camurus®

# INTERIM REPORT FOR THE THIRD QUARTER 2020

"Good performances were seen across markets and we are on track to deliver on our revenue guidance"

camurus®

Camurus is an international science-led biopharmaceutical company committed to developing and commercializing innovative medicines for the treatment of severe and chronic conditions. New drug products with best-in-class potential are conceived based on the Company's proprietary FluidCrystal® drug delivery technologies and its extensive R&D and sales expertise. Camurus' clinical pipeline includes product candidates for the treatment of cancer, endocrine diseases, pain and addiction, which are developed in-house and in collaboration with international pharmaceutical companies. Camurus' shares are listed on Nasdaq Stockholm under the ticker CAMX. For more information, visit **camurus.com**

# Third quarter summary

- Net revenues amounted to SEK 100.3 million (40.2), an increase of 150%
- Net product sales totaled SEK 94.3 million (19.5), an increase of 383%
- Product sales increased by 24% compared to the previous quarter, or 26% at exchange rates from June 2020 (CER)
- For the period January to September, net revenue amounted to SEK 230.4 million (70.6), an increase of 226%, and product sales were SEK 218.6 million (41.8), an increase of 423%
- Raised full year financial guidance from June 2020 reiterated, while operating expenses guidance is reduced from SEK 570–610 million to SEK 505–525 million
- Applications for Buvidal® label extensions submitted in the EU and Australia
- Brixadi™ under review by the US FDA for expected final US approval on 1 December 2020
- Recruitment to CAM2029 Phase 3 studies reinitiated after temporary stall due to Covid 19
- Pivotal Phase 3 study of CAM2029 for treatment of neuroendocrine tumors aligned with the FDA in advisory meeting
- Camurus completed a directed share issue raising proceeds of SEK 300 million before issue costs

| MSEK | 2020 Jul-Sep | 2019 Jul-Sep | % Δ | 2020 Jan-Sep | 2019 Jan-Sep | % Δ | 2019 Jan-Dec |
|---|---|---|---|---|---|---|---|
| Total revenues | 100.3 | 40.2 | 150% | 230.4 | 70.6 | 226% | 105.6 |
| whereof product sales | 94.3 | 19.5 | 383% | 218.6 | 41.8 | 423% | 72.1 |
| OPEX | 113.4 | 113.0 | 0% | 332.7 | 332.5 | 0% | 443.2 |
| Operating result | -23.4 | -77.4 | 70% | -123.6 | -271.6 | 54% | -360.0 |
| Result for the period | -20.3 | -62.7 | 68% | -101.8 | -218.0 | 53% | -289.9 |
| Result per share, before and after dilution, SEK | -0.38 | -1.31 | 71% | -1.95 | -4.76 | 59% | -6.23 |
| Cash position | 475.7 | 192.3 | 147% | 475.7 | 192.3 | 147% | 358.7 |

Q3

Total revenues
**SEK 100.3 million**
+150%

Product sales
**SEK 94.3 million**
+383%

OPEX
**SEK 113.4 million**
0%

## Financial Outlook 2020

Expected net revenues[1]
**SEK 340 - 380 M**
whereof product sales of
**SEK 310 - 340 M**
Expected full year OPEX[2]
**SEK 505 - 525 M**

**1.** Excl milestone payments relating to Brixadi™ in the US
**2.** Without regards to the outcome of the ongoing arbitration process

**Financial analysts, investors and media are invited to attend a telephone conference and presentation of the results today at 2 pm (CET).**

The conference call can also be followed by a link on **camurus.com** or via external link: **https://financialhearings.com/event/13067**

# Continued strong growth and business progress

During the third quarter, we continued to make excellent progress with Buvidal® for the treatment of opioid dependence despite the challenge of Covid-19. Product sales in the quarter grew by 383%, net revenue by 150%, and operating costs were unchanged compared to the third quarter of 2019. New, compelling real-world evidence in support of treatment with Buvidal was presented in scientific publications, at conferences and featured in international media. After a temporary stall due to Covid-19, recruitment to our Phase 3 studies of CAM2029 for the treatment of acromegaly was reinitiated. We held an advisory meeting with the US FDA aligning the design for the pivotal Phase 3 study of CAM2029 in neuroendocrine tumors (NET). In addition, we completed the development of an autoinjector for CAM2029 for use in clinical studies and received approvals for the start of two new clinical trials.

