CAMURUS®

INNOVATIVE NANOSCALE THERAPEUTICS

FULL YEAR REPORT 2016

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Financial calendar

Annual Report 2016	30 March 2017
Q1 2017	3 May 2017, at 13.00
Annual General Meeting	3 May 2017
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Annual Report 2017	22 March 2018

"Results from our Phase 3 study of CAM2038 in opioid dependence demonstrated significantly better treatment effect with our long-acting depots versus standard of care with daily sublingual tablets."

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® drug delivery 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".

Major Phase 3 milestone met in opioid dependence

The final quarter of 2016 saw us achieve a major milestone for Camurus. Results from our completed Phase 3 study of CAM2038 in opioid dependence demonstrated significantly better treatment effect with our long-acting depots versus standard of care with daily sublingual tablets. With this achievement, we now initiated the work on the market approval applications for both the EMA and FDA.

Our long-acting buprenorphine depots, CAM2038, for treatment of opioid dependence, clearly fulfilled efficacy primary endpoints agreed with the European Medicines Agency (EMA) as well as US Food and Drug Administration (FDA). Additionally, secondary analyses demonstrated superior efficacy versus daily sublingual buprenorphine/naloxone tablets. These clear-cut, positive Phase 3 results are particularly impressive in the light of the randomized, controlled double blind, double dummy design, and with regard to the complex patient population that was included directly from the active opioid misuse. Approximately 70% of the 428 study participants were using heroin and more than half of them were injection opioid users. Most of them also used other illicit drugs, including cocaine, amphetamine and marijuana This group is representative of patients starting their treatment of opioid dependency both in EU and the US.

Present daily treatment with buprenorphine or methadone has been clearly demonstrated to be effective in decreasing opioid misuse, reducing mortality and the spreading of infectious diseases. Unfortunately, these treatments have some significant limitations. These include poor treatment adherence, costs and stigma in connection to need of frequent clinic visits and supervised dosing, overdosing, as well as diversion and misuse.
Using long-acting medications, these limitations can be significantly reduced, or even eliminated, as pointed out by Prof. Edward Nunes MD, PhD, Columbia University Medical School during his presentation at Camurus' first Capital Markets and R&D Day in Stockholm, December 14, 2016. Combined with the documented treatment efficacy and favorable safety profile, our long-acting depot products have the potential to transform the treatment of opioid dependence and provide improvement to patients, healthcare providers and society. Process of filing market authorization and new drug applications for CAM2038 to the EMA and FDA mid 2017 are on track.

During the period, important advances were also made regarding commercial manufacturing as well as establishment of our commercial organization and operational structure in front of the planned launching of CAM2038 in Europe during 2018. We have been working closely with experts and stakeholders within the various national health systems, as well as performing health economic analyses and modelling. Initial results will be presented at the AMCP Managed Care Specialty Pharmacy Annual Meeting i Denver, Colorado in March 2017.

In our collaboration with Novartis, following the announcement of positive Phase 2 results for our subcutaneous long-acting octreotide depot, CAM2029, for treatment of acromegaly and neuroendocrine tumours (NET), a clinical study report has been completed during the quarter. Results will be presented at several conferences during the spring, including ENETS, Barcelona in March and at ENDO, Orlando in April.
After completed preparations for GMP-manufacturing of the product during the quarter, GMP manufacturing is now initiated ahead of planned Phase 3 start later in the year.

In the collaboration with Rhythm regarding weekly setmelanotide FluidCrystal® investigational product for treatment of genetic obesity disease, GMP-manufacturing was successfully completed and preparations of a clinical trial are ongoing ahead of the start during 2017.

In our early development pipeline, we initiated a clinical pharmacokinetic study of new product candidates for treatment of pain as well as nausea and vomiting. Two of the programs are conducted with our US partner Braeburn Pharmaceuticals, after having expanded our license agreement during the period.

A new exciting program in our pipeline is a subcutaneous depot of treprostinil, CAM2043, for treatment of pulmonary arterial hypertension. PAH is a rare progressive lung and heart disease with a poor life expectancy of less than 3 years, if left untreated. Based on our preclinical results, we believe that CAM2043 has potential to significantly improve treatment versus available treatments. Presently treprostinil is administrated using continuous infusion, a complex procedure associated with significant and treatment limiting side-effects such as pain and serious infections. The PAH market exceeded USD 4 billion 2015, with treprostinil representing about 25%.

Our strong results delivered during the past year have resulted in an increased interest in Camurus and contributed to a positive development of the company value.
Behind the success is our team of fantastic coworkers, dedicated partners and clinical investigators, as well as their study teams.
Warm thanks to you all!

Fredrik Tiberg, President and CEO

Q4 in brief

BUSINESS HIGHLIGHTS

- Positive pivotal phase 3 trial results received for long-acting buprenorphine, CAM2038, for treatment of opioid addiction.
- Start of Phase 1-trial of CAM2047, CAM2038 and CAM2058 for treatment of nausea and pain.
- Stage 1 of the establishment of Camurus´ European commercial organization and operational structure completed.
- Expansion of collaboration and license agreement with Braeburn Pharmaceuticals.
- Preclinical development program for CAM2043 for treatment of pulmonary arterial hypertension completed.
- Three presentations of long-acting buprenorphine, CAM2038, at ISAM annual meeting 2016 in Montreal.
- Capital Markets and R&D Day held at the Royal Swedish Engineering Academy in Stockholm.

