camurus®

INTERIM REPORT FOR
THE THIRD QUARTER 2019

"In the third quarter, we saw a marked increase in our revenues and the number of patients treated with Buvidal® for opioid dependence"

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**

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SUMMARY THIRD QUARTER 2019

- Net revenues in the quarter were MSEK 40.2 (19.6) and MSEK 70.6 (41.5) in January-September
- Product sales were MSEK 19.5 (0.3) for the quarter and MSEK 41.8 (6.2) in January-September
- Product sales increased by 75 percent compared to the previous quarter
- Buvidal® was listed for price and reimbursement in Norway, Australia, Scotland, Wales and Northern Ireland
- The District Court for the District of Columbia ordered the FDA to reconsider "with deliberate speed" Braeburn's application for final approval of Brixadi™
- All patients completed treatment with Buvidal® in the DEBUT and UNLOC-T clinical studies in Australia
- The pivotal clinical program for CAM2029 was extended with a Phase 3 long-term safety study
- License agreement was signed with Ra Pharmaceuticals for FluidCrystal® extended release formulation of zilucoplan

SIGNIFICANT EVENTS AFTER THE PERIOD

- FDA grants Braeburn's Citizen Petition allowing Brixadi™ for treatment of opioid use disorder to be available in the US in December 2020

FINANCIAL SUMMARY

MSEK	2019 Jul-Sep	2018 Jul-Sep	2019 Jan-Sep	2018 Jan-Sep	2018 Jan-Dec
Net Revenue	40.2	19.6	70.6	41.5	49.3
– Whereof product sales	19.5	0.3	41.8	6.2	11.3
Operating result	-77.4	-56.4	-271.6	-184.0	-287.2
Result for the period	-62.7	-43.8	-218.0	-147.5	-234.7
Earnings per share SEK before and after dilution	-1.31	-1.06	-4.78	-3.64	-5.77
Cash position	192.3	216.3	192.3	216.3	134.4

FINANCIAL CALENDAR 2019-2020

Presentation Q3 2019	**8 November 2019, 2 pm CET**
Full Year Report 2019	**12 February 2020**
Q1 Interim Report 2020	**7 May 2020, 1 pm CET**
AGM 2020	**7 May 2020, 5 pm CET**
Q2 Interim Report 2020	**16 July 2020**
Q3 Interim Report 2020	**5 November 2020**

INVESTOR CONFERENCE CALL, ANALYSTS AND MEDIA

Q3 report for 2019 and an operational update will be presented by CEO Fredrik Tiberg and members of the Camurus management team on Friday 8 November 2019, at 2 pm (CET). The conference call can also be followed by a link on the website, **camurus.com**

External link:
https://financialhearings.com/event/12054

Positive and eventful third quarter for Camurus

During the third quarter we markedly increased our revenues and the number of patients in treatment with Buvidal® in the EU and Australia. In the US, the federal district court for the District of Columbia ordered the FDA to reconsider "with deliberate speed" the application for final approval of Brixadi™. The pivotal program for CAM2029 was extended with a Phase 3 long-term safety study and in parallel an autoinjector development was started to further simplify self-administration. In addition, a license agreement was signed with Ra Pharmaceuticals for a long-acting zilucoplan to treat life-threatening blood and tissue disorders.

MARKET EXPANSION AND GROWING BUVIDAL® SALES

In the third quarter, we saw continued growth in sales of Buvidal® for treatment of opioid dependence in the EU and Australia. Our revenues increased by 105 percent to 40.2 MSEK compared to the corresponding quarter 2018. Product sales increased by 73 percent to 19.5 million SEK compared to the previous quarter, while the total number of patients on Buvidal® increased from about 1300 to 2500. Progress continued on the initial launch markets in the Nordics, Germany and the UK. In our first to launch market, Finland, we achieved an impressive market share of about 30 percent of buprenorphine treated patients and about 20 percent of all patients receiving medication assisted treatment (MAT). The corresponding patient shares in Germany were three and one percent, respectively, indicating a significant growth potential for Buvidal®.

> "Revenues increased by 105% to 40.2 million SEK"

We delivered on the planned expansion into new geographies with the recent listings of Buvidal® for reimbursement in Norway, Australia, Scotland, Wales and Northern Ireland. This was highlighted by the announcement in August by the Minister for Health, Greg Hunt, that the Australian government will invest 40 million dollars to give patients access to Buvidal®, and an additional product, under a PBS listing.[1] We have already seen good initial patient uptake in Norway and Australia and expect an accelerated growth as the awareness of Buvidal® continues to increase.

We are well advanced preparing for launches in the next wave markets that include Austria, Italy, Spain and Benelux. Importantly, the feedback from prescribers and patients continues to be very positive across all markets and we therefore look positively on the sales development in the fourth quarter and during 2020.

POSITIVE COURT DECISION ON US EXCLUSIVITY

In July, Chief Judge Beryl A. Howell of the US District Court for the District of Columbia granted Braeburn's motion for summary judgment, vacating the FDA's decision to deny approval of Brixadi™ Monthly and remanding the case to the agency; ordering the FDA to reconsider "with deliberate speed" the application for final approval of Brixadi™. In parallel, a Citizen Petition was conducted to revoke the orphan drug designation of Sublocade™. We are pleased with FDA's 7 November decision to grant Braeburn's Citizen Petition, thereby eliminating the risk of further market exclusivities blocking Brixadi™ from the US market. Braeburn can now focus on preparing for launch in 2020 – paving the way for an effective, individualized, long-acting treatment of opioid use disorder accessible to US patients. In view of the July 22 district court ruling, we are surprised by FDA's decision to uphold the tentative approval decision to 30 November 2020. However, we do not expect that this will have a significant impact on the market potential over time. Brixadi™ has a competitive product profile and Braeburn will be well prepared for the upcoming launch.

> "We are pleased with FDA's decision to grant Braeburns Citizen Petition"

1) Media Release 25 August 2019, https://www.health.gov.au/ministers/the-hon-greg-hunt-mp/media/pbs-support-for-end-of-life-care-and-opioid-dependency

GROWING SCIENTIFIC EVIDENCE BASE FOR BUVIDAL®

During the period, all patients completed the treatment phases in the clinical studies, DEBUT and UNLOC-T. DEBUT evaluated randomized treatment with Buvidal® versus sublingual buprenorphine/naloxone in 120 outpatients in community treatment. UNLOC-T compared non-randomized treatment of Buvidal® versus methadone a total of 129 patients in eight minimum to maximum security prisons in New South Wales (NSW) and is sponsored by the NSW Ministry of Health. Based on the study experience, scale up is already initiated in NSW prisons. Results from the studies will be presented at leading conferences in early 2020, but significant interest has already been generated as the study design and background data has presented at scientific meetings and conferences. Overall, the awareness of and interest in Buvidal® is growing. This is partly due to an increasing visibility through presentations, special symposia and plenary lectures by addiction experts at different international scientific conferences, including Lisbon Addictions.