**Buvidal growth journey continues**

Product sales in the third quarter amounted to SEK 94.3 million, an increase of 383% compared to the third quarter 2019 and 24% (26% at CER) compared to the previous quarter. Good performances were seen across markets and we are on track to deliver on our revenue guidance from June this year, despite a slowing down of new patient initiations during the summer months in Europe. Also, we had some challenges resulting from the Covid-19 pandemic; particularly with Austrian prescription authorizations, lock downs in parts of Australia, and delays of pricing processes in new launch markets. However, we started to regain growth momentum after the summer and we now look forward to new launches of Buvidal during the coming months.

In our largest markets – Australia, Finland and Norway – we continued to capture market share with Buvidal during the quarter. Also, we saw significant growth in other markets, including the UK, Germany and Sweden as funding and infrastructure hurdles have been addressed. Including Austria, Belgium and the Middle East, where treatment is provided through early access programs, Buvidal is now accessible in 11 countries with an estimated 12,000 patients in treatment. As part of our lifecycle management strategy, we have submitted applications for label enhancements in

the EU and Australia and in addition we are awaiting market authorization approval decisions in Switzerland and New Zealand.

### Positive real-world experience of Buvidal

Alongside the expanding use of Buvidal, the scientific evidence-base has continued to grow. The medical need for long-acting opioid dependence treatments has been highlighted by the Covid-19 epidemic, as underscored by recent scientific publications[1,2] about the usefulness of Buvidal in outpatient and prison treatment settings. Buvidal was also prominently featured at the Improving Outcomes in Opioid Dependence (IOTOD) conference held virtually in late September. Four oral talks and seven scientific posters featured results from clinical studies of Buvidal, including compelling real-world experience how Buvidal has positively impacted on treatment outcomes and the lives of patients with opioid dependence.

### Developments in the US

In the US, we have supported our partner Braeburn with data and information for the expected final approval of weekly and monthly Brixadi™ (the US trade name for Buvidal), which is expected on 1 December 2020. Based on the positive real-world experience of Buvidal in Europe and Australia, we believe Brixadi has the potential to become an important new treatment option that could contribute to lessening the detrimental impacts of the ongoing opioid crisis in the US. Brixadi is uniquely positioned to address the medical needs of patients, while also effectively addressing issues of diversion and misuse associated with current daily medications.

In parallel with the FDA review of Brixadi, Braeburn initiated arbitration proceedings in England to seek a determination by the arbitral tribunal of whether the company is in material breach of the license agreement with Camurus[3]. During the expedited process, the parties' respective rights and obligations under the license agreement remain in full force and effect, including Braeburn's obligation to develop, register and commercialize Brixadi™, as well as associated financial terms. Camurus will report on the outcome of the process as soon as the tribunal's award has been received.

### Progress of pivotal clinical studies of CAM2029

During the third quarter, additional clinical sites have been established and recruitment is progressing in both the pivotal Phase 3 efficacy and the open-label long-term safety studies of long-acting octreotide (CAM2029) for the treatment of acromegaly. This following a temporary recruitment stall during the second quarter due to Covid-19. We are expecting to complete the efficacy study in 2021 followed by the long-term safety study in the first half of 2022.

