camurus®

INTERIM REPORT 2018 Q1

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FINANCIAL CALENDAR

Annual General Meeting 2018	3 May 2018
Q2 2018	17 July 2018
Q3 2018	25 October 2018

camurus

Camurus is committed to developing and commercializing innovative and long-acting medicines for the treatment of severe and chronic conditions, including opioid dependence, pain, cancer and endocrine disorders. New drug products are based on our proprietary FluidCrystal® technologies with the purpose to deliver improved quality of life, treatment outcomes and resource utilization. The company's share is listed on Nasdaq Stockholm under the ticker "CAMX". For more information, visit **camurus.com**

"We are targeting marketing authorization approvals in all key markets in 2018"

Enthusiasm for upcoming clinical, regulatory and commercial milestones

During the first quarter of 2018, we worked intensely to address the questions raised by the FDA in the CRL issued for CAM2038 for the treatment of opioid dependence. A briefing package has been submitted to the Agency detailing key parts of the response strategy for the resubmission of the NDA. Meanwhile, the regulatory review processes for CAM2038 continued to progress in Europe and Australia, and we are targeting marketing authorization approvals in all key markets in 2018.

Regulatory approvals and preparations for launch
In January 2018, our partner Braeburn Pharmaceuticals received a complete response letter (CRL) from the US Food and Drug Administration (FDA), requesting additional information for the US marketing approval of our weekly and monthly buprenorphine depots, CAM2038, for the treatment of opioid dependence. The work to answer the Agencies questions started immediately and we expect resubmission of the new drug application (NDA) for CAM2038 in Q2 2018. In parallel, our own marketing authorization applications in Europe and Australia progressed, with anticipated approval decisions in the fourth quarter of 2018.

CAM2038 has the potential to be the first approved long-acting treatment for opioid dependence in Europe and Australia. Preparations for launch, including the establishment of regional commercial teams, continue in full force. The interest in CAM2038 among patients, prescribers, payors and authorities is very encouraging. In addition to the strong data already established in the pivotal clinical studies, we are currently advancing new innovative partnerships to further demonstrate the clinical and health economic value of CAM2038 in opioid dependence treatment.

Phase 3 study in chronic pain under completion
During the first quarter of 2018, all subjects completed treatment in the randomized, controlled Phase 3 efficacy study of CAM2038 for the treatment of chronic lower back pain. Topline efficacy results from the study, which has an ongoing long-term safety extension for a broader patient population, are expected towards the end of the second quarter of 2018. Positive Phase 3 results will form the basis of the continued clinical development of CAM2048/58 for postoperative pain and nausea.

Camurus regains rights to CAM2029
During the quarter, manufacturing preparations for Phase 3 development of CAM2029 progressed well. We received notice of allowance of new patents from the US and Australian patent offices, which can further strengthen and extend the patent protection of CAM2029 until 2032 or beyond.
After the period, we announced that Camurus regains the global development and commercialization rights to CAM2029, and related assets, from Novartis. This represents an important business opportunity for Camurus, which is well aligned with our strategy of building a strong and profitable specialty pharmaceutical company.

Clinical milestone achieved in the collaboration with Rhythm
After the completion of the initial studies of a weekly setmelanotide depot for treatment of genetic obesity disorders under development by our partner Rhythm, Camurus received notice that the first clinical milestone in the collaboration had been achieved.
Preparations for continued clinical studies in patients with rare genetic obesity disorders are ongoing.

Completion of single ascending dosing in clinical study of long-acting treprostinil
At the end of 2017, Camurus started a clinical Phase 1 study of a promising new product candidate – a long-acting treprostinil depot, CAM2043, for the treatment of pulmonary arterial hypertension (PAH). The first single ascending dose part of the study is now completed, and repeated dosing has been initiated.

Topline pharmacokinetic and tolerability results from this study are expected in the second quarter of 2018. Further clinical development of CAM2043 is being prepared with the aim to start a pivotal registration program in 2019.

We continued to make good progress in our key development programs during the first quarter, and I anticipate a strong news flow during the remainder of the year, with results and highlights from our clinical studies, marketing authorization decisions, and potential launches of CAM2038 in key global markets.

Fredrik Tiberg, President & CEO

Q1

Business highlights

- Complete response letter (CRL) received by our partner Braeburn Pharmaceuticals from the FDA regarding the CAM2038 new drug application (NDA) for the treatment of opioid use disorder
- Type A Meeting Package submitted to the FDA regarding CRL request for additional information for the CAM2038 NDA
- CAM2038 marketing approval applications in EU and Australia progressed according to plan
- All patients completed treatment in the randomized Phase 3 study of CAM2038 in patients with chronic pain
- Notice of allowance received for CAM2029 patent applications from the US and Australian patent offices
- First clinical milestone achieved in collaboration with Rhythm Pharmaceuticals regarding the development of a weekly setmelanotide depot, CAM4072, for the treatment of genetic obesity disorders
- Single ascending dose part of Phase 1 clinical study of long-acting treprostinil, CAM2043, completed
- Company presentations at Biostock Live, Stockholm Corporate Finance Life Science Seminar, Cowen and Company 38th Annual Health Care Conference 2018, Carnegie Nordic Healthcare Seminar 2018