In parallel with growing the evidence base for Buvidal® progress, we have continued to advance our development pipeline of innovative medicines for treatment of other severe and chronic diseases.

PREPARING FOR SUBMISSION IN CHRONIC PAIN

We believe our long-acting buprenorphine depots, CAM2038, also has the potential to address unmet medical needs in the area of chronic pain, by combining an effective, round-the clock, long-acting pain relief with a reduced risk of misuse, illegal diversion and overdosing, During the third quarter, we have been preparing for health authority meetings to discuss the planned regulatory submissions planned in e.g. the EU during the first half of 2020.

PHASE 3 PROGRAM EXPANDED FOR CAM2029

The pivotal Phase 3 program for our long-acting octreotide depot, CAM2029 for treatment of acromegaly, was during the quarter expanded with a 52-week Phase 3 study to assess the long-term safety of CAM2029 in both new patients and patients transferred over from the randomized 24 week efficacy study. These studies will include in total about 140 patients across about 55 clinics in the US and Europe. We currently expect recruitment to be completed during 2020, while efficacy results are expected in 2021. During quarter, we also completed design and study protocol development for the pivotal registration program of CAM2029 in patients with neuroendocrine tumors, NET, and are continuing to evaluate other potential indication areas. Third party market assessments performed during the quarter indicate a market potential for CAM2029 of up to 1,2 billion dollars per year acromegaly and NET, depending on final product presentation and supporting clinical data.[2] In parallel with these assessments, we have initiated the development of an autoinjector for CAM2029, as a complement to the existing prefilled syringe presentation.

> **"Initiation of Phase 3 studies of CAM2029 in acromegaly and autoinjector development for enhanced ease of use"**

GROWING PIPELINE WITH OWN PROGRAMS, ONGOING PARTNERSHIPS AND NEW LICENSE AGREEMENTS

During the period, we also advanced early stage clinical and preclinical programs. Phase 2 preparations for the treprostinil extended release depot, CAM2043, for treatment of pulmonary arterial hypertension and Reynaud's phenomenon, is well advanced, but study starts has for internal capacity reasons been pushed to next year. In the collaboration with Rhythm, CAM4072 for the treatment of genetic obesity disorders, a Phase 2 study is currently ongoing and is expected to be completed during the first half of 2020. In August, Rhythm announced positive results from a pivotal Phase 3 study of daily dosed setmelanotide in patients with obesity caused by pro-opiomelanocortin (POMC) or leptin receptor (LEPR) deficiency. This was good news also for the weekly setmelanotide formulation, supporting both safety and efficacy.

During the quarter, we also signed a license agreement with Ra Pharmaceuticals for the development of a long-acting zilucoplan depot for treatment of generalized myasthenia gravis, immune-mediated necrotizing myopathy, and other tissue-based complement-mediated disorders. Preparations for start of clinical development during 2020 are ongoing. After the period, it was announced that the Belgian pharmaceutical company UCB has put a bid to acquire Ra Pharmaceuticals for 2.5 billion dollars.

STRONG THIRD QUARTER AND POSITIVE OUTLOOK

During the third quarter, we continued the transformation of Camurus from a R&D focused company to a science lead pharmaceutical company with an own commercial infrastructure in the EU and Australia.

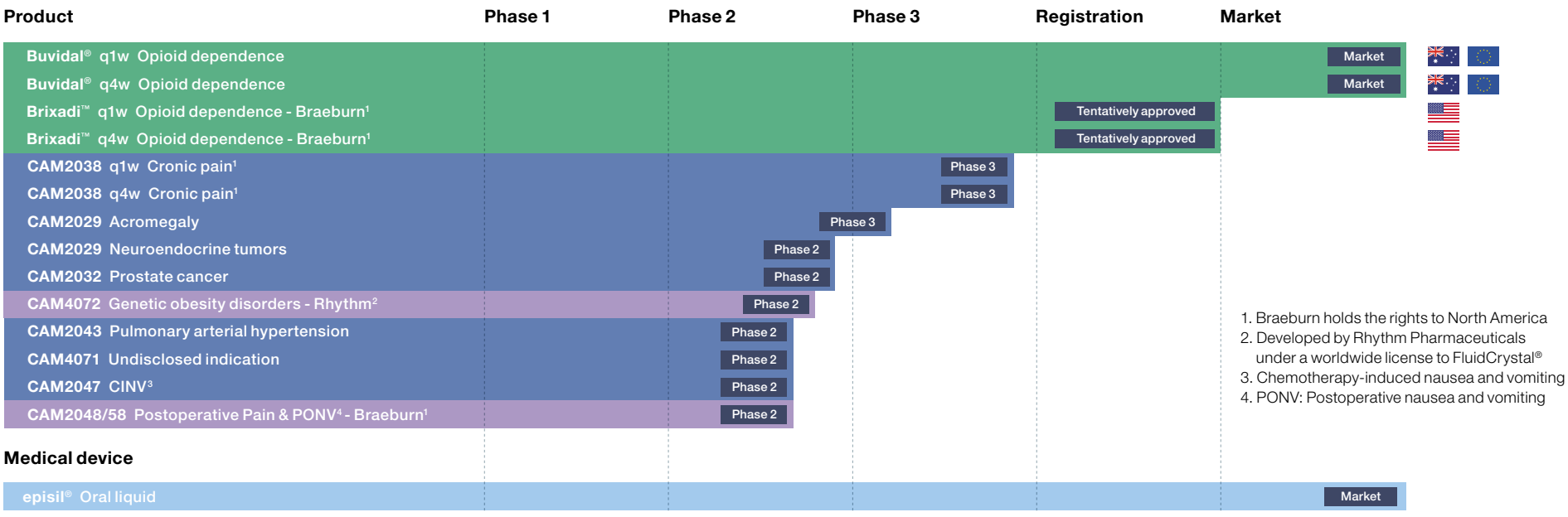
In the three quarters since the first commercial sale, I am proud of our excellent and dedicated teams and their significant achievements in establishing an efficient distribution chain and sales of Buvidal® across our markets in the EU and the Australia. Pricing and reimbursement has been successfully secured in our first wave markets, supported by a robust and growing scientific evidence base for Buvidal®. We have also initiated new reimbursement applications and initiated launch activities to make our innovative, long-acting treatments available to patients in the next wave markets. We have made excellent progress in our R&D programs and look forward to a strong and positive news flow during the coming quarters.

Fredrik Tiberg, President & Chief Executive Officer

2) Globe Life Sciences reports 2019; data on file

Broad and diversified 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.



Buvidal® – 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 is the current standard of care, effectively reducing withdrawal and cravings, misuse and spread of diseases. However, these treatments are also associated with limitations such as stigma and burdens of daily, often supervised, dosing, limited treatment adherence, misuse, medication diversion, and accidental pediatric exposure.

