherwise been withheld, a refund can be claimed from the Swedish Tax Agency prior to the expiry of the fifth calendar year following the dividend distribution.

Capital gains taxation

Holders of shares and subscription rights not tax resident in Sweden and whose holding is not attributable to a permanent establishment in Sweden are generally not liable for Swedish capital gains taxation on the disposal of shares or subscription rights. The holders may, however, be subject to tax in their country of residence. Under a specific tax rule, individuals that are not tax resident in Sweden may, however, be subject to tax in Sweden on the sale of certain securities (such as shares, BTAs and subscription rights) if they have been resident or lived permanently in Sweden at any time during the calendar year of such disposal or during any of the previous ten calendar years. The application of this rule may be limited by tax treaties between Sweden and other countries.

[1)] The rate of 21.4 per cent is applicable for a financial year that commences after 31 December 2018 but before 1 January 2021. For a financial year that commences from and including 1 January 2021 the rate is 20.6 per cent.

Selling and transfer restrictions

The distribution of subscription rights and the offer to subscribe for new shares in the Company by exercise of subscription rights as well as without subscription rights (the "*Rights Issue*") to persons resident in, or who are citizens of, countries other than Sweden may be affected by the laws of the relevant jurisdiction. Investors should consult their professional advisers as to whether they require any governmental or other consent or need to observe any other formalities to enable them to exercise subscription rights or to subscribe for new shares without subscription rights.

General

Camurus has not taken and will not take any action to permit a public offering of the new shares being issued in the Rights Issue (through the exercise of the subscription rights or otherwise) in any jurisdiction other than Sweden. Receipt of this prospectus will not constitute an offer in those jurisdictions in which it would be illegal to make an offer and, in those circumstances, this prospectus is for information only and must not be copied or redistributed.

Except as otherwise disclosed in this prospectus, if an investor receives a copy of this prospectus in any jurisdiction other than Sweden, the investor may not treat the prospectus as constituting an invitation or offer to it, nor should the investor in any event deal in the subscription rights, paid subscribed shares/interim shares (*betalda tecknade aktier (BTA)/interimsaktier*) or new shares being granted or offered, respectively, in the Rights Issue (the "**Securities**"), unless, in the relevant jurisdiction, such an invitation or offer could lawfully be made to that investor, or the Securities could lawfully be dealt in without contravention of any unfulfilled registration or other legal requirements.

Accordingly, if an investor receives a copy of this prospectus, the investor should not distribute or send the same, or transfer the Securities to any person, in or into any jurisdiction where to do so would or might contravene local securities laws or regulations. If any investor forwards this prospectus into any such jurisdictions (whether under a contractual or legal obligation or otherwise), such investor should draw the recipient's attention to the contents of this section. Except as otherwise expressly noted in this prospectus, the following applies:

- the Securities may not be offered, subscribed for, sold or transferred, directly or indirectly, to or in the United States, Canada, Japan, Australia, New Zealand, South Africa, Hong Kong, Singapore or any other jurisdiction in which it would not be permissible to offer the Securities or where such action would require additional prospectuses, registration or measures other than those pursuant to Swedish law (an "**Ineligible Jurisdiction**", together the "**Ineligible Jurisdictions**");
- the prospectus may not be sent to any person in any Ineligible Jurisdiction; and
- the transfer of subscription rights to an account of a shareholder or other person in an Ineligible Jurisdiction or of a citizen of an Ineligible Jurisdiction (referred to as "**Ineligible Persons**") does not constitute an offer to such persons of new shares and Ineligible Persons may not exercise subscription rights.

If an investor subscribes for, receives, transfers, trades or otherwise deals in the Securities, that investor will be deemed to have made, or, in some cases, be required to make, among other things, the following representations and warranties to Camurus and any person acting on its behalf (unless such requirement is waived by Camurus):

- the investor is not located in an Ineligible Jurisdiction;
- the investor is not an Ineligible Person;
- the investor is not acting, and has not acted, for the account or benefit of an Ineligible Person;
- the investor understands that the Securities have not been or will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") and may not be offered, subscribed for, exercised, pledged, sold, resold, allotted, delivered or otherwise transferred within the United States, or for the account or benefit of persons in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements under the Securities Act; and
- the investor may lawfully be offered, exercise, subscribe for and receive Securities in the jurisdiction in which it resides or is currently located.