FINANCIAL SUMMARY

- Revenues MSEK 37.1 (36.3).
- Operating result before and after items affecting comparability MSEK -35.1 (-4.9) and MSEK -35.1 (-40.4), respectively.
- Result after tax MSEK -27.8 (-31.9).
- Earnings per share SEK -0.75 (-1.05), before and after dilution.
- Cash position MSEK 508.6 (716.1).

Full year in brief

BUSINESS HIGHLIGHTS

- Positive Phase 3 trial results received for long-acting buprenorphine (CAM2038) for treatment of opioid dependence.
- Stage 1 of the establishment of Camurus´ European commercial organization and operational structure completed.
- Patients enrollment initiated in a Phase 3 trial of CAM2038 in patients with chronic back pain initiated.
- Positive results from Phase 2 trial of CAM2029 in NET and acromegaly patients.
- Positive Phase 2 trial results from opioid challenge study of CAM2038.
- Phase 3 long term safety study of CAM2038 for opioid dependence fully enrolled.
- Positive results from Phase 2 trial of CAM2032 in prostate cancer patients.
- License agreement signed with Rhythm Inc. for long-acting FluidCrystal® setmelanotide.

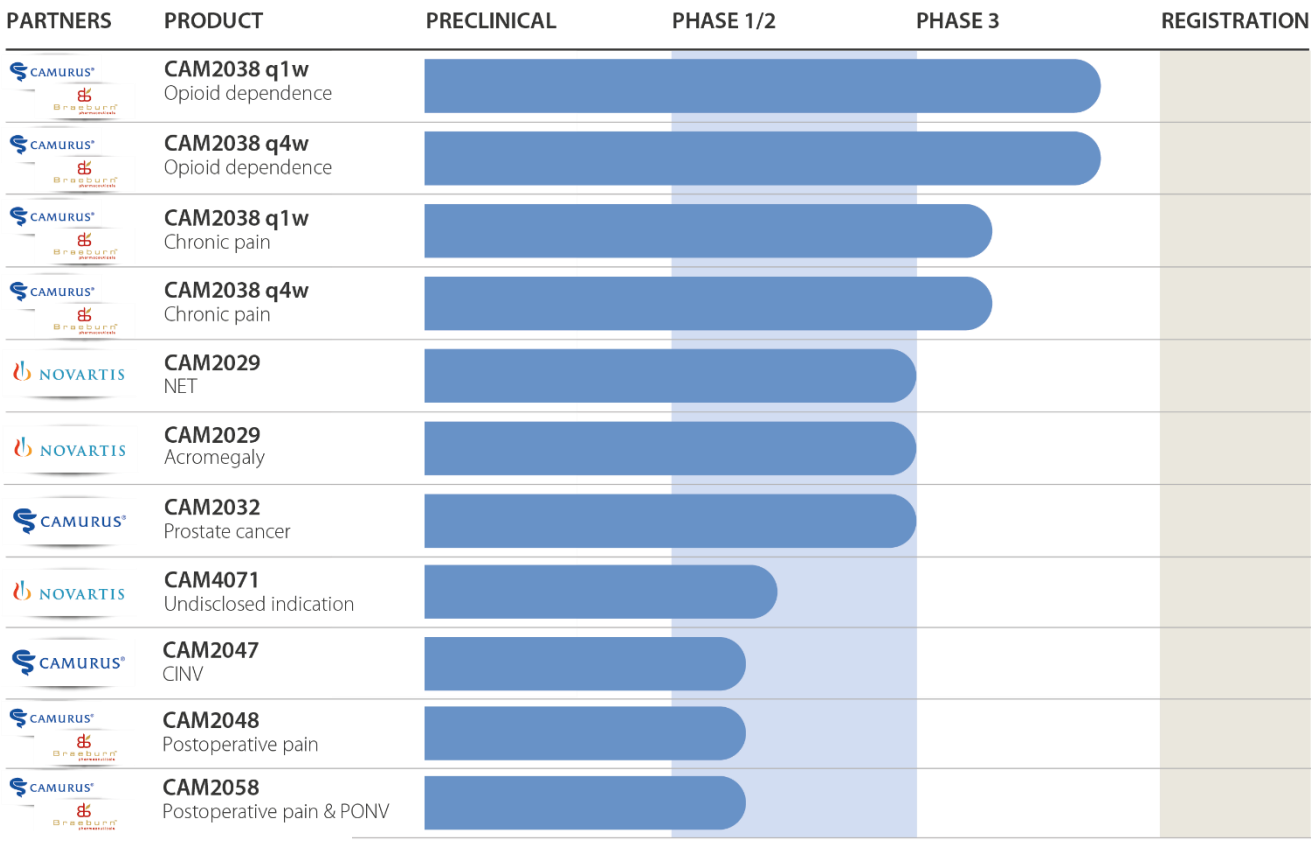
FINANCIAL SUMMARY

- Revenues MSEK 113.7 (154.8).
- Operating result before and after items affecting comparability MSEK -102.5 (-30.5) and MSEK -102.5 (-204.1) respectively.
- Result after tax MSEK -81.0 (-159.5)
- Earnings per share SEK -2.17 (-6.02), before and after dilution.
- Cash position MSEK 508.6 (716.1).