Buvidal® (CAM2038) weekly or monthly subcutaneous injectable formulation of buprenorphine is developed to promote compliance and eliminate the risk of abuse and diversion compared to current daily treatments. Buvidal® is the first long-acting injectable for treatment of opioid dependence that is approved in EU and Australia. It gives healthcare providers the possibility to individualize treatment according to the patient's needs and is designed to mirror the dosing regimen of sublingual buprenorphine, allowing for direct transition from previous therapy. Buvidal® relieves the patient 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. Buvidal® may promote greater treatment adherence, thereby reducing costs for supervision and the risks of relapse, overdose and death.

Buvidal® 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 percentage of urine samples negative for illicit opioids). In addition, superiority of Buvidal® 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 Buvidal® was generally consistent with the known safety profile of buprenorphine except for mild-to moderate injection-site adverse events. The results of clinical trials have been presented at several international scientific/clinical meetings as well as published in several well-renowned international scientific/medical journals.

In November 2018, Camurus received EU approval for weekly and monthly Buvidal® for the treatment of opioid dependence in adults and adolescents aged 16 years or over. Later in the month, Buvidal® Weekly and Buvidal® Monthly depots were also approved in Australia by the Australian Therapeutic Goods Administration (TGA) for maintenance treatment of opioid dependence within a framework of medical, social and psychosocial support. In January 2019, Buvidal® was launched as the first long-acting opioid dependence treatment in the EU. In December 2018, the FDA issued a tentative approval of Brixadi™ (the US trade name for Buvidal®). With the tentative approval, Brixadi™ has met all regulatory standards of clinical and non-clinical safety, efficacy and quality for US approval. However, final approval of a monthly depot is according to the FDA subject to the expiration of an exclusivity period granted to Sublocade™ until 30 November 2020.

STATUS Q3

Sales of Buvidal® progressed during the quarter in seven countries in the EU and Australia. Price and reimbursement listings were received in five new countries; Norway, Australia, Scotland, Wales and Northern Ireland.

During the period, the treatment of 249 patients was concluded in the two clinical studies, DEBUT and UNLOC-T, in Australia. The outpatient DEBUT study compared Buvidal®, with daily standard-of-care, and the custodial settings UNLOC-T study compared Buvidal® with methadone treatment at prisons in New South Wales. The results are planned to be presented at leading international conferences in early 2020.

In July, judge Beryl A. Howell of the US District Court for the District of Columbia granted our partner Braeburn's motion for summary judgment, vacating the FDA's decision to block final approval of Brixadi™ Monthly. The court ruled that, in December 2018, the FDA acted inconsistently with precedent by delaying the approval of Brixadi™ and granting a three-year exclusivity to Sublocade™. The case was remanded to the FDA to reconsider "with deliberate speed" Braeburn's application for final approval of Brixadi™.

CAM2038 – chronic pain

Chronic pain is a global health problem, causing deterioration in general health, reduced quality of life, decreased work capacity and dependence and misuse of strong opioids. CAM2038 is 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. With CAM2038 we aim to provide the combination of longlasting efficacious analgesia with the reduced risk of misuse, abuse and illicit diversion.

CAM2038 has been successfully evaluated in a randomized Phase 3 efficacy study in opioid experienced patients with chronic low-back pain. The study met its primary and first secondary endpoints by demonstrating that treatment with CAM2038 resulted in significantly improved relief of the average and worst pain intensity compared to placebo. The additional secondary endpoints were supportive of the main results.

A 52-week Phase 3 long-term safety extension study of CAM2038 in chronic pain has also been completed.

STATUS Q3

Data from the Phase 3 long-term safety study, including pharmacokinetics, are being analyzed and the study report is being compiled. Preparations for the marketing authorization application in the EU continued with a planned, regulatory submission in the first half of 2020.

CAM2029 – acromegaly and NET

CAM2029 is a ready-to-use long-acting subcutaneous depot of the active substance octreotide, a synthetic peptide analogue of the natural peptide hormone somatostatin and used for the treatment of acromegaly and neuroendocrine tumors (NET). CAM2029 is formulated with Camurus' patented FluidCrystal® injection depot technology and is being developed as a pre-filled syringe equipped with an automatic needle-stick prevention device. The current market leading somatostatin analog product Sandostatin® LAR® needs to be reconstituted in several steps before intramuscular injection by healthcare professionals. CAM2029 is designed for easy self-administration by patients themselves and thus offers the potential for improved patient convenience. In addition, CAM2029 provides higher bioavailability of octreotide in comparison to Sandostatin® LAR®, which may improve treatment efficacy for patients not responding satisfactory to current therapies.

CAM2029 has been evaluated in four clinical Phase 1/2 trials and demonstrated positive results in a Phase 2 multicenter study in patients with acromegaly and NET, including well maintained or improved biochemical control in patients with acromegaly and symptom control in patients with functioning NET after switch from Sandostatin® LAR®.

In June, the pivotal Phase 3 program for CAM2029 was initiatied with a randomized, double blind, placebo-controlled, multinational, multi-center study in patients with acromegaly and previously treated with long-acting somatostatin analogues. The patients are randomized to receive either CAM2029 or placebo for 24 weeks, and the primary efficacy measure is biochemical response, as measured by insulin-like growth factor 1 (IGF-1) levels.

STATUS Q3

During the quarter, the pivotal study program was expanded with a 52 week Phase 3 long-term safety study including both newly recruited patients as well as rollover patients from the ongoing pivotal efficacy study. Patient recruitment to both studies is currently ongoing and includes in total about 150 patients and about 60 clinical sites in the US and in Europe. The studies are expected to be fully recruited during 2020 while results are expected in 2021.

During the quarter, we initiated the development of an autoinjector as a complement to the existing prefilled syringe configuration.

CAM2043 – PAH

Pulmonary arterial hypertension (PAH) is a rare and severe progressive disease characterized by elevated blood pressure in the pulmonary arteries. Without therapeutic intervention, the disease progresses rapidly and the increased pulmonary vascular resistance and incremental strain on the right ventricle leads to heart failure and death, with a median survival of 3 years after diagnosis. Prostacyclin analogs, such as treprostinil, are known to be efficacious, and parenteral therapy with these is recommended by guidelines for patients with severe or rapidly progressing disease. However, parenteral delivery is associated with risks of serious bloodstream infections or with infusion site pain and reactions which can be intolerable.

CAM2043 is a long-acting treprostinil formulation, based on our FluidCrystal® injection depot technology, being developed as a patient-friendly treatment option for PAH. CAM2043 is a ready-to-use subcutaneous injection which is self-administered via a prefilled syringe as a small dose volume (≤1 mL), allowing dose titration for efficacy and tolerability.

In an open-label Phase 1 study of single and repeated dosing of CAM2043, study results demonstrated a dose-proportional treprostinil plasma exposure and release profile suitable for weekly, or less frequent, dosing. 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.