Significant event after the period

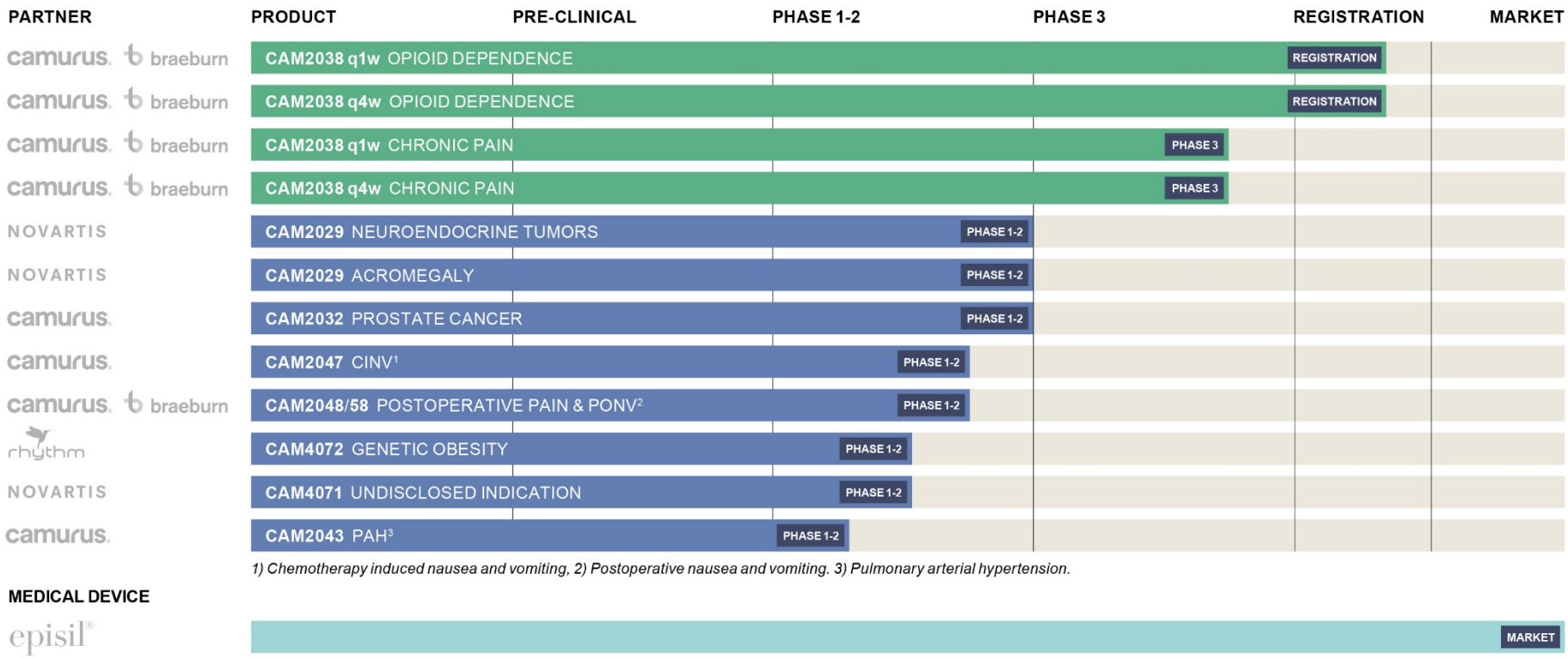
- Camurus regains worldwide development and commercialization rights to CAM2029 and related product candidates from Novartis

Financial summary

MSEK	2018 Jan-Mar	2017 Jan-Mar
Net Sales	14,6	17,2
Operating result	-46,4	-51,6
Result after tax	-36,3	-40,2
Earnings per share SEK before and after dilution	-0,97	-1,08
Cash position	266,6	463,8

Late-stage diversified product pipeline

Camurus is a research-based pharmaceutical company with a focus on the development and commercialization of new and innovative pharmaceuticals for serious and chronic conditions, where there are clear medical needs and the potential to significantly improve treatment. For the development of new drug candidates Camurus utilizes its own proprietary formulation technology, such as the long-acting injection depot FluidCrystal®. New proprietary medicines with improved properties and treatment outcomes are developed by combining the company's patented drug delivery technologies with active ingredients with documented safety and efficacy profiles. These are developed with significantly lower cost and risk, compared with the development of completely new pharmaceuticals. Camurus' development pipeline contains product candidates for the treatment of cancer and the side effects of cancer treatment, endocrine diseases, pain and addiction. A summary and status update on the different projects is given below.



1) Chemotherapy induced nausea and vomiting, 2) Postoperative nausea and vomiting. 3) Pulmonary arterial hypertension.

CAM2038 – opioid dependence

Opioid dependence is a serious, chronic, relapsing disease and a growing global health problem. Medication assisted treatment (MAT) with daily buprenorphine and methadone represents current standard of care and has been shown effective in reducing withdrawal and cravings, misuse and spreading of diseases. However, these treatments are also associated with limitations such as poor treatment adherence, misuse, medication diversion, and accidental pediatric exposure. CAM2038 includes two long-acting subcutaneous buprenorphine depots for the treatment of opioid dependence. The investigational products are based on Camurus' proprietary FluidCrystal® injection depot technology and are intended for either weekly or monthly subcutaneous administration by healthcare personnel using prefilled syringes, provided in multiple doses, to allow individualized treatment of patients with opioid dependence. In addition, patients being treated with CAM2038 are freed from the burden and stigma associated with the daily, often supervised, distribution and administration of current buprenorphine medications. Treatment with CAM2038 also has the potential to generate substantial savings for the healthcare system and society by reducing the costs of frequent supervised treatment, improving treatment compliance, and lowering diversion, misuse and abuse.
CAM2038 has been studied in a comprehensive clinical program comprising seven clinical studies, including two Phase 3 studies. A pivotal efficacy study met both the FDA and EMA primary efficacy endpoints (responder rate and mean percent of urines samples negative for illicit opioids). In addition, superiority of CAM2038 was demonstrated for the cumulative percentage of patients with no evidence of illicit opioid use during treatment weeks 4 to 24. The safety profile of CAM2038 was generally consistent with the known safety profile of buprenorphine except for mild-to-moderate injection-site adverse events.