Our development pipeline

Product development 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, for example, 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 treatment of cancer and the side effects of cancer treatment, endocrine diseases, pain and addiction, see figure. A summary and status update on the different projects is given below.



NET – Neuroendocrine tumors
CINV – Chemotherapy induced nausea
PONV – Postoperative nausea and vomiting

CAM2038 – opioid dependence

CAM2038 includes subcutaneous weekly and monthly depots of buprenorphine, being developed by Camurus and our partner Braeburn Pharmaceuticals for treatment of opioid dependence. The products, granted FastTrack status by US FDA, are developed to address a serious condition and several shortcomings of currently available medications for daily medication, including limited treatment compliance, misuse, abuse, diversion of current daily medications, and frequent relapses to misuse. To date, the CAM2038 products have been evaluated in four Phase 1/2 clinical trials and one Phase 3 efficacy trial. In all these trials, CAM2038 has demonstrated good safety as well as targeted pharmacological and pharmacodynamic profiles suitable for weekly and monthly dosing. Two additional studies, a Phase 2 and a Phase 3 trial, are currently being completed.

STATUS Q4

In November, we announced positive results from a pivotal, randomized, double-blind, double-dummy, active-controlled, 24 weeks, efficacy Phase 3 trial of CAM2038. In the trial treatment effect of CAM2038 was compared with daily sublingual buprenorphine/naloxone (SL BPN/NX) which is the current Standard of Care. The results demonstrated that CAM2038 met both primary and secondary endpoints in terms of non-inferior respectively superior efficacy of CAM2038 versus SL BPN/NX. In parallel, the long-term safety Phase 3 trial of CAM2038 is being completed and will be reported by second quarter 2017. During May, we announced positive results from a pivotal Phase 2 trial of opioid blocking efficacy of CAM2038. The results show that CAM2038 treatment effectively blocks subjective opioid effects of injected hydromorphone, which means that CAM2038 can potentially protect patients from relapse to abuse of heroin and prescription opioids. Furthermore, a Phase 2 study evaluating pharmacokinetics of CAM2038 during repeated dosing is ongoing (see chronic pain section). These studies are part of the registration program, which has been agreed with both FDA and EMA.

CAM2038 – chronic pain

CAM2038 weekly and monthly depots are also being developed for treatment of chronic pain. These products are aimed for providing round-the-clock pain relief, while decreasing the risks 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 to the targeted properties and to the guidelines and recommendations 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 Q4

During the quarter, two patient cohorts were completed in the Phase 2 trial of CAM2038 assessing pharmacokinetics, analgesia and safety profiles of repeat doses of weekly and monthly CAM2038. During this period, additional cohort, dosed with 160 mg monthly CAM2038, was included. Results are expected in the second quarter 2017. In parallel, a Phase 3 pivotal trial of CAM2038 assessing efficacy in patients with moderate to severe chronic lower back pain is ongoing.

CAM2029 – acromegaly and NET

CAM2029 is a subcutaneous monthly depot of octreotide under development for the treatment of patients with acromegaly or NET. CAM2029 is being developed by Novartis and Camurus as an alternative to the current market leading product Sandostatin® LAR®, with global sales of USD 1.63 billion in 2015. CAM2029 is administered as a simple subcutaneous injection with pre-filled syringe, whereas Sandostatin® LAR® has to be prepared from a powder in a process consisting of six steps before being injected intramuscularly by a healthcare professional. CAM2029 has in clinical trials demonstrated about a 500 percent higher bioavailability of octreotide compared with Sandostatin® LAR®, which gives potential for improved treatment effects in patients who do not respond satisfactorily to current treatments.

STATUS Q4

The completed Phase 2 trial of CAM2029 demonstrated long-acting octreotide release with well-maintained control of symptoms and disease biomarkers after switching from Sandostatin® LAR®. The efficacy was based on evaluation of the control of symptoms in NET patients and plasma levels of insulin growth factor-1 and growth hormone in acromegaly patients. The results will be presented in March at European Neuroendocrine Tumor Society 2017 in Barcelona, Spain, and in April at the Endocrine Society Annual Meeting, ENDO 2017, Orlando, Florida. Full publication is being compiled. In parallel, Novartis, in collaboration with Camurus, is completing the preparations of Phase 3 trials of CAM2029, planned to start 2017.

CAM2032 – prostate cancer

CAM2032 is a subcutaneous depot product that is being developed by Camurus for treatment of prostate cancer. Other potential indications include precocious puberty (pubertas proecox), gender identity disorders, and endometriosis. The product is based on the active ingredient leuprolide, belonging to the class of gonadotropin releasing hormone analogs. CAM2032 is, being developed as the first product in its class, for easy subcutaneous injection by patients themselves, in the form of a small volume injection with a duration of one month.

STATUS Q4

Discussions with potential partners for further clinical development are ongoing.