In parallel, we are preparing the start of the Phase 3 program of CAM2029 for the treatment of neuroendocrine tumors (NET), which was discussed and aligned with the US FDA in an advisory meeting in August. Additionally, we completed the customization of the CAM2029 autoinjector for the start of a bridging clinical study of pharmacokinetics and pharmacodynamics. Finally, we moved forward with our plans to start clinical development in new indications, including polycystic liver disease (PLD), where the study program is being designed in collaboration with leading experts in the US and Europe.

> **"Compelling real-world experience of how Buvidal has positively impacted on treatment outcomes "**

**References**

**1.** Straub A et al. The development and implementation of a rapid-access long-acting injectable buprenorphine clinic in metropolitan Melbourne during the COVID-19 pandemic. Drug Alcohol Rev. 2020; Online ahead of print.

**2.** Roberts J et al. Rapid upscale of depot buprenorphine (CAM2038) in custodial settings during the early COVID-19 pandemic in New South Wales, Australia. Addiction. 2020; Online ahead of print

**3.** Camurus pressrelease 15 June, 2020, Braeburn and Camurus enter arbitration proceedings in England

### Early pipeline and R&D developments

Preparations for a Phase 2 study of our weekly treprostinil injection, CAM2043, for the treatment of Reynaud's phenomenon, were completed in the third quarter. The study will begin before year-end, unless our plans are further impacted by Covid-19.

Following the announcement of positive Phase 2 results for weekly setmelanotide for the treatment of rare obesity disorders, our partner Rhythm is preparing discussions with the US FDA about the registration path for this product.

In addition to these projects, we had interesting breakthroughs in our early development pipeline during the quarter and we are looking forward to announce the start of at least one new clinical program in 2021. To strengthen our medical function and further accelerate our clinical development programs, we appointed Peter Hjelmström as Chief Medical Officer and member of Camurus' Management team. Peter holds degrees as medical doctor, PhD and lecturer from Karolinska Institute and has extensive industrial experience from positions at Biovitrum (now Sobi), Orexo and Alexion.

### Strong third quarter results

In the third quarter, we continued to deliver strong growth, result and business development. Operating expenses remained stable and we completed a directed share issue of SEK 300 million, allowing us to exit the quarter with a healthy cash position. Full year operating expenses, disregarding the potential outcomes of the ongoing arbitration process, are expected to be lower than previous guidance, mainly due to adjustments of clinical study timelines, including manufacturing, and reduced costs for travel, congresses and marketing following the Covid-19 pandemic.