STATUS Q3

The preparations for Phase 2 studies of our treprostinil weekly depot, CAM2043 for treatment of pulmonary arterial hypertension and Reynaud's phenomenon, have been completed, including GMP manufacturing. The submission of a clinical trial application (CTA) is planned for the first half of 2020.

Other 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 and stability, as well as pharmacological and toxicological properties defined by the target product profiles.

STATUS Q3
CAM2032

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. Based on the FluidCrystal® injection depot technology, CAM2032 is being developed for self-administration with a prefilled syringe as a small dose volume which does not require any reconstitution or temperature conditioning. Additional potential indications for CAM2032 include precocious puberty and endometriosis.

Discussions with potential development and commercialization partners are ongoing.

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

Results from a Phase 1 trial of CAM2047, CAM2048 and CAM2058 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 these product candidates are ongoing.

CAM4071
CAM4071 is a long-acting formulation of pasireotide based on our FluidCrystal injection depot technology, which has been successfully investigated in a completed Phase 1 trial. The results from the study were presented at the European Congress of Endocrinology 2018, demonstrating a rapid onset and long-acting release of pasireotide and pharmacodynamic response after dosing of CAM4071.

CAM4072
CAM4072 is a weekly formulation of the melanocortin 4 (MC4) agonist setmelanotide based on Camurus FluidCrystal® technology and is being developed by our 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 of treatment Prader-Willis Syndrome. Rhythm Pharmaceuticals has also received PRIority Medicines (PRIME) designation for setmelanotide in Rare Genetic Disorders of Obesity from the EMA.

In August, Rhytyhm release positive results from their pivotal Phase 3 study of daily dosed setmelanotide in patients with obesity caused by pro-opiomelanocortin (POMC) or leptin receptor (LEPR) deficiency. The results strengthen the prospects of positive treatment results and approval of our weekly setmelanotide depot.

A long-acting formulation of setmelanotide, CAM4072, is being developed in parallel. Rhythm has successfully completed Phase 1 studies of single and repeat doses of CAM4072 and is currently conducting a Phase 2 study with expected completion during first half of 2020. In parallel, manufacturing preparations for start of the pivotal study program are ongoing.

CAM4083
CAM4083 is a weekly formulation of zilucoplan, a complement component 5 (C5) inhibitor in development by Camurus' partner Ra Pharmaceuticals for the treatment of generalized myasthenia gravis, immune-mediated necrotizing myopathy, and other tissue-based, complement-mediated disorders with high unmet medical need. The FDA has granted zilucoplan Orphan Drug designation for treatment of myasthenia gravis.

In pre-clinical testing, a single dose of the zilucoplan FluidCrystal® formulation in non-human primates rapidly achieved and maintained target levels of complement inhibition for at least seven days without the need for an intravenous loading regimen. Ra Pharmaceuticals is currently preparing for start of clinical development of the zilucoplan FluidCrystal® formulation during 2020.

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 by, for example, 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 our FluidCrystal® topical bioadhesive technology. episil® has been launched by Camurus on selected markets in Europe and by partners; in the US by R-Pharm US, in Japan and China by Solasia Pharma, and in Australia by BioImpact Pty.

STATUS Q3
Camurus' partner Solasia Pharma received market approval for episil® in China in February and launch was initiated in july 2019. In October 2019, market approval was also received in South Korea where launch is targeted in the beginning of 2020. episil® was launched in Australia in September 2019 by our partner BioImpact Pty.

FINANCIAL OVERVIEW

REVENUES

Net revenues during the quarter were MSEK 40.2 (19.6), up 105 percent compared to the third quarter 2018, whereof product sales amounted to MSEK 19.5 (0.3), which is an increase of 73 percent compared to the second quarter 2019. During January-September the net revenues were MSEK 70.6 (41.5), and of which 41.8 (6.2) were product sales. For further information, see note 4.

OPERATING RESULT

Marketing and distribution costs during the quarter were MSEK 44.5 (19.7) and MSEK 128.6 (61.3) for the first nine months. The increase compared to last year is mainly related to the expansion of the commercial organization and the Buvidal® launch in Europe and Australia.

Administrative expenses for the quarter were MSEK 4.8 (5.3) and MSEK 17.9 (15.8) for the first nine months.

R&D costs, including depreciation and amortization of tangible and intangible assets were MSEK 63.7 (51.0) for the quarter and MSEK 186.0 (145.8) for the first nine months. The increase compared to the previous year is primarily related to the start of the Phase 3 program for CAM2029, octreotide depot, for the treatment of acromegaly.

The operating result for the quarter was MSEK -77.4 (-56.4) and MSEK -271.6 (-184.0) for January-September.

FINANCIAL ITEMS AND TAX

Financial items in the period were MSEK -0.4 (0.0) and MSEK -1.2 (0.1) for the first nine months. The difference is mainly related to the implementation of IFRS 16 Leases in January 2019.

Tax in the quarter was MSEK 15.1 (12.7) and for January-September MSEK 54.8 (36.4), representing mainly deferred tax for the reported loss during the period.

The Swedish corporate tax rate for 2019 has been reduced to 21.4 percent.

RESULT FOR THE PERIOD

The result for the period was MSEK -62.5 (-43.8), corresponding to earnings per share of SEK -1.31 (-1.06) before and after dilution. The difference in result compared to the third quarter 2018 is primarily due to increasing commercial costs associated with the launch of Buvidal® in the EU and Australia, and investments in the Phase 3 program for CAM2029. The cost increases was partly compensated by the product sales of Buvidal® during the quarter. The result for the first nine months were MSEK -217.5 (-147.4), corresponding to earnings per share of SEK -4.78 (-3.64).

1 January 2019 IFRS 16 Leases was implemented. This affected the result positively by MSEK 0.1.

CASH FLOW AND INVESTMENT

Cash flow from operating activities, before change in working capital, was negative MSEK -76.6 (-55.3) during the period and MSEK -267.7 (-180.5) for the first nine months.

Change in working capital affected the cash flow negatively by MSEK -11.6 (-19.1) and the difference compared to the same period last year is mainly attributable to an increase in inventory of Buvidal® to meet an increasing customer demand and increased trade receivables. During the first nine months change in working capital affected cash flow negatively by MSEK -32.4 (-13.0).

Cash flow from investing activities was MSEK -1.7 (-0.6) in the quarter, and MSEK -14.5 (-3.0) January-September, and relates to investments in the DEBUT study in Australia.

From financing activities cash flow in the period was MSEK -0.9 (93.1). The difference compared to the same quarter last year relates mainly to proceeds from the directed share issue in June 2018 which was paid beginning of July the same year. Cash flow from financing activities the first nine months was MSEK 373.5 (99.9) and the difference is mainly related to the rights issue completed in March 2019.

CASH

The company's cash position as of 30 September, 2019 was MSEK 192.3 (216.3). The difference compared to the previous year is mainly attributable to the operating result and the rights issue completed in March 2019.