CAM4071

CAM4071 is a product candidate in clinical development under the option, collaboration and licensing agreement with Novartis. The product is a long-acting formulation of an undisclosed peptide based on the FluidCrystal® Injection depot.

STATUS Q4

A Phase 1 trial of pharmacokinetics and pharmacodynamics, performed together with Novartis, has been completed and is being reported.

New product candidates

Several new product candidates, selected using initial market research, are being evaluated in pharmaceutical and preclinical studies. The development includes formulation optimization with respect to release performance, stability and pharmacological, as well as toxicological and safety related properties in relation to defined target product profiles.

STATUS Q4

During the period, a Phase 1 clinical trial of three investigational drug products, CAM2047, CAM2048, and CAM2058 was initiated. These drug candidates are based on Camurus' FluidCrystal® injection depot and are being developed for treatment of chemotherapy induced nausea and vomiting (CAM2047), pain (CAM2048) and combined treatment of postoperative pain, nausea and vomiting (CAM2058). Results from the clinical study are expected during the second quarter 2017. During the period, we completed a preclinical evaluation of a new long-acting subcutaneous treprostinil depot, CAM2043, for treatment of pulmonary arterial hypertension. Data from the preclinical program show promising plasma exposure with treprostinil, comparable with those reported in infusion studies, and no significant reactions at the injection site. In parallel, a potential clinical development program is being evaluated for a possible start during the second half-year of 2017.

Pre-clinical project collaborations

Camurus is also involved in several collaboration projects with international pharmaceutical companies, where new product candidates are based on Camurus' formulation technology and the partner company's patented active ingredient. These projects involve formulation development and optimization as well as assessments of various pharmacological properties with regard to pre-specified product and market related objectives. The time frame of these initial product evaluations (feasibility studies) is approximately 6–12 months. After positive results, product development can continue under a license agreement, with opportunities for future development and commercial milestone payments as well as royalty on future sales.

STATUS Q4

Several project collaborations are presently ongoing with international pharmaceutical and biotech companies. with a focus on cancer, obesity, diabetes and HIV. In January 2016, a license agreement was signed with the Boston-based biotech company Rhythm, regarding the use of Camurus' FluidCrystal® injection depot for setmelanotide (RM-493), a novel melanocortin-4 receptor-agonist for treatment of genetic obesity. GMP-manufacturing of clinical supply was completed during the quarter ahead of start of a clinical trial in 2017.

Medical device – episil®

episil® is a medical device for treatment of inflammatory and painful conditions in the oral cavity. The product provides fast pain relief and protection of sore and inflamed mucosal surfaces, as well as severe inflammation caused by e.g. oral mucositis, a common and serious side effect of cancer treatment. In contact with the buccal membrane, episil® transforms into a thin protective layer of gel, offering effective pain relief for up to 8 hours.

STATUS Q4

In December, Camurus' partner Solasia Pharma signed an agreement with Meiji Seika Pharma for commercialisation of episil® in Japan. Market registration processes are ongoing in Japan and China. During the period, episil® was granted marketing approval in Taiwan. In the US, Camurus partner, R-Pharm continues launching of episil®, with initial focus on breast cancer patients.

Financial overview

REVENUES
Revenues during the fourth quarter amounted to MSEK 37.1 (36.3), generated from license agreements, project activities and product sales.

OPERATING RESULT
Marketing, business development and distribution costs during the fourth quarter, were MSEK 9.4 (7.0).

Administrative expenses amounted to MSEK 4.1 (+6.8). The difference compared to the same period last year is mainly related to a retroactive reallocation between administrative expenses, marketing and distribution costs and research and development (R&D) costs.

R&D costs were MSEK 59.0 (41.1), including depreciation and amortization of tangible and intangible assets.

Other operating incomes/expenses mainly consist of currency exchange gains in operational activities of a total of MSEK 1.4 (0.3).

The operating result for the fourth quarter, before and after items affecting comparability was MSEK -35.1 (-4.9) and MSEK -35.1 (-40.4).

FINANCIAL ITEMS AND TAX
Financial items for the period was MSEK -0.0 (-0.1).

Tax for the quarter was MSEK 7.4 (8.7) and is mainly attributable to deferred tax for losses during the quarter.

RESULT FOR THE PERIOD
The result for the period was MSEK -27.8 (-31.9), corresponding to earnings per share of SEK -0.75 (-1.05) before and after dilution.

CASH FLOW AND INVESTMENTS
Cash flow from operating activities, before change in working capital, was negative and amounted to MSEK -34.3 (-37.1).

Change in working capital was affected the cash flow positively by MSEK 26.7 (76.7).

Cash flow from investing activities was MSEK -2.7 (-0.5), and from finance activities MSEK 0.7 (564.7) related to issuance of subscription warrants.

CASH
The Company's cash position as of 31:st of December 2016 was MSEK 508.6 (716.1). The change compared to previous year relates mainly to the operating result and the change in working capital related to social security and withholding tax of MSEK 86.6 paid in January 2016, for the participants in the company's share bonus program that was executed in connection to the listing in December 2015.

There were no outstanding loans as of December 31, 2016, and no loans have been taken up since.

EQUITY
Consolidated equity as of December 31, 2016, was MSEK 564.4 (640.6).