STATUS Q1
A New Drug Application (NDA) to Pharmaceuticals to the US Food and Drug Administration (FDA) and Marketing Authorization Applications (MAAs) to European Medicines Agency (EMA) to Australian authority, Therapeutic Goods Administration (TGA) are being evaluated by respective Authority.

In January 2018 the FDA issued a complete response letter (CRL) for the CAM2038 NDA requesting additional information for completion their review. The request, issued to Camurus' partner Braeburn Pharmaceuticals, did not include any demand of additional clinical studies. All requests from FDA are being addressed and a Type A Meeting briefing package has been submitted detailing key parts of the response strategy for the resubmission of the CAM2038 NDA. Braeburn is expected to resubmit the NDA during Q2 2018. EMA and TGA MAA approval processes are ongoing and final approval decisions from both Authorities are anticipated in Q4 2018.

CAM2038 – chronic pain

Chronic pain is a global health problem, and is causing deterioration in general health, reduced quality of life, decreased work capacity and dependence and misuse of strong opioids. CAM2038 is therefore being developed to provide round-the-clock pain relief, while decreasing the risk of respiratory depression and fatal overdoses associated with full μ-opioid agonists, such as morphine, oxycodone and fentanyl. The properties of CAM2038 are considered to conform the targeted properties for treatments of chronic pain, i.e. the combination of long-lasting efficacious analgesia with a reduced risk of misuse, abuse and illicit diversion.

STATUS Q1
In the Phase 3 efficacy study of CAM2038 in chronic lower-back pain, all patients have been fully treated in the efficacy phase. In the following long-term safety extension study, all patients have been included and the study is continuing according to plans. Topline results from the efficacy study are expected in Q2 2018, followed by long-term safety results in Q4 2018.

CAM2029 – acromegaly and NET

CAM2029 is being developed for the treatment of acromegaly and neuroendocrine tumours (NET). CAM2029 is a ready-to-use, long-acting subcutaneous injection depot of the active substance octreotide formulated with Camurus' proprietary FluidCrystal® Injection depot technology. It provides several potential advantages compared to presently marketed product Sandostatin® LAR® by means of higher bioavailability, fast onset of effect, and potential for improved patient convenience. CAM2029 has been evaluated in four clinical Phase 1/2 studies and demonstrated positive results in a Phase 2 multicentre study in patients with acromegaly and neuroendocrine tumours.

STATUS Q1
During the quarter, we received notice of allowance from the US and Australian patent offices for new patents, which can further strengthen and extend the patent protection for CAM2029 until 2032 or beyond.

After the period, we announced that Camurus regains the global development and commercialization rights to CAM2029, and related assets, from Novartis. Camurus plans to start the pivotal clinical program for CAM2029 during the first half of 2019.

CAM2032 – prostate cancer

The well-established hormone therapies for prostate cancer, based on gonadotropin releasing hormone agonists such as leuprolide, aim to reduce testosterone

levels and thereby impede the growth of cancer cells. CAM2032 is a long-acting subcutaneous leuprolide depot for the treatment of prostate cancer. Additional potential indications for CAM2032 include precocious puberty, and endometriosis. CAM2032 is based on Camurus' FluidCrystal® Injection depot technology for administration as a small dose volume with a prefilled syringe and is not requiring any reconstitution or temperature conditioning. Based on simplicity of its administration, CAM2032 is being developed for easy subcutaneous injections by patients themselves.

STATUS Q1
Discussions with potential development and commercialization partners are ongoing.

Early pipeline projects

Several new product candidates, selected with support of market analyses, are being evaluated in pharmaceutical and pre-clinical studies. The projects comprise formulation optimization regarding release of the active substance, stability, as well as pharmacological and toxicological properties defined by the target product profiles.

STATUS Q1
CAM4071
CAM4071 is a product candidate in clinical development under the option, collaboration and licensing agreement between Camurus and Novartis. The product candidate is a long-acting formulation of pasireotide based on the FluidCrystal® Injection depot, which has been investigated in a completed Phase 1 trial. Results from the study will be presented in an upcoming scientific conference.

CAM2047, CAM2048 and CAM2058
Three new investigational products based on Camurus' FluidCrystal® Injection depot, CAM2047, CAM2048 and CAM2058, are being developed for the treatment of chemotherapy induced nausea and vomiting (CAM2047), pain (CAM2048), and combined treatment of postoperative pain, nausea and vomiting (CAM2058).

A Phase 1 trial of CAM2047, CAM2048 and CAM2058 results demonstrated that all 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 of the product candidates are ongoing.

CAM2043
CAM2043 is a new long-acting subcutaneous treprostinil depot, based on Camurus' FluidCrystal® technology, and is being developed for treatment of pulmonary arterial hypertension (PAH). Recently completed preclinical data indicate that CAM2043 is well tolerated, without any significant or unexpected injection site observations, and provides dose proportional plasma exposure of treprostinil suitable for weekly dosing. During Q4 2017, an IND was approved by the FDA and all healthy volunteers have been treated with CAM2043 in the single ascending dose (SAD) Phase 1 study. Interim results from the SAD study are expected in Q2 2018, and final results are anticipated in Q3 2018. Meanwhile, a multiple ascending dose (MAD) study is being initiated in Q2 2018.