The company had no loans as of 30 September, 2019, and no loans have been taken up since.

EQUITY

Consolidated equity as of 30 September, 2019 was MSEK 418.0 (339.6). The difference compared to the previous year is related to the company's result and the rights issue completed in March when MSEK 376.3 in net proceeds were raised.

PARENT COMPANY

Revenues for the quarter amounted to MSEK 41.0 (25.3) and to MSEK 88.2 (53.5) for the first nine months. The result after tax was MSEK -66.1 (-46.6) and MSEK -235.0 (-151.3) for January-September.

On 30 September, 2019, equity in the Parent Company amounted to MSEK 379.0 (318.3).

Total assets at the end of the period was MSEK 495.1 (420.4) of which MSEK 172.3 (206.3) were cash and cash equivalents. The difference compared to the previous year relates to the net result for the period and the rights issue completed in March 2019.

OTHER DISCLOSURES

ACQUISITIONS
No acquisitions or divestments have been made during the quarter.

CAMURUS' SHARE
Camurus' share is listed on Nasdaq Stockholm.

At the end of the period, the total number of shares and votes was 47,976,858 (38,381,486) and the difference compared to the previous year relates to the rights issue completed in March 2019.

Camurus has four subscription warrant programs active for the company's employees. During the quarter, earnings after tax were negatively impacted by MSEK 1.1 related to the stay-on bonus the participants receive as part of the programs.

For information about number of warrants, potential dilution, subscription periods, strike prices and number of employees participating in the programs, see Note 2.3.

PERSONNEL
At the end of the period, Camurus had 118 (81) employees, of whom 63 (56) were within research and development, 43 (18) within business development and marketing and sales, while 11 (6) were within administration. The number of employees, in terms of full-time equivalents, amounted to 106 (79) during the quarter.

FINANCIAL OUTLOOK FOR 2019
Reiterated outlook; Camurus expects full-year revenue to be in the range of MSEK 130 - 160, excluding potential early milestone payments regarding Brixadi™ in the US. Product sales are expected to be in the range of MSEK 70 - 90. This outlook is based on current exchange rates in March 2019.

ANNUAL GENERAL MEETING 2020
Camurus Annual General Meeting will be held on Thursday 7 May 2020, at 17.00 CET, at Elite Hotel Ideon, Scheelevägen 27, Ideon Science Park, 223 63 Lund, Sweden.

AUDIT
This report has been reviewed in summary by the company's auditors.

FORWARD-LOOKING STATEMENTS
This report includes forward-looking statements about expected and assumed future events, such as start of new development programs and regulatory approvals, and financial performance. These events are subject to risks, uncertainties and assumptions. This may cause actual results to differ materially from previous judgements.

FURTHER INFORMATION
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Lund, Sweden, 7 November 2019
Camurus AB
Board of Directors

Auditor's report

INTRODUCTION
We have reviewed the condensed interim financial information (interim report) of Camurus AB as of 30 September 2019 and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

SCOPE OF THE REVIEW
We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION
Based on our review, nothing has come to our attention that Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm, 8 November 2019

PricewaterhouseCoopers AB

Ola Bjärehäll
Authorized Public Accountant
Auditor in charge

Consolidated statement of comprehensive income

KSEK	Note	2019 Jul-Sep	2018 Jul-Sep	2019 Jan-Sep	2018 Jan-Sep	2018 Jan-Dec
Net revenues	4	40,175	-19,562	70,582	-41,516	49,321
Cost of goods sold		-4,769	-121	-9,747	-2,885	-6,822
Gross profit		**35,406**	**19,441**	**60,835**	**38,631**	**42,499**
Marketing and distribution costs		-44,531	-19,689	-128,635	-61,337	-100,884
Administrative expenses		-4,806	-5,272	-17,867	-15,787	-21,999
Research and development costs		-63,702	-50,962	-186,021	-145,801	-207,664
Other operating income		252	38	601	265	830
Other operating expenses		–	–	-524	–	–
Operating result		**-77,381**	**-56,444**	**-271,611**	**-184,029**	**-287,218**
Finance income		–	39	22	116	175
Finance expenses		-420	-4	-1,239	-22	-25
Net financial items		**-420**	**35**	**-1,217**	**94**	**150**
Result before tax		**-77,801**	**-56,409**	**-272,828**	**-183,935**	**-287,068**
Income tax	9	15,063	12,657	54,819	36,406	52,392
Result for the period	5	**-62,738**	**-43,752**	**-218,009**	**-147,529**	**-234,676**
Exchange-rate differences		270	-65	467	132	46
Comprehensive income for the period		**-62,468**	**-43,817**	**-217,542**	**-147,397**	**-234,630**

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	2019 Jul-Sep	2018 Jul-Sep	2019 Jan-Sep	2018 Jan-Sep	2018 Jan-Dec
Earnings per share before dilution, SEK	-1.31	-1.06	-4.78	-3.64	-5.77
Earnings per share after dilution, SEK	-1.31	-1.06	-4.78	-3.64	-5.77

For more information about calculation of earnings per share, see Note 5.
Presently, the company has four subscription warrant programs active.
For further information see page 9 Camurus' share, and Note 2.3.

Consolidated balance sheet

KSEK	Note	2019-09-30	2018-09-30	2018-12-31
ASSETS				
Fixed assets				
Intangible assets				
Capitalized development expenditure		27,305	15,090	15,975
Tangible assets				
Lease asset		26,776	–	–
Equipment		10,557	11, 226	10,899
Financial assets				
Deferred tax receivables	9	235,764	154,937	170,955
Total fixed assets		**300,402**	**181,253**	**197,829**
Current assets				
Inventories				
Finished goods		18,665	2,256	4,700
Raw materials		16,626	4,966	5,130
Total inventories		**35,291**	**7,222**	**9,830**
Current receivables				
Trade receivables		22,553	19,201	2,280
Other receivables		5,703	6,195	9,604
Prepayments and accrued income		9,159	11,240	10,804
Total current receivables	6	**37,415**	**36,636**	**22,688**
Cash and cash equivalents		192,331	216,347	134,377
Total current assets		**265,037**	**260,205**	**166,895**
TOTAL ASSETS		**565,439**	**441,458**	**364,724**

KSEK	Note	2019-09-30	2018-09-30	2018-12-31
EQUITY				
Equity attributable to parent company shareholder				
Share capital		1,199	960	960
Other contributed capital		1,127,147	744,155	744,140
Retained earnings, including comprehensive result for the period		-710,383	-405,557	-492,776
Total equity	10	**417,963**	**339,558**	**252,324**
LIABILITIES				
Long-term liabilities				
Lease liabilities		22,814	–	–
Total long-term liabilities		**22,814**	**–**	**–**
Short-term liabilities				
Trade payables		17,033	19,302	35,781
Lease liabilities		3,399	–	–
Income taxes		3,218	1,958	1,708
Other liabilities		9,260	3,416	3,549
Accrued expenses and deferred income		91,752	77,224	71,362
Total short-term liabilities		**124,662**	**101,900**	**112,400**
TOTAL EQUITY AND LIABILITIES		**565,439**	**441,458**	**364,724**