Camurus and any person acting on its behalf will rely upon the investor's representations and warranties. Any provision of false information or subsequent breach of these representations and warranties may subject the investor to liability.

If a person is acting on behalf of a holder of subscription rights (including, without limitation, as a nominee, custodian or trustee), that person will be required to provide the foregoing representations and warranties to Camurus with respect to the exercise of subscription rights on behalf of the holder. If such person does not or is unable to provide the aforementioned representations and warranties, Camurus will not be bound to authorize the allocation of any Securities to that person or the person on whose behalf the other is acting.

Subject to the specific restrictions described below, if an investor (including, without limitation, its nominees, custodians and trustees) who is located outside of Sweden wishes to exercise, deal in or subscribe for Securities, the investor must satisfy itself as to full observance of the applicable laws of any relevant jurisdiction including obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any taxes due in such territories.

The information set out in this section is intended as a general guide only. If the investor is in any doubt as to whether it is eligible to exercise subscription rights or otherwise subscribe for Securities, that investor should consult professional advisers without delay.

For shareholders who on the record date 7 March 2019 hold shares in Camurus through financial intermediaries, all subscription rights will initially be credited to such financial intermediaries for such shareholders' accounts. A financial intermediary may not exercise

any subscription rights on behalf of any person in the Ineligible Jurisdictions or any Ineligible Persons and may be required in connection with any exercise of subscription rights to certify the same.

Subject to certain exceptions, financial intermediaries are not permitted to send this prospectus or any other information about the Rights Issue into any Ineligible Jurisdiction or to any Ineligible Person. The crediting of subscription rights to the account of persons in Ineligible Jurisdictions or to Ineligible Persons does not constitute an offer of Securities to such persons. Nominees, which include banks, brokers, custodians and other financial intermediaries, holding for Ineligible Persons may consider selling any or all subscription rights held for the benefit of such persons to the extent permitted under their arrangements with such persons and applicable law and to remit the net proceeds to the accounts of such persons.

Subject to certain exceptions, exercise instructions or certifications regarding subscription sent from or postmarked in any Ineligible Jurisdiction will be deemed to be invalid and the Securities will not be delivered to an addressee in any Ineligible Jurisdiction. Camurus reserves the right to reject any exercise or revoke any accepted exercise made in the name of any person who provides an address in an Ineligible Jurisdiction for exercise or delivery of Securities, who does not or is unable to represent or warrant that such person is not in an Ineligible Jurisdiction and is not an Ineligible Person, who is not acting on a discretionary basis for such persons, or who appears to Camurus or its agents to have executed its exercise instructions or certifications in, or dispatched them from, an Ineligible Jurisdiction. Furthermore, Camurus reserves the right, with sole and absolute discretion, to treat as invalid any exercise or purported exercise of subscription rights which appears to it to have been executed, effected or dispatched in a manner that may involve a breach or violation of the laws or regulations of any jurisdiction.

Notwithstanding any other provision of this prospectus, Camurus reserves the right to permit a holder to exercise its subscription rights if Camurus in its absolute discretion is satisfied that the transaction in question is exempt from or not subject to the laws or regulations giving rise to the restrictions in question. Applicable exemptions in certain jurisdictions are described below. In any such case, Camurus does not accept any liability for any actions that a holder takes or for any consequences that such holder may suffer by Camurus' acceptance of the holder's exercise of subscription rights.

None of Camurus, the Joint Global Coordinators, or any of their respective representatives is making any representation to any offeree, subscriber or purchaser of the Securities regarding the legality of an investment in the Securities by such offeree, subscriber or purchaser under applicable laws. Each investor should consult with its own advisors and make its independent assessment of the legal, tax, business, financial and other consequences of a subscription or purchase of the Securities.