ACQUISITIONS
As a part of the establishment of the European commercial organization, a shelf company has been acquired in Germany during the fourth quarter and after the period a company has been set up in UK. Both companies are wholly owned subsidiaries to Camurus AB.

CAMURUS' SHARE
Camurus' share is listed on Nasdaq Stockholm since the December 3, 2015. At the end of the period, the total number of shares in the company was 37,281,486 (37,281,486).

In accordance with a decision by a Shareholder's General Meeting in May 2016, an incentive program (TO2016 / 2019) under which a maximum of 550 000 warrants can be issued, was introduced. The dilution of a full utilization of the program corresponds to 1.5% of the share capital and voting rights. The number of warrants that have been issued are 550 000 and which give the right to subscribe for an equal number of shares during the period May 15, 2019 - December 15, 2019. As per December 31, 2016, 404 300 warrants had been subscribed for with. During the quarter equity increased with MSEK 0,7 and earnings were negatively impacted by MSEK 0,7, after tax, related to the stay-on bonus in the program.

PARENT COMPANY
Revenues for the quarter amounted to MSEK 37.1 (36.3) and the result after tax was MSEK -28.4 (-19.7).

On December 31, 2016, equity in the Parent Company amounted to MSEK 547.1 (622.6).

Total assets at the end of the period was MSEK 626.5 (801.2) of which MSEK 508.4 (716.1) were cash and cash equivalents.

Other disclosures

PERSONNEL
At the end of the period, Camurus had 62 (48) employees, of whom 44 (35) were within research and development. The full time equivalent employees (FTEs) during the quarter was 56 (48).

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 currency risks, since revenues and costs arise in different currencies, mainly SEK, EUR and USD.

The Board of Directors has not changed its outlook on future developments in relation to their outlook published in the interim report for the third quarter 2016.

ANNUAL GENERAL MEETING 2017
Camurus Annual General Meeting 2017 will be held on Wednesday 3 May, at 17.00 CET, at Elite Hotel Ideon, Scheelevägen 27, Ideon Science Park, 223 63 Lund.

In accordance with the dividend policy adopted by the Board, no dividend is proposed for the financial year 2016.

The Annual Report for 2016 will be published on www.camurus.com on March 30, 2017. It will also be available from Camurus AB's headquarters in Lund

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

FURTHER INFORMATION
For further information, please contact:
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Lund, February 15, 2017
Camurus AB
Board of Directors

Financial statement

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

KSEK	Note	2016 Oct-Dec	2015 Oct-Dec	2016 Jan - Dec	2015 Jan - Dec
Net sales	3	37,126	36,340	113,737	154,799
Cost of goods sold		-1,229	-105	-2,140	-237
Gross profit		**35,587**	**36,235**	**111,597**	**154,562**
			0		
Marketing and distribution costs		-9,385	-6,986	-24,738	-19,411
Administrative expenses		-4,067	6,778	-17,985	-11,934
Research and development costs		-59,017	-41,140	-172,077	-153,080
Other operating income		1,436	262	751	57
Other operating expenses		-	-	-	-658
Operating result before items affecting comparability	**7**	**-35,136**	**-4,850**	**-102,452**	**-30,464**
Items affecting comparability attributable to public listing costs	7	-	-33,970	-	-33,970
Items affecting comparability attributable to Share bonus program	7	-	-1,596	-	-139,671
Operating result	**6**	**-35,136**	**-40,415**	**-102,452**	**-204,104**
Finance income		87	1	95	2
Finance expenses		-128	-145	-1,002	-166
Net financial items		**-41**	**-144**	**-907**	**-164**
			0		
Result before tax		**-35,178**	**-40,560**	**-103,359**	**-204,268**
			0		
Income tax	9	7,367	8,711	22,367	44,727
Result for the period		**-27,811**	**-31,850**	**-80,993**	**-159,542**

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	2016 Oct-Dec	2015 Oct-Dec	2016 Jan - Dec	2015 Jan - Dec
Earnings per share before dilution, SEK	-0.75	-1.05	-2,17	-6.02
Earnings per share after dilution, SEK	-0,75	-1.05	-2,17	-6.02

Presently, the company has one subscription warrant program active. For further information see page 8, Camurus' share.
Since 2013, Camurus had a long-term share based incentive program in place, aimed at employees and Board members and in connection with the listing of the company's share on 3 December 2015 the programme was completed. The impact on previous year's results amounted MSEK 108.9 after tax, with a corresponding increase in equity of MSEK 108.8 and a social security fee liability of MSEK 30.8. For further information please see Note 7. Earnings per share 2015 was effected by -4.32 SEK per share before and after dilution.