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 2018		**932**	**642,175**	**-258,107**	**385,000**
Comprehensive income for the period		–	–	-147,397	-147,397
Transactions with shareholders					
Directed share issue		28	102,272	–	102,300
Issuance costs, net after deferred tax		–	-7,456	–	-7,456
Warrants issued		–	7,110	–	7,110
Closing balance 30 September 2018		**960**	**744,101**	**-405,504**	**339,558**
Opening balance 1 January 2018		**932**	**642,175**	**-258,107**	**385,000**
Comprehensive income for the period		–	–	-234,630	-234,630
Transactions with shareholders					
Directed share issue		28	102,272	–	102,300
Issuance costs, net after deferred tax		–	-7,456	–	-7,456
Warrants issued		–	7,110	–	7,110
Closing balance 31 December 2018		**960**	**744,101**	**-492,737**	**252,324**
Opening balance 1 January 2019		**960**	**744,101**	**-492,737**	**252,324**
Comprehensive income for the period		–	–	-217,542	-217,542
Transactions with shareholders					
Rights issue		239	402,766	–	403,005
Issuance costs, net after deferred tax		–	-26,431	–	-26,431
Warrants issued		–	6,607	–	6,607
Closing balance 30 September 2019	10	**1,199**	**1,127,043**	**-710,279**	**417,963**

Consolidated statement of cash flow

KSEK	Note	2019 Jul-Sep	2018 Jul-Sep	2019 Jan-Sep	2018 Jan-Sep	2018 Jan-Dec
Operating activities						
Operating result before financial items		-77,381	-56,444	-271,611	-184,029	-287,218
Adjustment for non-cash items	8	2,220	1,096	6,553	3,418	4,450
Interest received		–	39	22	116	175
Interest paid		-420	-4	-1,239	-22	-25
Income taxes paid		-983	–11	-1,385	–11	-272
		-76,564	**-55,324**	**-267,660**	**-180,528**	**-282,890**
Increase/decrease in inventories		-10,905	-901	-25,461	-3,669	-6,277
Increase/decrease in trade receivables		-7,492	-16,833	-20,273	-13,420	3,501
Increase/decrease in other current receivables		3,226	3,879	4,442	-6,911	-9,884
Increase/decrease in trade payables		-827	-9,884	-18,748	4,216	20,695
Increase/decrease in other current operating liabilities		4,438	4,642	27,611	6,750	771
Cash flow from changes in working capital		***-11,560***	***-19,097***	***-32,429***	***-13,034***	***8,806***
Cash flow from operating activities		**-88,124**	**-74,421**	**-300,089**	**-193,562**	**-274,084**
Investing activities						
Acquisition of intangible assets		-1,729	–	-12,893	–	-1,404
Acquisition of tangible assets		-2	-615	-1,635	-3,039	-3,357
Cash flow from investing activities		**-1,731**	**-615**	**-14,528**	**-3,039**	**-4,761**
Financing activitie						
Increase/decrease in long-term liabilities		-821	–	-2,463	–	–
Share issue		–	92,741[2)]	369,378[1)]	92,741[2)]	92,741[2)]
Warrants issued		-49	384	6,607	7,110	7,110
Cash flow from financing activities		**-870**	**93,125**	**373,522**	**99,851**	**99,851**
Net cash flow for the period		**-90,725**	**18,089**	**58,905**	**-96,750**	**-178,994**
Cash and cash equivalents at beginning of period		283,066	199,093	134,377	314,524	314,524
Translation difference in cash flow and liquid assets		-10	-835	-951	-1,427	-1,153
Cash and cash equivalents at the end of period		**192,331**	**216,347**	**192,331**	**216,347**	**134,377**

[1)] Rights issue in March 2019. [2)] Directed share issue in June 2018.

Income statement – Parent Company

KSEK	Note	2019 Jul-Sep	2018 Jul-Sep	2019 Jan-Sep	2018 Jan-Sep	2018 Jan-Dec
Net sales		41,006	25,270	88,155	53,546	67,111
Cost of goods sold		-4,004	-121	-10,556	-2,885	-6,822
Gross profit		**37,002**	**25,149**	**77,599**	**50,661**	**60,289**
Marketing and distribution costs[1)]		-48,883	-7,281	-157,024	-29,408	-46,970
Administrative expenses[1)]		-5,029	-28,196	-18,218	-66,886	-99,890
Research and development costs		-65,591	-49,743	-196,541	-143,538	-206,709
Other operating income		78	6	40	276	838
Other operating expenses		–	–	-96	–	–
Operating result		**-82,423**	**-60,065**	**-294,240**	**-188,895**	**-292,442**
Interest income and similar items		–	39	22	116	175
Interest expense and similar items		-14	-4	-32	-22	-24
Result after financial items		**-82,437**	**-60,030**	**-294,250**	**-188,801**	**-292,291**
Result before tax		**-82,437**	**-60,030**	**-294,250**	**-188,801**	**-292,291**
Tax on profit for the period	9	16,305	13,392	59,204	37,494	53,527
Result for the period		**-66,132**	**-46,638**	**-235,046**	**-151,307**	**-238,764**

[1)] During 2018 group internal recharges were included in the function administrative expenses.
As of 2019 these costs have been reclassified as marketing and distribution costs.
With the same classification in 2018, administrative expenses during the third quarter previous year would have amounted to KSEK 5,269, first nine months to KSEK 15,753 and full year to KSEK 21,615. Marketing and distribution costs during the third quarter previous year would have amounted to KSEK 30,208, first nine months to KSEK 80,541 and full year to KSEK 125,245. The increase in costs compared to previous year, is mainly related to group internal recharges regarding the commercial organization.