Part 1 of the Phase 1 study that was initiated in December 2017 and featured single ascending doses of CAM2043 is now completed. The study continues with repeated dose treatment and topline results from the study are expected towards the end of the second quarter of 2018. Further clinical development of CAM2043 is being prepared with the aim to start a pivotal registration study in 2019.

CAM4072
Setmelanotide is a novel melanocortin-4 receptor agonist (MC4R) for treatment of genetic obesity. 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 Designation for treatment Prader-Willis Syndrome. Results from Phase 2 clinical trials of setmelanotide demonstrated significant weight loss and substantial reductions in hunger for patients with POMC and LepR deficiency obesity. Rhythm recently initiated Phase 3 clinical trials for each of these indications. In parallel, a long-acting formulation of setmelanotide (CAM4072) is being developed, based on Camurus' FluidCrystal® technology.

During the quarter we received notice from our partner Rhythm Pharmaceuticals that the first clinical milestone regarding the development program of CAM4072 was achieved. The notice came following the successful completion of the Phase 1 studies of single and repeat doses of CAM4072. Continued clinical studies of CAM4072 in patients with rare genetic obesity disorders are currently being prepared.

Medical device - episil®

episil® oral liquid is a medical device for the treatment of inflammatory and painful conditions in the oral cavity, currently being marketed in Europe, the US and other territories. The product provides fast pain relief and protection of sore and inflamed mucosal surfaces caused, for example, by oral mucositis, a common and serious side effect of cancer treatment. When in contact with the buccal membrane, episil® transforms into a thin protective layer of gel, offering effective pain relief for up to 8 hours. episil® oral liquid is based on Camurus' FluidCrystal® topical bioadhesive technology.

STATUS Q1
Preparations for launch of episil® in Japan are on-going in close collaboration between our partner Solasia Pharma and their distribution partner Meiji Seika. Reimbursement and pricing was announced by Solasia during the period.

REVENUES
Revenues during the quarter amounted to MSEK 14.6 (17.2), generated from license agreements, project activities and product sales.

The difference compared to the same period last year is mainly attributable to the variation in revenue streams between quarters. See also note 3.

OPERATING RESULT

Marketing, business development and distribution costs during the quarter, were MSEK 17.5 (7.1). The increase compared to the same period last year is mainly attributable to the expansion of the commercial organization in preparation of the planned launch of CAM2038 in Europe.

Administrative expenses amounted to MSEK 5.0 (7.4). The decrease compared to the same period last year relates mainly to that initial costs for establishing the commercial organization were included in administrative expenses during the first quarter 2017.

R&D costs, including depreciation and amortization of tangible and intangible assets were MSEK 37.5 (54.1). The decrease compared with the same period last year is primarily attributable to costs related to completing the pivotal clinical program for CAM2038 in opioid dependence.

Other operating expenses, which mainly consist of currency exchange losses in operational activities, were MSEK 0.5 (0.1).

The operating result for the quarter was MSEK -46.4 (-51.6).

FINANCIAL ITEMS AND TAX
Financial items for the period was MSEK 0.0 (-0.0).

Tax was MSEK 10.1 (11.3) and is mainly attributable to deferred tax for the reported loss during the quarter.

RESULT FOR THE PERIOD
The result for the period was MSEK -36.3 (-40.2), corresponding to earnings per share of SEK -0.97 (-1.08) before and after dilution.

CASH FLOW AND INVESTMENT
Cash flow from operating activities, before change in working capital, was negative and amounted to MSEK -45.2 (-50.6).

Change in working capital affected the cash flow by MSEK -1.8 (7.0).

Cash flow from investing activities was MSEK -0.7 (-0.1).

CASH
The company's cash position as of March 31, 2018, was MSEK 266.6 (463.8). The difference compared to the previous year is mainly attributable to the operating result.

There were no outstanding loans as of March 31, 2018, and no loans have been taken up since.

EQUITY
Consolidated equity as of March 31, 2018, was MSEK 348.9 (524.2).

ACQUISITIONS
No acquisitions or divestments have occurred during the quarter.

CAMURUS' SHARE
Camurus' share is listed on Nasdaq Stockholm. At the end of the period, the total number of shares was 37,281,486 (37,281,486).

Camurus has two subscription warrant programs active for the company's employees.

Warrant program TO2016/2019

In accordance with a decision by the Shareholder's General Meeting in May 2016, an incentive program, TO2016/2019, was introduced. 550 000 warrants were issued, which give the right to subscribe for an equal number of shares during the period May 15, 2019 – December 15, 2019. The dilution of a full utilization of the program corresponds to 1.5 % of the share capital and voting rights. 47 employees have joined the program and subscribed for 404,300 warrants. Transfer of subscription warrants to future employees was not allowed after the Annual General Meeting 2017. During the quarter, earnings after tax were negatively impacted by MSEK 0.4 related to the stay-on bonus the participants receive as part of the program.

Warrant program TO2017/2020

In accordance with a decision by the Shareholder's General Meeting in May 2017, an incentive program, TO2017/2020, was introduced. 750,000 warrants were issued, which give the right to subscribe for an equal number of shares during the period May 15, 2020 – December 15, 2020. The dilution of a full utilization of the program corresponds to 2.0% of the share capital and voting rights. By end of December 2017, 44 employees had joined the program and subscribed for 658,932 warrants. No further warrants have been subscribed for thereafter. During the quarter, earnings after tax were negatively impacted by MSEK 0.8 related to the stay-on bonus the participants receive as part of the program.