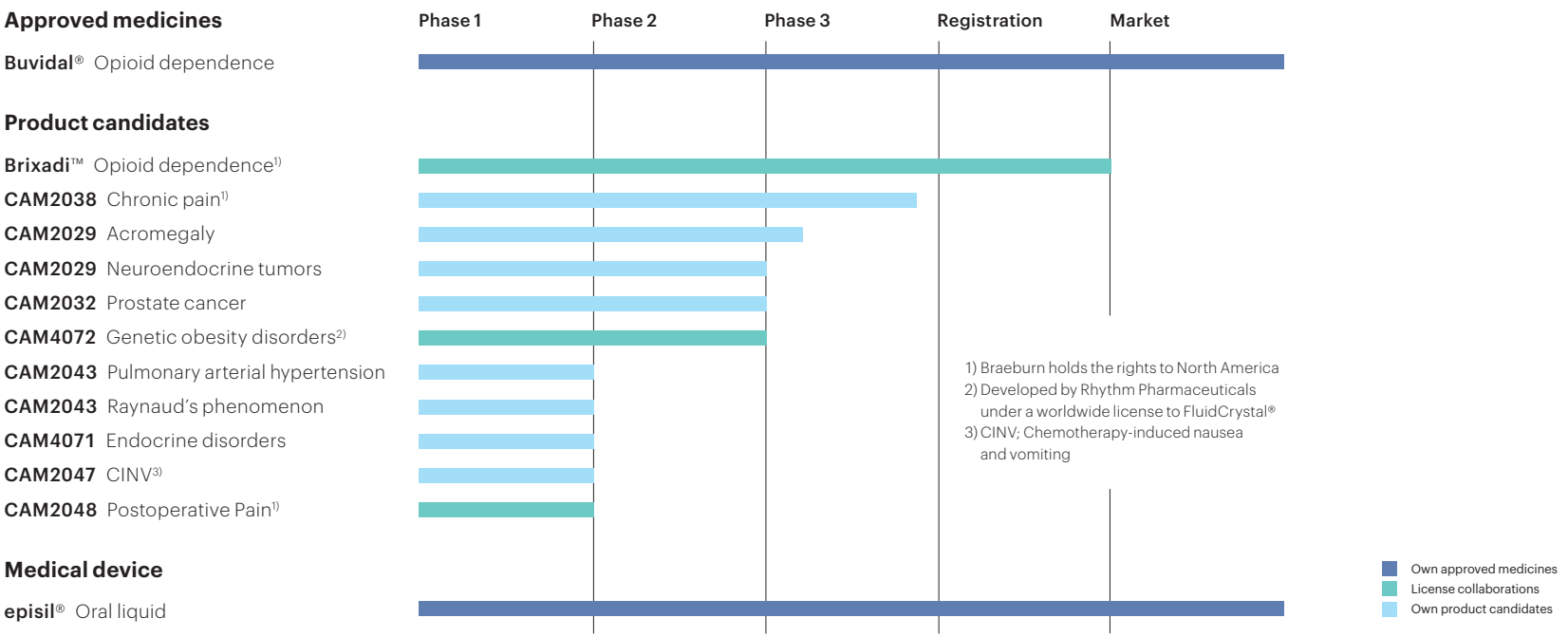
In summary, we have had a productive third quarter with positive financial development and significant progress in the pipeline. We now look forward to a strong finish of the year and that Brixadi finally will become available to US patients after an expected FDA approval on 1 December 2020.

Fredrik Tiberg,
President and Chief Executive Officer

**"We have had a productive third quarter with positive development of results and significant progress in the R&D pipeline"**

# Products and 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.



# Approved medicines

## Buvidal® – opioid dependence

Opioid dependence is a serious, chronic, relapsing disease and a growing global health problem. Pharmacological treatment with daily buprenorphine and methadone is the current medical standard of care, effectively reducing withdrawal and cravings, and the risk of overdoses. However, these treatments are also associated with limitations such as poor treatment adherence, misuse, medication diversion, and accidental pediatric exposure.

Buvidal®, long-acting subcutaneous buprenorphine, provides the opportunity for patients and healthcare professionals to focus on recovery instead of spending time and resources on supervised medication. With the availability of both weekly and monthly formulations as well as multiple dose options, treatment can be tailored to each patient's specific needs and circumstances. Buvidal gives both a fast onset and a long-acting effect and effectively reduces withdrawal symptoms and cravings for opioids. Should the patient temporarily relapse and take heroin or other opioids, Buvidal blocks the opioid effect and could protect against overdose.

The approvals of Buvidal were supported by an extensive development program consisting of seven clinical studies, including two Phase 3 studies. In addition to demonstrating non-inferior and superior treatment effect in reducing patients' use of illicit opioids compared to daily sublingual buprenorphine, studies have shown a high satisfaction, treatment retention and a good safety profile. Patients can begin medical treatment of opioid dependence with Buvidal from day 1, or switch from their current daily standard therapy with sublingual buprenorphine directly onto Buvidal, according to a dose conversion table. It is also possible for patients previously treated with methadone to switch to Buvidal. Buvidal is available for patients in Finland, Sweden, Denmark, Norway, Germany, the UK and Australia since 2019 and in Austria and Belgium since 2020.

After approval, several investigator sponsored studies have been completed, including DEBUT and UNLOC-T, which demonstrated favorable treatment outcomes and cost effectiveness when comparing Buvidal to standard of care treatment in community and prison settings in Australia.