Investing in the Securities involves risks. See "Risk factors" for a discussion of risks that prospective investors should consider before investing in the Securities.

United States

The Securities have not been and will not be registered under the Securities Act or under the securities legislation of any state or other jurisdiction of the United States and may not be offered or sold, directly or indirectly, within the United States except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities legislation in any state or other jurisdiction of the United States. The Securities are being offered and sold outside the United States in reliance on Regulation S under the Securities Act. Any offering of the Securities to be made in the United States will be made by the issuer and only pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act, to a limited number of investors who (i) are both existing holders of shares in Camurus and qualified institutional buyers as defined in Rule 144A under the Securities Act ("**QIB**") and (ii) have executed and delivered an *investor letter*, in form and substance acceptable, to Camurus.

Accordingly, subject to certain limited exceptions, this document will not be sent to, and no subscription rights will be credited to, any shareholder with a registered address in the United States. In addition, Camurus and the Joint Global Coordinators reserve the right to reject any instruction in respect of the Securities sent by or on behalf of any securities account holder with a registered address in the United States.

Until 40 days after the commencement of the Rights Issue, an offer, sale or transfer of the Securities within the United States by a dealer (whether or not participating in the Rights Issue) may violate the registration requirements of the Securities Act. The Securities have not been approved or disapproved by the U.S. Securities and Exchange Commission (SEC), any state regulatory authority in the United States or any other U.S. regulatory authority nor have any of the foregoing authorities passed upon or endorsed the merits of the Rights Issue or the accuracy or adequacy of this document. Any representation to the contrary is a criminal offense in the United States.

Each person to which Securities are distributed, offered or sold within the United States will, by accepting delivery of this prospectus or by its subscription for Securities, be deemed to have represented, acknowledged and agreed, on its behalf and on behalf of any investor accounts for which it is subscribing for Securities, as the case may be, that, among other things:

1. it is at the time of receipt of the prospectus, and at the time of any exercise by it of subscription rights, an existing shareholder of the Company and a QIB.
2. it understands and acknowledges that the Securities have not and will not be registered under the Securities Act, and that they may not be offered, sold or exercised, directly or indirectly, in the United States, other than in accordance with paragraph 4 below.
3. it understands that the subscription rights may only be transferred, assigned or sold outside the United States in reliance on Regulation S under the Securities Act, and not in any case inside or into the United States.
4. as a purchaser in a private placement of securities that have not been registered under the Securities Act, it may only acquire subscription rights, paid subscribed shares/Interim shares and new shares upon the exercise of such subscription rights, for its own account, or for the account of one or more other QIBs for which it is acting as duly authorized fiduciary or agent with sole investment discretion and with full authority to make the acknowledgments, representations and agreements herein, in each case for investment and not with a view to any resale or distribution of any such subscription rights or of any paid subscribed shares/Interim shares or new shares issuable upon exercise of the subscription rights.
5. it understands and agrees that, although offers and sales in the United States of the subscription rights are being made only to QIBs, and that the subscription rights may be exercised only by QIBs in the United States, neither such offers and sales nor such exercises are being made under Rule 144A, and that if in the future it or any such other QIB for which it is acting, as described in paragraph 4 above, or any other fiduciary or agent representing such investor decides to offer, sell, deliver, pledge or otherwise transfer any subscription rights, or any paid subscribed shares/Interim shares or new shares issued upon the exercise of sub-

scription rights, it and such other persons will do so only (i) pursuant to an effective registration statement under the Securities Act, (ii) with respect to paid subscribed shares/Interim shares or new shares, to a QIB in a transaction meeting the requirements of Rule 144A, (iii) outside the United States pursuant to Rule 904 under Regulation S under the Securities Act in an "offshore transaction" (and not in a pre-arranged transaction resulting in the resale of such subscription rights, paid subscribed shares/Interim shares or new shares into the United States), or (iv) in the case of new shares issued upon the exercise of subscription rights, in accordance with Rule 144 under the Securities Act and, in each case, in accordance with any applicable securities laws of any state or territory of the United States and any other jurisdictions. It understands that no representation can be made as to the availability of the exemption provided by Rule 144 under the Securities Act for the resale of new shares.