SIGNIFICANT EVENT AFTER THE PERIOD
Camurus regains worldwide development and commercialization rights to CAM2029 and related product candidates from Novartis.

PARENT COMPANY

Revenues for the quarter amounted to MSEK 17.3 (17.3) and the result after tax was MSEK -36.4 (-39.9).

On March 31, 2018, equity in the Parent Company amounted to MSEK 331.2 (507.1).

Total assets at the end of the period was MSEK 416.9 (584.6) of which MSEK 257.9 (463.6) were cash and cash equivalents.

PERSONNEL

At the end of the period, Camurus had 72 (66) employees, of whom 49 (47) were within research and development, 14 (9) within business development and marketing and sales, while 8 (7) were within administration. The full time equivalent employees (FTEs) during the quarter amounted to 65 (59).

SIGNIFICANT RISKS AND UNCERTAINITIES

The company management makes estimates and assumptions about the future. Such estimates can deviate considerably from the actual outcome, since they are based on various assumptions and experiences.

The estimates and assumptions that may lead to the risk of significant adjustments to reported amounts for assets and liabilities relate mainly to measurement and allocation of revenues and costs in connection with licensing agreements and deferred tax receivables.

Risks in ongoing development projects comprise technical and manufacturing related risks (including products failing to meet set specifications post manufacturing), safety and effect-related risks that can arise in clinical trials, regulatory risks relating to non-approval or delays of clinical trial applications and market approvals, and commercial risks relating to the sale of proprietary and competing products and their development on the market, as well as IP risks relating to approval of patent applications and patent protection. In addition, there are risks relating to the development, strategy and management decisions of Camurus' partners. Camurus pursues operations and its business on the international market and the company is therefore exposed to current risks, since revenues and costs arise in different currencies, mainly SEK, EUR, GBP and USD.

The Board of Directors has not changed its outlook on future developments in relations to their outlook published in the annual report for 2017.

AUDIT

This report has not been reviewed by the company's auditors.

ACQUISITIONS

No acquisitions or divestments have occurred during the quarter.

ANNUAL GENERAL MEETING 2018

Camurus Annual General Meeting 2018 will be held on Thursday May 3, at 17.00 CET, at Elite Hotel Ideon, Scheelevägen 27, Ideon Science Park, 223 63 Lund, Sweden.

FURHER INFORMATION

For further information, please contact:
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Lund, Sweden, May 2, 2018
Camurus AB
Board of Directors

Financial statements

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

KSEK	Note	2018 Jan-Mar	2017 Jan-Mar	2017 Jan-Dec
Net sales	3	14,639	17,192	54,308
Cost of goods sold		-1,547	-32	-1,356
Gross profit		**13,092**	**17,161**	**52,952**
Marketing and distribution costs		-17,502	-7,093	-45,893
Administrative expenses		-4,999	-7,412	-26,590
Research and development costs		-37,502	-54,143	-222,939
Other operating income		28	-	93
Other operating expenses		454	-101	-1,147
Operating result		**-46,429**	**-51,588**	**-243,524**
Finance income		40	1	174
Finance expenses		-7	-3	-18
Net financial items		**33**	**-2**	**156**
Result before tax		**-46,396**	**-51,590**	**-243,368**
Income tax	8	10,127	11,343	52,794
Result for the period	4	**-36,269**	**-40,247**	**-190,574**

Total comprehensive income is the same as the result for the period, as the consolidated group contains no items that are recognized under other comprehensive income. Total comprehensive income is attributable to parent company shareholders.

EARNINGS PER SHARE, based on earnings attributable to parent company shareholders for the period
(in SEK per share)

SEK	2018 Jan-Mar	2017 Jan-Mar	2017 Jan-Dec
Earnings per share before dilution, SEK	-0.97	-1.08	-5.11
Earnings per share after dilution, SEK	-0.97	-1.08	-5.11

Presently, the company has two subscription warrant programs active. For further information see page 8 Camurus' share, and page 21.

CONSOLIDATED BALANCE SHEET

KSEK	Note	2018-03-31	2017-03-31	2017-12-31
ASSETS				
Fixed assets				
Intangible assets				
Capitalized development expenditure		16,128	18,219	16,653
Tangible assets				
Equipment		10,053	10,463	9,902
Financial assets				
Deferred tax receivables	8	125,296	73,027	114,997
Total fixed assets		**151,477**	**101,710**	**141,552**
Current assets				
Inventories				
Finished goods		1,893	2,148	2,829
Raw materials		471	6,103	724
Current receivables				
Trade receivables		1,270	6,689	5,781
Other receivables		4,703	5,459	3,285
Prepayments and accrued income		9,425	11,681	7,239
Total current receivables	5	**15,398**	**23,829**	**16,305**
Cash and cash equivalents				
Total current assets		**266,633**	**463,804**	**314,524**
TOTAL ASSETS		**284,395**	**495,884**	**334,382**
ASSETS		**435,872**	**597,593**	**475,934**

KSEK	Note	2018-03-31	2017-03-31	2017-12-31
EQUITY				
Equity attributable to parent company shareholder				
Share capital		932	932	932
Other contributed capital		642,175	631,034	642,175
Retained earnings, including results for the period		-294,228	-107,797	-258,107
Total equity	9	**348,879**	**524,170**	**385,000**
LIABILITIES				
Short-term liabilities				
Trade payables		12,579	13,053	15,086
Income taxes		718	-	517
Other liabilities		7,059	6,225	2,672
Accrued expenses and deferred income		66,637	54,145	72,659
Total short-term liabilities		**86,993**	**73,424**	**90,934**
TOTAL EQUITY AND LIABILITIES		**435,872**	**597,593**	**475,934**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