CONSOLIDATED BALANCE SHEET

KSEK	Note	31-12-2016	31-12-2015
ASSETS			
Fixed assets			
Intangible assets			
Capitalized development expenditure		18,741	20,823
Tangible assets			
Equipment		9,759	6,634
Financial assets			
Long-term receivables Group companies		0	0
Deferred tax receivables	9	61,685	39,317
Total fixed assets		**90,185**	**66,775**
Current assets			
Inventories			
Finished goods and goods for resale		12,380	3,241
Current receivables			
Receivables from Group companies		0	207
Trade receivables		8,304	8,917
Other receivables		3,855	5,500
Prepayments and accrued income		16,459	15,613
Total current receivables	5	**28,618**	**30,237**
Cash and cash equivalents		**508,594**	**716,096**
Total current assets		**549,592**	**749,574**
TOTAL ASSETS		**639,776**	**816,349**

KSEK	Note	31-12-2016	31-12-2015
EQUITY			
Equity attributable to parent company shareholder			
Share capital		932	932
Other contributed capital		631,034	626,181
Retained earnings, including result for the period		-67,549	13,444
Total equity	**4, 10**	**564,418**	**640,557**
LIABILITIES			
Long-term liabilities			
Deferred tax liability		-	-
Total long-term liabilities		**-**	
Short-term liabilities			
Liabilities to Group companies		0	0
Trade payables		17,560	31,832
Income taxes		0	9,917
Other liabilities		2,571	88,088
Accrued expenses and deferred income		55,228	45,954
Total short-term liabilities		**75,358**	**175,791**
TOTAL EQUITY AND LIABILITIES		**639,776**	**816,349**

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 2015		**630**	**58,634**	**64,193**	**123,457**
Result for the period and comprehensive income				-159,542	-159,542
Transactions with shareholders					
Share bonus program for personnel and Board members		47		108,793	108,840
Direct share issue to principal owner		11	23,879		23,890
Direct share issue, public listing		244	554,756		555,000
Issuance cost, net after deferred tax			-11,088		-11,088
Closing balance 31 December 2015		**932**	**626,181**	**13,444**	**640,557**
Opening balance 1 January 2016		**932**	**626,181**	**13,444**	**640,557**
Result for the period and comprehensive income				-80,993	-80,993
Transactions with shareholders					
Warrants issued			4,853		4,853
Closing balance 31 December 2016	**4,10**	**932**	**631,034**	**-67,549**	**564,418**

CONSOLIDATED STATEMENT OF CASH FLOW

KSEK	Note	2016 Oct-Dec	2015 Oct-Dec	2016 Jan - Dec	2015 Jan - Dec
Operating activities					
Operating profit/loss before financial items		**-35,136**	**-40,416**	**-102,452**	**-204,104**
Adjustments for non-cash items	8	845	2,457	3,524	112,345
Interest received		87	0	95	2
Interest paid		-128	-145	-1,002	-166
Income taxes paid		0	981	-9,917	317
		-34,332	**-37,123**	**-109,752**	**-91,606**
Increase/decrease in inventories		-8,423	-671	-9,139	-2,539
Increase/decrease in trade receivables		9,104	18,873	613	-2,800
Increase/decrease in other current receivables		8,095	-9,654	1,005	-8,511
Increase/decrease in trade payables		9,728	17,655	-14,272	21,893
Increase/decrease in other current operating liabilities		8,167	50,458	-76,242	77,906
Cash flow from changes in working capital		***26,672***	***76,661***	***-98,036***	***85,949***
Cash flow from operating activities		**-7,660**	**39,538**	**-207,788**	**-5,657**
Investing activities					
Acquisition of intangible assets		0	0	0	-355
Acquisition of tangible assets		-2,712	-511	-4,567	-984
Divestment/amortization of other financial assets		0	0	0	406
Increase/decrease in current financial investments		0	0	0	157,908
Cash flow from investing activities		**-2,712**	**-511**	**-4,567**	**156,975**
Financing activities					
Increase/decrease in current financial liabilities		0	0	0	0
New share issue		0	564,722	0	564,722
Warrants issued		718		4,853	0
Cash flow from financing activities		**718**	**564,722**	**4,853**	**564,722**
Net cash flow for the period		**-9,654**	**603,749**	**-207,502**	**716,040**
Cash and cash equivalents at beginning of period		518,248	112,347	716,096	56
Exchange rate differences in cash equivalents		0	0	0	0
Cash and cash equivalents at the end of period		**508,594**	**716,096**	**508,594**	**716,096**

INCOME STATEMENT – PARENT COMPANY

KSEK	Note	2016 Oct-Dec	2015 Oct-Dec	2016 Jan - Dec	2015 Jan - Dec
Net sales		37,126	36,340	113,737	154,799
Cost of goods sold		-1,229	-105	-2,140	-237
Gross profit		**35,897**	**36,235**	**111,597**	**154,562**
Marketing and distribution costs		-9,385	-6,986	-24,738	-19,411
Administrative expenses		-4,067	6,778	-17,985	-11,934
Research and development costs		-58,497	-40,621	-169,994	-151,354
Other operating income		1,436	262	751	57
Other operating expenses		0	0	0	-658
Operating result before items affecting comparability	**7**	**-34,615**	**-4,331**	**-100,370**	**-28,738**
Items affecting comparability attributable to public listing costs	7	-	-33,970	-	-33,970
Items affecting comparability attributable to Share bonus program	7	-	-1,596	-	-139,671
Operating result		**-34,615**	**-39,898**	**-100,370**	**-202,379**
Result from interests in Group companies		-	-	-	-
Interest income and similar items		87	1	95	2
Interest expense and similar items		-128	-146	-1,002	-166
Result after financial items		**-34,657**	**-40,043**	**-101,277**	**-202,543**
Appropriations		-1,246	15,096	-1,246	15,096
Result before tax		**-35,903**	**-24,948**	**-102,523**	**-187,447**
Tax on profit for the period	9	7,526	5,276	22,183	41,026
Result for the period		**-28,377**	**-19,672**	**-80,340**	**-146,421**