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	2019-09-30	2018-09-30	2018-12-31
ASSETS				
Fixed assets				
Tangible fixed assets				
Equipment		10,359	11,062	10,689
Financial fixed assets				
Interest in Group companies		2,317	1,545	1,800
Deferred tax assets	9	241,456	159,023	175,056
Total fixed assets		**254,132**	**171,630**	**187,545**
Current assets				
Inventories				
Finished goods		17,500	2,256	4,700
Raw materials		16,626	4,966	5,130
Total inventories		**34,126**	**7,222**	**9,830**
Current receivables				
Trade receivebles		20,845	19,201	2,280
Other receivables		3,586	4,990	7,219
Prepayments and accrued income		10,066	11,130	10,679
Total current receivables		**34,497**	**35,321**	**20,178**
Cash and bank deposits		172,342	206,251	123,858
Total current assets		**240,965**	**248,794**	**153,866**
TOTAL ASSETS		**495,097**	**420,424**	**341,411**

KSEK	Note	2019-09-30	2018-09-30	2018-12-31
EQUITY AND LIABILITES				
Restricted equity				
Restricted equity (47,976,858 shares)		1,199	960	960
Statutory reserve		11,327	11,327	11,327
Total restricted equity		**12,526**	**12,287**	**12,287**
Unrestricted equity				
Retained earnings		-491,923	-253,159	-253,159
Share premium reserve		1,093,429	710,487	710,487
Result for the period		-235,046	-151,307	-238,764
Total unrestricted equity		**366,460**	**306,021**	**218,564**
TOTAL EQUITY		**378,986**	**318,308**	**230,851**
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		572	571	572
Total long-term liabilities		**572**	**571**	**572**
Short-term liabilities				
Liabilities to Group companies		14,760	7,125	9,065
Trade payables		14,757	16,960	32,650
Other liabilities		4,832	2,287	2,355
Accrued expenses and deferred income		77,704	71,686	62,432
Total short-term liabilities		**112,053**	**98,058**	**106,502**
TOTAL EQUITY AND LIABILITY		**495,097**	**420,424**	**341,411**

KEY FIGURES AND DEFINITIONS (Group)

KSEK	2019 Jul-Sep	2018 Jul-Sep	2019 Jan-Sep	2018 Jan-Sep	2018 Jan-Dec
Net sales	40.2	19.6	70.6	41.5	49.3
Operating result	-77.4	-56.4	-271.6	-184.0	-287.2
Result for the period	-62.7	-43.8	-218.0	-147.5	-234.7
Cash flow from operating activities	-88.1	-74.4	-300.1	-193.6	-274.1
Cash and cash equivalents	192.3	216.3	192.3	216.3	134.4
Equity	418.0	339.6	418.0	339.6	252.3
Equity ratio, percent	74%	77%	74%	77%	69%
Total assets	565.4	441.5	565.4	441.5	364.7
Average number of shares, before dilution	47,976,858	38,381,486	44,918,992	37,664,270	37,842,034
Average number of shares, after dilution	50,336,327	39,982,428	46,940,023	38,630,351	39,231,356
Earnings per share before dilution, SEK	-1.31	-1.06	-4.78	-3.64	-5.77
Earnings per share after dilution, SEK	-1.31	-1.06	-4.78	-3.64	-5.77
Equity per share before dilution, SEK	8.71	8.23	9.17	8.39	6.20
Equity per share after dilution, SEK	8.30	7.92	8.78	8.19	6.00
Number of employees at the end of period	118	81	118	81	94
Number of employees in R&D at the end of period	63	56	63	56	58
R&D costs as a percentage of operating expenses	56%	67%	56%	65%	63%

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 (calculated acc. to IAS 33)

Average number of shares, after dilution
Weighted average number of shares after adjustment for the dilution effect of new shares (calculated acc. to IAS 33)

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 (calculated acc. to IAS 33)

Equity per share after dilution, SEK
Equity divided by the weighted number of shares at the end of the period after dilution (calculated acc. to IAS 33)

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 third quarter 2019 was approved for publication by the Board of Directors and the chief executive officer.

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 for 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 Group's accounting principles in full will be presented in the annual report for 2019.

The most important accounting policies that are applied in the preparation of these consolidated financial statements are detailed below and are the same and consistent with those used in the preparation of Annual Report 2018, see camurus.com/Investors/Financial Reports. In addition, the new standard IFRS 16 Leases came into force 1 January 2019 replacing IAS 17 Leases.

At the transition to IFRS 16, Camurus have chosen to perform the transition in line with the Cumulative catch-up approach and have applied the practical approach to not restate any comparative information. Right-of-use assets have been determined as an amount equal to the lease liabilities as identified at initial application. The lease portfolio includes only a few lease contracts and covers mainly operational leases for offices, laboratories and company cars. For contracts concerning premises, Camurus has determined a contract period, taken into account how notice and extension clauses have been applied previously, the premise's importance to the Company's operations and R&D, any planned or already implemented investments to the leased facility as well as market situation for premises. A discount rate has been applied for the asset classes Buildings and Vehicles. Lease contracts shorter than 12 months or ending within 12 months at the date of application are considered short-term and hence not recognized as lease liability or right-of-use asset. Furthermore, low value contracts (with a value below USD 5,000) are also excluded from being recognized as lease liability or right-of-use asset.

As an effect of the transition, the Groups' total assets at the transition date 1 January 2019 have increased with MSEK 29,8, representing 8.2% of the balance sheet. The Group's financial liabilities have increased by MSEK 28,7, representing 7.9% of the balance sheet. For information about change in opening balance 1 January 2019, see table on next side.

During the quarter, IFRS 16 impact on the operating profit was MSEK 1.0 in increased depreciations and MSEK 1.2 in decreased other operating expenses. Thus, no material impact on operating profit and EPS.

Change in opening balance 1 January 2019 due to transition to IFRS 16 Leases

KSEK	2018-12-31	IFRS 16 adjustment	2019-01-01
ASSETS			
Fixed assets			
Intangible assets	15,975	–	15,975
Tangible assets	10,899	29,780	40,679
Financial assets	170,955	–	170,955
Total fixed assets	**197,829**	**29,780**	**227,609**
Current assets			
Current assets	166,895	-1,104	165,791
Total current assets	**166,895**	**-1,104**	**165,791**
Total assets	**364,724**	**28,676**	**393,400**
EQUITY AND LIABILITIES			
Equity	**252,324**	**–**	**252,324**
Long-term liabilities			
Lease liabilities	–	25,277	25,277
Other liabilities, non-interest bearing	–	–	–
Totalt long-term liabilities	**–**	**25,277**	**25,277**
Short-term liabilities			
Lease liabilities	–	3,399	3,399
Other liabilities, non-interest bearing	112,400	–	112,400
Total short-term liabilities	**112,400**	**3,399**	**115,799**
TOTAL EQUITY AND LIABILITIES	**364,724**	**28,676**	**393,400**

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 IFRS 9 Financial instruments addresses the classification, measurement and recognition of financial assets and liabilities and is applied with the exceptions that RFR2 allows, i.e. at amortized cost.

2.3 SHARE-BASED PAYMENT

Camurus has four 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. The programs were adopted by the Annual General Meeting in 2016, 2017, 2018 and 2019. Below a summary of the programs:

Program	Number of subscribed warrants	Potential dilution of the subscribed warrants	Subscription period	Strike price SEK, for subscription of shares upon exercise	Number of employees participating in the program
TO2016/2019	438,175[1,2)]	0.91%[1,2)]	15 Maj 2019-15 Dec 2019	91.81[1)]	47
TO2017/2020	715,816[1,2)]	1.49%[1,2)]	15 Maj 2020-15 Dec 2020	153.91[1)]	44
TO2018/2021	605,519[1,2)]	1.26%[1,2)]	15 Maj 2021-15 Dec 2021	133.39[1)]	47
TO2019/2022	599,959[2)]	1.25%[2)]	15 Maj 2022-15 Dec 2022	98.90	64
Total	**2,359,469**	**4.92%**			

[1)] After recalculation of TO2016/2019, TO2017/2020 and TO2018/2021, which according to the terms of the programs was called for in connection with the rights issue in March 2019.
[2)] No further allocation can be made.