KSEK	Note	Share capital	Other contributed capital	Retained earnings, including result for the period	Total equity
Opening balance 1 January 2017		**932**	**631,034**	**-67,549**	**564,418**
Result for the period and comprehensive income				-40,248	-40,248
Exchange-rate differences		-	-	-	-
Transactions with shareholders					
Warrants issued		-	-	-	-
Closing balance 31 March 2017		**932**	**631,034**	**-107,797**	**524,170**
Opening balance 1 January 2017		**932**	**631,034**	**-67,549**	**564,418**
Result for the period and comprehensive income				-190,574	-190,574
Exchange-rate differences		-	-	16	16
Transactions with shareholders					
Warrants issued		-	11,141	-	11,141
Closing balance 31 December 2017		**932**	**642,175**	**-258,107**	**385,000**
Opening balance 1 January 2018		**932**	**642,175**	**-258,107**	**385,000**
Result for the period and comprehensive income				-36,269	-36,269
Exchange-rate differences		-	-	148	148
Transactions with shareholders					
Warrants issued		-	-	-	-
Closing balance 31 March 2018	**9**	**932**	**642,175**	**-294,228**	**348,879**

CONSOLIDATED STATEMENT OF CASH FLOW

KSEK	Note	2018 Jan-Mar	2017 Jan-Mar	2017 Jan-Dec
Operating activities				
Operating result before financial items		-46,429	-51,588	-243,524
Adjustment for non-cash items	7	1,196	1,013	4,104
Interest received		40	1	174
Interest paid		-7	-3	-18
Income taxes paid		-	-	0
		-45,200	**-50,577**	**-239,264**
Increase/decrease in inventories		1,189	4,129	8,827
Increase/decrease in trade receivables		4,511	1,616	2,523
Increase/decrease in other current receivables		-3,604	3,174	9,787
Increase/decrease in trade payables		-2,507	-4,507	-2,474
Increase/decrease in other current operating liabilities		-1,434	2,569	17,532
Cash flow from changes in working capital		***-1,845***	***6,981***	***36,196***
Cash flow from operating activities		**-47,045**	**-43,596**	**-203,068**
Investing activities				
Acquisition of tangible assets		-666	-1,195	-2,143
Cash flow from investing activities		**-666**	**-1,195**	**-2,143**
Financing activities				
Warrants issued		-	-	11,141
Cash flow from financing activities		**-**	**-**	**11,141**
Net cash flow for the period		**-47,711**	**-44,791**	**-194,070**
Cash and cash equivalents at beginning of period		314,524	508,594	508,594
Translation difference in cash flow and liquid assets		-180	-	-
Cash and cash equivalents at the end of period		**266,633**	**463,804**	**314,524**

INCOME STATEMENT – PARENT COMPANY

KSEK	Note	2018 Jan-Mar	2017 Jan-Mar	2017 Jan-Dec
Net sales		17,265	17,337	64,640
Cost of goods sold		-1,547	-32	-1,356
Gross profit		**15,718**	**17,305**	**63,284**
Marketing and distribution costs		-10,273	-7,232	-30,234
Administrative expenses[1)]		-15,695	-7,555	-54,689
Research and development costs		-36,967	-53,621	-220,849
Other operating income		-	-	61
Other operating expenses		579	-101	-1,147
Operating result		**-46,638**	**-51,204**	**-243,574**
Interest income and similar items		40	1	174
Interest expense and similar items		-7	-3	-18
Result after financial items		**-46,605**	**-51,206**	**-243,418**
Appropriations		-	-	-
Result before tax		**-46,605**	**-51,206**	**-243,418**
Tax on profit for the period	8	10,183	11,265	52,853
Result for the period		**-36,422**	**-39,941**	**-190,565**

1) The increase in cost compared to previous year, is mainly related to group internal recharges.

Total comprehensive income is the same as profit/loss for the period, as the parent company contains no items that are recognized under other comprehensive income.

BALANCE SHEET – PARENT COMPANY

KSEK	Note	2018-03-31	2017-03-31	2017-12-31
ASSETS				
Fixed assets				
Tangible fixed assets				
Equipment		9,878	10,463	9,725
Financial fixed assets				
Interest in Group companies		1,545	816	1,545
Deferred tax assets	8	129,610	77,839	119,426
Total fixed assets		**141,033**	**89,118**	**130,696**
Current assets				
Inventories				
Finished goods		1,893	2,148	2,829
Raw materials		471	6,103	724
Current receivables				
Trade receivables		1,270	6,689	5,781
Other receivables		5,244	5,244	3,040
Prepayments and accrued income		9,130	11,681	7,202
Total current receivables		**15,644**	**23,614**	**16,022**
Cash and bank deposits		**257,850**	**463,566**	**309,821**
Total current assets		**275,858**	**495,431**	**329,397**
TOTAL ASSETS		**416,890**	**584,549**	**460,093**