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	31-12-2016	31-12-2015
ASSETS			
Fixed assets			
Tangible fixed assets			
Equipment		9,759	6,634
Financial fixed assets			
Interest in Group companies		816	573
Deferred tax assets	9	66,574	44,391
Total fixed assets		**77,148**	**51,598**
Current assets			
Inventories			
Finished goods and goods for resale		12,380	3,242
Current receivables			
Receivables from parent company		0	207
Trade receivables		8,304	8,917
Other receivables		3,855	5,500
Prepayments and accrued income		16,461	15,613
Total current receivables		**28,619**	**30,237**
Cash and bank deposits		**508,351**	**716,096**
Total current assets		**549,351**	**749,575**
TOTAL ASSETS		**626,499**	**801,173**

KSEK	Note	31-12-2016	31-12-2015
EQUITY AND LIABILITIES			
Restricted equity			
Restricted equity (37 281 486 shares)		932	932
Statutory reserve		11,327	11,327
Total restricted equity		**12,259**	**12,259**
Unrestricted equity			
Retained earnings		17,746	164,167
Share premium reserve		597,418	592,565
Result for the period		-80,340	-146,421
Total unrestricted equity		**534,823**	**610,311**
TOTAL EQUITY		**547,083**	**622,570**
LIABILITIES			
Untaxed reserves			
Depreciation/amortization in excess of plan		3,486	2,239
Tax allocation reserve		-	-
Total untaxed reserves		**3,486**	**2,239**
Long-term liabilities			
Liability to subsidiaries		573	573
Total long-term liabilities		**573**	**573**
Short-term liabilities			
Liabilities to Group companies		-	-
Trade payables		17,560	31,832
Current tax liability		-	9,917
Other liabilities		2,571	88,088
Accrued expenses and deferred income		55,228	45,954
Total short-term liabilities		**75,358**	**175,791**
TOTAL EQUITY AND LIABILITIES		**626,499**	**801,173**

Key figures

MSEK	2016 Oct-Dec	2015 Oct-Dec	2016 Jan - Dec	2015 Jan - Dec
Net revenue	37.1	36.3	113.7	154.8
Operating result before items affecting comparability	-35.1	-4.9	-102.5	-30.5
Operating result	-35.1	-40.4	-102.5	-204.1
Result for the period	-27.8	-31.9	-81.0	-159.5
Cash flow from operating activities	-7.7	39.5	-207.8	-5.7
Cash and cash equivalents	508.6	716.1	508.6	716.1
Equity	564.4	640.6	564.4	640.6
Equity ratio in Group, percent	88%	78%	88%	78%
Total assets	639.8	816.3	639.8	816.3
Weighted average number of shares, before dilution	37,281,486	30,322,000	37,281,486	26,497,361
Weighted average number of shares, after dilution*)	37,667,121	37,281,486	37,487,937	37,281,486
Earnings per share before dilution, SEK	-0.75	-1.05	-2.17	-6.02
Earnings per share after dilution, SEK*)	-0.75	-1.05	-2.17	-6.02
Equity per share before dilution, SEK	15.14	21.13	15.14	24,17
Equity per share after dilution, SEK*)	14.98	17.18	15.06	17.18
Number of employees at end of period	62	48	62	48
Number of employees in R&D at end of period	44	35	44	35
R&D costs as a percentage of operating expenses	81%	99%	80%	83%

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

DEFINITIONS

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 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 cost as a percentage of operating expenses	Research and development costs divided by operating expenses, excluding items affecting comparability (marketing and distribution costs, administrative expenses and research and development costs)

Notes

Note 1 General information

Camurus AB, Corp. ID no. 556667-9105 is the parent company of the Camurus Group. Up until 7 October 2015, Camurus AB's registered offices were in Malmö, Sweden. The company is now based in Lund, Sweden, at Ideon Science Park, 223 70 Lund.

Camurus AB Group's interim report for the fourth quarter 2016 was approved for publication in accordance with a decision from the Board on 15 February, 2017.

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 Accounts 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 as 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.

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.

Interests in subsidiaries

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 interests 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

Until 3 December 2015, the group had a share-based compensation plan where the regulation should be made in shares and where the company received services from employees as consideration for the Group's own equity instruments (shares). The fair value of the service, which eligible employees to the allocation of shares, was expensed and the total amount to be expensed was based on the fair value of the shares granted.

At each reporting period Camurus assessed its estimates of the number of shares expected to vest based on the non-market vesting conditions and service conditions. Any deviation from the original estimates as the review gave rise to, were recognized in the income statement and corresponding adjustments made to equity

When bonus shares were exercised, the Company issued new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (quota value) and other capital contributions. The social security contributions which arose on the allocation of the shares was regarded as an integral part of the award, and the cost was treated as a cash-settled share-based payment.

Note 3 Segment information

Company management have established that the Group as a whole constitutes one segment based on the information managed by the CEO, in consultation with the Board, and which is used as a basis for allocating resources and evaluating results.