6. it understands that for so long as new shares issued upon the exercise of subscription rights are "restricted securities" within the meaning of U.S. federal securities laws, no such new shares may be deposited into any U.S. depositary receipt facility established or maintained by a depositary bank, other than a restricted depositary receipt facility, and that such new shares will not settle or trade through the facilities of the Depository Trust Company or any other U.S. exchange or clearing system.
7. it has received a copy of this prospectus and has had access to such financial and other information concerning Camurus as it has deemed necessary in connection with making its own investment decision to exercise subscription rights and has consulted with its own independent advisers or otherwise satisfied itself concerning the legal, tax and other economic considerations related to exercising its subscription rights. It acknowledges and agrees that neither Camurus nor the Joint Global Coordinators nor any person representing Camurus or the Joint Global Coordinators has made any representation to it with respect to Camurus or the Offer other than as set forth in the prospectus. It will hold any offering materials, including the prospectus, it receives directly or indirectly from Camurus or the Joint Global Coordinators in confidence, and it understands that any such information received by it is solely for it and may not be redistributed or duplicated by it. It acknowledges and agrees that the Securities have not been offered to it by Camurus or the Joint Global Coordinators in any form of general solicitation or general advertising (in the meaning set forth in Regulation D under the Securities Act).
8. it, and each other QIB, if any, for whose account it may acquire subscription rights, paid subscribed shares/Interim shares or new shares, in the normal course of business, invests in or purchases securities similar to the Securities, has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of acquiring subscription rights and new shares and is aware that it must bear the financial risk of an investment in each subscription right and any paid subscription share and new share for an indefinite period of time and is able to bear such risk for an indefinite period. It confirms that it is acquiring subscription rights or new shares for itself and any other QIB, if any.
9. it understands that these representations and undertakings are required under United States securities laws and authorizes Camurus and the Joint Global Coordinators to produce these undertakings and the investor letter to any interested parties in any administrative or legal proceedings or official enquiry with respect to the matters covered herein.
10. it represents that if, in the future, it offers, resells, pledges or otherwise transfers the Securities, it shall notify such subsequent transferee of the transfer restrictions set out herein.
11. it is not an affiliate (as defined in Rule 501(b) under the Securities Act) of Camurus, and is not acting on behalf of an affiliate of Camurus.
12. it understands and acknowledges that Camurus, the Joint Global Coordinators and each of their respective affiliates and agents, and others, will rely upon the truth and accuracy of the foregoing representations, acknowledgements and agreements.

In addition, each person exercising subscription rights or otherwise subscribing for new shares will be deemed to have acknowledged and agreed that no person is authorized to give any information or make any representations other than those contained in the prospectus and, if given or made, such information or representations will not be relied upon as having been authorized by Camurus or the Joint Global Coordinators, nor will Camurus or the Joint Global Coordinators have any liability or responsibility therefore.

Each person to which Securities are distributed, offered or sold outside the United States will, by its subscription for, or purchase of, Securities, be deemed to have represented and agreed, on its behalf and on behalf of any investor accounts for which it is subscribing for Securities, as the case may be, that:

- it is acquiring the Securities from Camurus in an "*offshore transaction*" as defined in Regulation S under the Securities Act; and
- the Securities have not been offered to it by Camurus by means of any "*directed selling efforts*" as defined in Regulation S under the Securities Act.

Agreement of confidentiality

Any recipient of this document in the United States is hereby notified that this document is being furnished to it on a confidential basis and must not be reproduced, resent or otherwise redistributed, in whole or in part, under any circumstances. Furthermore, recipients are authorized to use this document solely for the purpose of considering a subscription for Securities and may not disclose any of the contents of this document or use any information herein for any other purpose. This document is personal to each recipient and does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire Securities. Any recipient of this document agrees to the foregoing by accepting delivery of this document.