KSEK	Note	2018-03-31	2017-03-31	2017-12-31
EQUITY AND LIABILITES				
Restricted equity				
Restricted equity (37 281 486 shares)		932	932	932
Statutory reserve		11,327	11,327	11,327
Total restricted equity		**12,259**	**12,259**	**12,259**
Unrestricted equity				
Retained earnings		-253,159	-62,594	-62,594
Share premium reserve		608,560	597,418	608,560
Result for the period		-36,422	-39,941	-190,565
Total unrestricted equity		**318,979**	**494,883**	**355,401**
TOTAL EQUITY		**331,238**	**507,142**	**367,660**
LIABILITIES				
Untaxed reserves				
Depreciation/amortization in excess of plan		3,486	3,486	3,486
Total untaxed reserves		**3,486**	**3,486**	**3,486**
Long-term liabilities				
Liability to subsidiaries		571	1,945	571
Total long-term liabilities		**571**	**1,945**	**571**
Short-term liabilities				
Liabilities to Group companies		1,362	-	3,769
Trade payables		12,372	13,053	14,431
Other liabilities		5,466	5,130	2,053
Accrued expenses and deferred income		62,395	53,793	68,123
Total short-term liabilities		**81,595**	**71,976**	**88,376**
TOTAL EQUITY AND LIABILITY		**416,890**	**584,549**	**460,093**

KEY FIGURES AND DEFINITIONS

MSEK	2018 Jan-Mar	2017 Jan-Mar	2017 Jan-Dec
Net sales	14.6	17.2	54.3
Operating result	-46.3	-51.6	-243.5
Result for the period	-36.3	-40.2	-190.6
Cash flow from operating activities	-47.0	-43.6	-203.1
Cash and cash equivalents	266.6	463.8	314.5
Equity	348.9	524.2	385.0
Equity ratio in Group, percent	80%	88%	81%
Total assets	435.9	597.6	475.9
Average number of shares, before dilution	37,281,486	37,281,486	37,281,486
Average number of shares, after dilution*)	38,344,718	37,685,786	38,058,298
Earnings per share before dilution, SEK	-0.97	-1.08	-5.11
Earnings per share after dilution, SEK*)	-0.97	-1.08	-5.11
Equity per share before dilution, SEK	9.36	14.06	10.33
Equity per share after dilution, SEK*)	9.10	13.91	10.12
Number of employees at the end of period	72	64	71
Number of employees in R&D at the end of period	49	47	48
R&D costs as a percentage of operating expenses	63%	79%	75%

**) The dilution effect is calculated according to IAS 33*

Cash and cash equivalents
Cash and cash bank balances

Equity ratio, %
Equity divided by total capital

Average number of shares, before dilution
Weighted average number of shares before adjustment for dilution effect of net shares

Average number of shares, after dilution
Weighted average number of shares adjustment for the dilution effect of new shares

Earnings per share before dilution, SEK
Result divided by the weighted average number of shares outstanding before dilution

Earnings per share after dilution, SEK
Result divided by the weighted average number of shares outstanding after dilution

Equity per share before dilution, SEK
Equity divided by the weighted number of shares at the end of the period before dilution

Equity per share after dilution, SEK
Equity divided by the weighted number of shares at the end of the period after dilution

R&D costs as percentage of operating expenses
Research and development costs divided by operating expenses (marketing and distribution costs, administrative expenses and research and development costs)

Note 1 General information

Camurus AB, Corp. ID no. 556667-9105 is the parent company of the Camurus Group. Camurus AB's registered office is based in Lund, Sweden, at Ideon Science Park, 223 70 Lund. Camurus AB Group's interim report for the first quarter 2018 was approved for publication in accordance with a decision by the Board of Directors on May 2, 2018.

All amounts are stated in SEK thousand (KSEK), unless otherwise indicated. Figures in brackets refer to the year-earlier period.

Note 2 Summary of key accounting policies

The consolidated financial statements for the Camurus AB Group ("Camurus") have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, as well as the Swedish Financial Reporting Board's Recommendation RFR 1 Supplementary Accounting Rules for Groups, and the Swedish Annual Account Act.

This interim report has been drawn up in accordance with IAS 34, Interim Financial Reporting, the Swedish Annual Accounts Act and RFR 1 Supplementary Accounting Rules the Groups.

The parent company statements have been prepared in accordance with the Annual Accounts Act and recommendation RFR 2 Accounting for legal entities from the Swedish Financial Reporting Board. The application of RFR 2 means that the parent company in the interim report for the legal entity shall apply all EU-approved IFRS standards and statements as far as possible within the framework of the Annual Accounts Act, the Pension Obligations Vesting Act (Tryggandelagen) and taking into consideration the relationship between accounting and taxation. The parent company's accounting policies are the same for the Group, unless otherwise stated in Note 2.2.

The most important accounting policies that are applied in the preparation of these consolidated financial statements are detailed below and are the same and are consistent with those used in the preparation of Annual Report 2016, see camurus.com/Investors/Financial Reports. The Group has begun its analysis of possible transition effects of IFRS 16, but these are still in the early stages. More information will be presented in future interim reports and annual reports for 2018. As previously stated, the transition to IFRS 15 and IFRS 9 has not had any impact.

2.1 BASIS OF PREPARATION OF REPORTS

2.1.1 Changes to accounting policies and disclosures

New or revised IFRS standards that have come into force have not had any material impact on the Group.

2.2 PARENT COMPANY'S ACCOUNTING POLICIES

The parent company applies accounting policies that differ from those of the Group in the cases stated below.

Internally generated intangible assets
All expenses that relate to the development of internally generated intangible assets are recognized as expenses as they arise.

Interest in subsidiary
Interests in subsidiaries are reported at cost, less any impairment losses. The cost includes acquisition-related expenses and any additional considerations.

When there is an indication that interests in subsidiaries have decreased in value, a calculation is made of the recoverable amount. If this amount is lower than the reported amount, an impairment is carried out. Impairment losses are recognized under the item "Result from interest in Group companies".