Group-wide information

To follow is a breakdown of revenues from all products and services.

KSEK	2016 Oct-Dec	2015 Oct-Dec	2016 Jan - Dec	2015 Jan - Dec
Sales of development related goods and services	21,336	25,859	68,112	93,845
Milestone payments	14,699	10,150	34,217	52,850
Licensing revenues	60	45	8,485	7,238
Other	1,001	286	2,923	866
Total	**37,126**	**36,340**	**113,737**	**154,799**

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

KSEK	2016 Oct-Dec	2015 Oct-Dec	2016 Jan - Dec	2015 Jan - Dec
Europé	2,127	12,306	22,921	108,067
(of which Sweden)	(67)	(369)	(3,727)	(2,275)
North America	34,362	23,996	87,359	39,635
Other geographical areas	637	38	3,457	7,097
Totalt	**37,126**	**36,340**	**113,737**	**154,799**

Revenue during the fourth quarter of approximately MSEK 50.9 (35.1) relates to one single external customer.
All fixed assets are located in Sweden.

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	2016 Oct-Dec	2015 Oct-Dec	2016 Jan - Dec	2015 Jan - Dec
Result attributable to parent company shareholders	-27,811	-31,850	-80,993	-159,542
Total	**-27,811**	**-31,850**	**-80,993**	**-159,542**
Weighted average number of ordinary shares outstanding (thousands)	**37,281**	**25,209**	**37,281**	**26,497**

b) After dilution

In order to calculate earnings per share, 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 is compared to the number of shares that would have been issued assuming the warrants are exercised.

KSEK	2016 Oct-Dec	2015 Oct-Dec	2016 Jan - Dec	2015 Jan - Dec
Result attributable to parent company shareholders	-27,811	-31,850	-80,993	-159,542
Total	**-27,811**	**-31,850**	**-80,993**	**-159,542**
Weighted average number of ordinary shares outstanding (thousands)	**37,281**	**30,322**	**37,281**	**26,497**
Adjustments:				
- warrants (thousands)	386	-	207	1,047
- share issues (thousands)	-	6,959	-	9,737
Weighted average number of ordinary shares in calculation of earnings per share after dilution (thousands)	**37,667**	**37,281**	**37,488**	**37,281**

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	31-12-2016	31-12-2015
Loans and receivables		
Trade receivables	8,304	8,917
Receivables from Group companies	-	207
Other receivables	-	-
Cash and cash equivalents	508,594	716,096
Total	**516,898**	**725,220**
Other liabilities		
Other financial liabilities	-	-
Liabilities to Group companies	-	-
Trade payables	17,560	31,832
Other current liabilities	191	191
Total	**17,751**	**32,023**

Not 6 Related party transactions

Investor relations services have been acquired from Piir & Partners AB, whose representative is a member of the management team. Pricing is done in accordance with allocation of costs in relation to utilization rate and on market terms.

At the end of the period the company had a debt to Piir & Partner AB regarding these services that amounted to MSEK 0.3 (0.2). There were no other receivables or liabilities.

Not 7 Items affecting comparability

Up and until fourth quarter this year, no items affecting comparability has arisen.

The costs charged to the previous year's results relate to listing expenses, in connection with preparations of the public listing of the company's shares on Nasdaq, Stockholm, and to the share bonus program, implemented in 2013 and fulfilled December 3, 2015 when Camurus' shares were listed on the stock exchange.

Following below is the consolidated income statement as it would have looked had the listing expenses and the cost for the share bonus program not been separated out.

KSEK	Note	2016 Oct-Dec	2015 Oct-Dec	2016 Jan –Dec	2015 Jan - Dec
Revenues	3	37,126	36,340	113,737	154,799
Cost of goods sold		-1,229	-105	-2,140	-237
Gross profit		**35,897**	**36,235**	**111,597**	**154,562**
Marketing and distribution costs		-9,385	-7,867	-24,738	-31,338
Administrative expenses		-4,067	-31,226	-17,985	-74,790
Research and development costs		-59,017	-37,821	-172,077	-251,937
Other operating income		1,436	262	751	57
Other operating expenses		-	-	-	-658
Operating result	6	**-35,136**	**-40,416**	**-102,452**	**-204,104**
Finance income		87	1	95	2
Finance expenses		-128	-145	-1,002	-166
Net financial items		**-41**	**-144**	**-907**	**-164**
Result before tax		**-35,178**	**-40,560**	**-103,359**	**-204,268**
Income tax	9	7,367	8,711	22,367	44,727
Result for the period		**-27,811**	**-31,850**	**-80,993**	**-159,542**

Note 8 Other non-cash items

Adjustment for non-cash items:

KSEK	2016 Oct-Dec	2015 Oct-Dec	2016 Jan – Dec	2015 Jan - Dec
Depreciation	845	964	3,524	3,552
Costs of share bonus program	0	1,493	0	108,793
Total	**845**	**2,457**	**3,524**	**112,345**

Note 9 Deferred tax

Tax for the quarter amounted to MSEK 7.4 (8.7), primarily attributable to the negative result.

Note 10 Equity

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

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, 07.00 AM CET on 16 February, 2017.

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