Enforcement of liabilities and service of process

Camurus is a Swedish limited liability company. The majority members of the board of directors and the steering group are resident outside the United States. A substantial portion of the assets of Camurus and such persons are located outside the United States. As a result, it may not be possible for investors to serve writ of summons upon Camurus or such persons or to enforce against them in U.S. courts judgments obtained in such courts. Original actions, or actions for the enforcement of judgments of a U.S. court, relating to the civil liability provisions of the federal or state securities laws of the United States are not directly enforceable in Sweden. The United States and Sweden do not have a treaty providing for reciprocal recognition and enforcement of judgments, other than arbitration awards, in civil and commercial matters. Accordingly, a final judgment for the payment of money rendered by a U.S. court based on civil liability will not be directly enforceable in Sweden. However, if the party in whose favor such final judgment is rendered brings a new lawsuit in a competent court in Sweden, that party may submit to the Swedish court the final judgment that has been rendered in the United States. Although a judgment by a federal or state court in the United States against the Company or the Group will neither be recognized nor enforced by a Swedish court, it may serve as evidence in a similar action in a Swedish court.

EEA

Within the European Economic Area ("**EEA**"), no public offering of Securities is made in other countries than Sweden. In other member states of the EEA which have implanted the Prospectus Directive, any offer of Securities may only be made to "qualified investors" as defined in Article 2.1 e) of the Prospectus Directive, or under other circumstances which do not require Camurus to publish any additional prospectuses in the relevant member state under Article 3 of the Prospectus Directive. Each recipients of this prospectus will be considered to have represented and guaranteed that they do not have or will not make any offer to the public in any member state of the EEA.

The term "public offering" refers to the definition under Article 2.1 d) of the Prospectus Directive. The term "Prospectus Directive" means European Parliament and Council Directive 2003/71/EC as well as any relevant implementing measures (including measures for the implementation of European Parliament and Council Directive 2010/73/EU amending the Prospectus Directive, etc.) in the relevant member state.

Other jurisdictions

The Securities have not been and will not be registered in Canada, Japan, Australia, New Zealand, South Africa, Hong Kong, Singapore or any other jurisdiction outside Sweden and may not be offered, subscribed for, exercised, pledged, sold, resold, delivered or otherwise transferred, directly or indirectly, in or to any such jurisdiction other than in such exceptional cases when a prospectus would not be required under applicable laws and regulations of such jurisdiction.