Group contributions
Group contributions paid by the parent company to subsidiaries and Group contributions received from subsidiaries by the parent company are recognized as appropriations.

Financial instruments
IAS 39 is not applied in the parent company and financial instruments are measured at cost.

Share-based payment
Camurus has two long-term incentive programs active for the company's employees. The warrants are valued by an independent institute in accordance with Black&Scholes model and are acquired by the participants at market value. As part of the program, the participants receive a threepiece stay-on bonus from the company in form of gross salary additions equivalent to the amount paid by the participant for the subscription warrants. As the stay-on bonus is conditional on continued employment, costs including social security fee, are based on how much has been earned, and are expensed over the vesting period. Expenses are recognized as personnel cost in the income statement

Warrant program TO2016/2019
Maximum 550,000 warrants could be issued and the program was introduced in accordance with a decision by the Annual General Meeting in May 2016.

Warrant program TO2017/2020
Maximum 750,000 warrants can be issued and the program was introduced in accordance with a decision by the Annual General Meeting in May 2017.

Note 3 | Segment information

The highest executive decision maker is the function responsible for allocating resources and assessing the operating segments results. In the Group this function is identified as the CEO based on the information he manages. As the operations in the Group, i.e. the development of pharmaceutical products based on Camurus' technology platform, is organized as an integrated unit, with similar risks and opportunities for the products and services produced, the entire Group's business constitutes one operating segment. The operating segment is monitored in a manner consistent with the internal reporting provided to the chief operating decision maker. In the internal reporting to the CEO, only one segment is used.

Group-wide information
To follow is a breakdown of revenues from all products and services.

KSEK	2018 Jan-Mar	2017 Jan-Mar	2017 Jan-Dec
Sales of development related goods and services	3,831	13,927	41,394
Milestone payments	7,840	2,205	7,025
Licensing revenues	-	835	3,582
Other	2,968	225	2,307
Total	**14,639**	**17,192**	**54,308**

Revenues from external customers are allocated by country, based on where the customers are located.

KSEK	2018 Jan-Mars	2017 Jan-Mars	2017 Jan-Dec
Europe	532	1,375	7,229
(of which Sweden)	(121)	(59)	(239)
North America	11,310	15,670	41,350
Other geographical areas	2,797	147	5,729
Total	**14,639**	**17,192**	**54,308**

Revenues during the quarter of approximately MSEK 8.4 (13.2) relate to one single external customer.

Note 4 | Earnings per share

a) **Before dilution**
Earnings per share before dilution is calculated by dividing the result attributable to shareholders of the parent company by a weighted average number of ordinary shares outstanding during the period. During the period, no shares held as treasury shares by the parent company have been repurchased.

KSEK	2018 Jan-Mar	2017 Jan-Mar	2017 Jan-Dec
Result attributable to parent company shareholders	-36,269	-40,247	-190,574
Total	**-36,269**	**-40,247**	**-190,574**
Weighted average number of ordinary shares outstanding (thousands)	**37,281**	**37,281**	**37,281**

b) **After dilution**
In order to calculate earnings per share after dilution, the number of existing ordinary shares is adjusted for the dilutive effect of the weighted average number of outstanding ordinary shares. The parent company has one category of ordinary shares with anticipated dilution effect in the form of warrants. For warrants, a calculation is made of the number of shares that could have been purchased at fair value (calculated as the average market price for the year for the parent company's shares), at an amount corresponding to the monetary value of the subscription rights linked to outstanding warrants. The number of shares calculated as above are compared to the number of shares that would have been issued assuming the warrants are exercised.

KSEK	2018 Jan-Mar	2017 Jan-Mar	2017 Jan-Dec
Result attributable to parent company shareholders	-36,269	-40,247	-190,574
Total	**-36,269**	**-40,247**	**-190,574**
Weighted average number of ordinary shares outstanding (thousands)	**37,281**	**37,281**	**37,281**
Adjustments:			
- Warrants (thousands)	1,063	404	777
- Share issues (thousands)	-	-	-
Weighted average number of ordinary shares in calculation of earnings per share after dilution (thousands)	**38,344**	**37,688**	**38,058**

Note 5 Financial instruments – Fair value of financial assets and liability measured at amortized cost

All of the Group's financial instruments that are measured at amortized cost are short-term and expire within one year. The fair value of these instruments is deemed to correspond to their reported amounts, since discounting effects are minimal.

Carrying amount, KSEK	2018-03-31	2017-03-31	2017-12-31
Loans and receivables			
Trade receivables	1,270	6,689	5,781
Receivables from Group companies	-	-	-
Other receivables	-	-	-
Cash and cash equivalents	266,633	463,804	314,524
Total	**267,903**	**470,493**	**320,305**
Other liabilities			
Other financial liabilities	-	-	-
Liabilities to Group companies	-	-	-
Trade payables	12,579	13,053	15,086
Other current liabilities	191	191	191
Total	**12,770**	**13,244**	**15,277**

Note 6 Related party transaction

There were no related party transactions during the period.

No receivables or liabilities existed as of March 31, 2018.

Note 7 | Other non-cash items

Adjustment for non-cash items:

KSEK	2018 Jan-Mar	2017 Jan-Mar	2017 Jan-Dec
Depreciation	1,048	1,013	4,088
Exchange-rate differences	148	-	16
Total	**1,196**	**1,013**	**4,104**

Note 8 | Deferred tax

Tax for the quarter amounted to MSEK 10.1 (11.3), primary attributable to the negative result.

Note 9 | Equity

The change in equity for the quarter is mainly attributable to the loss.

camurus

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