Note 3 | Significant risks and uncertainties

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 Group reports a deferred tax asset of MSEK 235.8 as of 30 September 2019. The deferred tax asset is calculated on the basis that Camurus AB's entire losses carried forward will be utilized against taxable surpluses in the future. The basic circumstance leading the company to make this assessment is that the company, for the development of new drug candidates, utilizes its own proprietary and regulatory validated long-acting FluidCrystal® injection depot. By combining this technology with already existing active drug substances whose efficacy and safety profile previously has been documented, new proprietary drugs with improved properties and treatment results can be developed in shorter time, at a lower cost and risk compared to the development of completely new drugs. Accounting for deferred tax assets according to IFRS requires that it is probable that taxable surpluses will be generated in the future which the losses carried forward can be used against. In addition, a company that has reported losses in recent periods must be able to demonstrate convincing factors that taxable profits will be generated. The progress made in the development of CAM2038 for the treatment of opioid dependence (Phase 3 studies and regulatory approvals) and success in previous projects using FluidCrystal® injection depot is what convincingly suggests that the company will be able to utilize its losses carried forward. The fact that the Company has reported losses is natural in an industry where it takes considerable time to develop and launch new products, even when these are based on a proven technology and substances that are well-proven. We see the European Commission approval of Buvidal® for treatment of opioid dependence on November 22, 2018, Australian TGA's approval on November 28, 2018, and the FDA's tentative approval for Brixadi™, weekly and monthly depot on December 21, 2018 (meaning that Brixadi™ has met all regulatory requirements regarding clinical and preclinical safety, treatment effect and quality, but that a final approval of Brixadi™ (monthly depot) is dependent on the expiry of an exclusivity period granted by the FDA to Sublocade™; which may not last longer than until November 2020), as further validation of our formulation technology FluidCrystal®, and are events that confirm the likelihood assessments made by the Company when calculating the amount of the deferred tax asset. Future revenues will be generated through partnerships for markets where Camurus has out-licensed FluidCrystal® and/ or product candidates or products such as Buvidal®, and from Camurus' own sales organization for the markets where Camurus have own commercialization capabilities to sell pharmaceutical products. Losses carried forward are only reported in Sweden and without any due dates based on current tax legislation in Sweden.

A more detailed description of the Group's risk exposure is included in Camurus Annual Report 2018 (The Director's Report).

The Board of Directors has not changed its outlook on future developments in relations to their outlook published in the interim report for the second quarter 2019.

Note 4 | 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	2019 Jul-Sep	2018 Jul-Sep	2019 Jan-Sep	2018 Jan-Sep	2018 Jan-Dec
Sales of development related goods and services	1,468	1,718	3,693	9,622	11,379
License and milestone revenues	19,210	17,540	25,075	25,689	26,626
Product sales*)	19,497	304	41,814	6,205	11,316
Total	**40,175**	**19,562**	**70,582**	**41,516**	**49,321**

*) Relating to Buvidal® and episil®.

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

KSEK	2019 Jul-Sep	2018 Jul-Sep	2019 Jan-Sep	2018 Jan-Sep	2018 Jan-Dec
Europe	16,538	745	37,676	1,996	3,687
(of which Sweden)	(658)	(24)	(1,734)	(245)	(327)
North America	20,025	18,755	21,681	34,326	35,562
Asia including Oceania	3,612	–	11,225	–	9,763
Other geographical territories	–	62	–	5,194	309
Total	**40,175**	**19,562**	**70,582**	**41,516**	**49,321**

Revenues during the quarter of approximately MSEK 18.7 (18.8) relate to one single external customer.

Note 5 | 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.

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	2019 Jul-Sep	2018 Jul-Sep	2019 Jan-Sep	2018 Jan-Sep	2018 Jan-Dec
Result attributable to parent company shareholders	-62,738	-43,752	-218,009	-147,529	-234,676
Total	**-62,738**	**-43,752**	**-218,009**	**-147,529**	**-234,676**
Weighted average number of ordinary shares outstanding (thousands)	**47,977**	**38,381**	**44,919**	**37,664**	**37,842**

KSEK	2019 Jul-Sep	2018 Jul-Sep	2019 Jan-Sep	2018 Jan-Sep	2018 Jan-Dec
Result attributable to parent company shareholders	-62,738	-43,752	-218,009	-147,529	-234,676
Total	**-62,738**	**-43,752**	**-218,009**	**-147,529**	**-234,676**
Weighted average number of ordinary shares outstanding (thousands)	**47,977**	**38,381**	**44,919**	**37,664**	**37,842**
Adjustments:					
– Warrants (thousands)	2,359	1,601	2,021	966	1,389
– Fund issue element*) (thousands)	–	2,870	669	2,816	2,829
Weighted average number of ordinary shares in calculation of earnings per share after dilution (thousands)	**50,336**	**42,852**	**47,609**	**41,446**	**42,061**

*) The number of shares has been recalculated according to the so-called fund issue element in accordance with IAS 33, p. 26 and 64

Note 6 | 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	2019-09-30	2018-09-30	2018-12-31
Loans and receivables			
Trade receivables	22,553	19,201	2,280
Receivables from Group companies	–	–	–
Other receivables	370	–	–
Cash and cash equivalents	192,331	216,347	134,377
Total	**215,254**	**235,548**	**136,657**
Other liabilities			
Other financial liabilities	–	–	–
Liabilities to Group companies	–	–	–
Trade payables	17,033	19,302	35,781
Other current liabilities	1,168	191	190
Total	**18,201**	**19,493**	**35,971**

Note 7 | Related party transaction

There were no related party transactions outside of the Camurus group during the period.

No receivables or liabilities existed as of 30 September, 2019.

Note 8 | Other non-cash items

Adjustment for non-cash items:

KSEK	2019 Jul-Sep	2018 Jul-Sep	2019 Jan-Sep	2018 Jan-Sep	2018 Jan-Dec
Depreciation	2,220	1,161	6,553	3,286	4,450
Total	**2,220**	**1,161**	**6,553**	**3,286**	**4,450**

Note 9 | Tax

Tax for the quarter amounted to MSEK 15.1 (12.7), primary attributable to the negative result.

Note 10 | Equity

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

This information is information that Camurus AB is obliged to make public pursuant to the EU Market Abuse Regulation and the Swedish Securities Markets Act. The information was submitted for publication, through the agency of the chief executive officer, 7.00 AM (CET) on 8 November 2019.

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