Glossary

505(b)(2)	US submission which contains full reports of investigations of safety and effectiveness, where at least some of the information required for approval comes from studies not conducted by or for the applicant and for which the applicant has not obtained a right of reference or use contains full reports of investigations of safety and effectiveness, where at least some of the information required for approval comes from studies not conducted by or for the applicant and for which the applicant has not obtained a right of reference or use
Acromegaly	A disorder caused by overproduction of growth hormones resulting in abnormal body growth
Agonist	A drug or other substance that binds to and blocks a receptor and thereby stimulates the activity of the receptor
Analogue	Similar molecular structure
Antagonist	A drug or other substance that binds to and blocks a receptor without stimulating the activity of the receptor
Bioadhesive	A substance that is adhesive to biological surfaces
Bioavailability	The degree and rate at which a substance (as a drug) is absorbed by the body
Buprenorphine	Active ingredient that is strongly analgesic and that may be used for treatment of opioid dependence
CAGR	*Compounded Annual Growth Rate*, average annual growth
Cash pool	Cash management technique employed by companies
CDF	Cumulative distribution function
CE marking	CE marking of a product is used within the EU/EEA to show that the manufacturer or importer has followed the essential requirements regarding safety, health, performance etc. that are outlined in the applicable EU directives
CINV	Chemotherapy-induced nausea and vomiting
Clinical trials	Investigations performed in humans in order to study the properties of an investigational product
COWS	*Clinical Opiate Withdrawal Scale*, a scale used for clinical evaluation of withdrawal symptoms caused by opiates
CSA	US Controlled Substances Act of 1970
DEA	*US Drug Enforcement Administration*
EEA	European Economic Area
EMA	*European Medicines Agency*, a decentralized agency of the EU, responsible for the scientific evaluation of medicines developed by pharmaceutical companies for use in the EU
Endocrine diseases	Diseases affecting the endocrine system, i.e. the body's production, secretion and response to hormones
Endometriosis	A disease in which tissue that normally grows inside the uterus (endometrium) grows outside the uterus
EU5	France, Germany, Italy, the United Kingdom and Spain
EudraCT	*European Union Drug Regulating Authorities Clinical Trials*, the EU database for clinical trials
FDA	*Food and Drug Administration*, the US food and drug authority
FDCA	*Federal Food, Drug and Cosmetic Act*
Gauge	The dimension of the outer diameter of an injection needle. The gauge value decreases when the outer diameter increases
GCP	*Good Clinical Practice*
GDO	*Glycerol dioleate*
Generic drug	A drug that has the same active ingredient as a brand name drug
GMP	*Good Manufacturing Practice*
GnRH	*Gonadotropin-Releasing Hormone*
Hybrid application	EU hybrid application depends partly on the results of tests on a reference medicine and partly on new data from nonclinical and clinical trials, and other data to establish the properties of the product
IFRS	*International Financial Reporting Standards*
IGF-1	*Insulin-like Growth Factor 1*
In vitro	Biological process that takes place outside a living cell or organism
In vivo	Biological process that takes place in living cells and tissues in an organism
Incidence	Number of new cases per population at risk
IND	*Investigational New Drug*, classification that is required for development of a new drug in the US
Intramuscular injection	Injection of a drug in a muscle, e.g. the gluteal muscle
Intravenous injection	Injection of a drug into a vein
LAIs	Long-acting injectables
Leuprolide	Active ingredient used for treatment of e.g. prostate cancer
Lipids	Group of compounds consisting of fat or fat-like substances
Milestone payment	Economic compensation obtained within a framework of a partner program when a specific goal has been achieved
Morbidity	The incidence of a disease within a population
Mortality	The incidence of death or number of deaths within a population
Naloxone	Active ingredient used as an antidote to reverse respiratory depression after opioid or opiate overdoses
Nanoparticle	Microscopic particle that behaves as a whole unit

NDA	*New Drug Application*, application for approval from the FDA to commercialize a new drug in the US
NET	Neuroendocrine tumors, a group of different kinds of hormone producing tumors
Octreotide	Active ingredient used for treatment of e.g. cancer
Oral mucositis	Inflammation of the oral mucosa that leads to ulcers and pain in the oral cavity
Orphan drugs	Drugs intended to treat serious or life-threatening diseases that are so rare that pharmaceutical companies are reluctant to develop them for economic reasons
PAH	Pulmonary arterial hypertension
Peptide	Molecule consisting of a chain of amino acids
Pharmacodynamics	The biochemical and physiological effects of a drug on the body
Pharmacokinetics	The fate of a drug within the body (i.e. the absorption, distribution, metabolism and excretion)
Pharmacovigilance	System for detection, assessment, understanding and prevention of adverse effects and other drug-related problems
Pre-clinical studies	Studies performed in model systems, i.e. not in humans
Prevalence	The proportion of a population that is affected with a particular disease or condition
Reconstitution	Preparation of a drug before administration, often addition of a diluent to a powder
RoW	Rest of the World
Setmelanotide	An MC4 receptor agonist peptide for the treatment of rare genetic disorders of obesity
SPC	*Soybean phosphatidylcholine*
SSA	*Somatostatin Anologues*, the standard for safe and effective medical therapy for acromegaly and symptom control in NETs
Subcutaneous injection	Injection of a drug under the skin
Sublingual	Under the tongue
the Directive	Directive 2001/83/EC of the European Parliament and of the Council of 06 November 2001 on the Community code relating to medicinal products for human use
TGA	Therapeutic Goods Administration, the regulatory body for therapeutic goods (including medicines and medical devices) in Australia
Toxicity	The degree to which a substance is toxic
Transdermal	A route of administration wherein active ingredients are delivered across the skin for systemic distribution, e.g. via patches or ointments
Viscosity	A measure of how viscous or thick a fluid is
WHO	*World Health Organization*

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