### STATUS Q3

In September, results from clinical studies of Buvidal were presented at the digital conference Improving Outcomes in Opioid Dependence (IOTOD), including four oral presentations and seven posters covering real-world experience and insights into how Buvidal can positively impact on the lives of patients with opioid dependence.

In Germany, the investigator sponsored observational study ARIDE, comparing Buvidal to treatment with daily buprenorphine or methadone with regards to quality of life and other patient reported outcomes, continued.

During the quarter, the review of Camurus' applications for market approval in New Zealand and Switzerland continued. Furthermore, applications for market approvals in the Middle East and North Africa (MENA) region were being prepared in collaboration with the partner NewBridge. In the US, the review of the request for final approval of Brixadi™ for treatment of opioid use disorder continued towards an approval decision by the FDA on the Prescription Drug User Fee Act (PDUFA) date on 1 December 2020.


# Pipeline products

## CAM2038 – Chronic pain

CAM2038 is being developed to provide round-the-clock pain relief, while decreasing the risk of respiratory depression and fatal overdoses associated with full mu-opioid agonists, and at the same time protect against misuse, abuse and illicit diversion. CAM2038 is primarily addressing needs for patients on high doses – there are currently more than 1 million patients in the US, Europe and Japan on daily opioid doses of 99 mg morphine equivalents or more. CAM2038 has been evaluated in a pivotal Phase 3 study in opioid experienced patients with chronic low-back pain. The study met both the primary and secondary endpoints. In addition, CAM2038 was studied in a long-term safety extension study in patients with chronic, non-cancer pain. The safety profile of CAM2038 was generally consistent with the known safety profile of buprenorphine and no unexpecte adverse events were observed.

### STATUS Q3

A marketing authorization application in the EU is beeing prepared for a planned submission to EMA in 2021.

## CAM2029 – Acromegaly and neuroendocrine tumors

CAM2029 is a ready-to-use long-acting subcutaneous depot of octreotide in late stage development for the treatment of acromegaly and neuroendocrine tumors (NET). Somatostatin analogues, including octreotide, represent pharmacological standard of care with annual sales of more than 2.8 billion USD in 2019.[1]

CAM2029 provides significantly higher octreotide bioavailability and exposure compared existing long-acting octreotide products, with the potential for improved efficacy in patients not responding satisfactory to current therapies. In addition, CAM2029 is designed for easy self-administration by patients, using a prefilled syringe or autoinjector devices, with potential for improved patient convenience.

CAM2029 has been studied in four Phase 1 and 2 studies, in healthy volunteers and acromegaly and NET patients, with positive results. In 2019, two Phase 3 studies of CAM2029 for the treatment of acromegaly were initiated.

### STATUS Q3

The Phase 3 studies in acromegaly continued. Due to the Covid-19 pandemic, recruitment to the Phase 3 efficacy and long-term safety studies stalled during the spring, but after clinics opened again during the summer we now expect to complete the studies during H2 2021 and H1 2022, respectively.

During the quarter, a Type-B meeting was held with the FDA to discuss the pivotal clinical study program for CAM2029 for treatment of NET. We expect to initiate this program in H1 2021. In parallel, during the quarter we completed the autoinjector development and are planning to start a pharmacokinetic bridging clinical study in Q4 2020. Furthermore, the development program for a third indication, polycystic liver disease (PLD), is being prepared and a Phase 2 study is planned to start in 2021.

**References**
**1.** GlobalData 2020

## CAM2043 – Pulmonary arterial hypertension and Raynaud's phenomenon

CAM2043 is a long-acting subcutaneous treprostinil formulation developed as a patient-friendly and effective treatment option for pulmonary arterial hypertension (PAH) and Raynaud's phenomenon (RP). Annual sales of current treprostinil products amount to more than 1 billion USD, the majority being parenteral treprostinil. Besides providing less frequent administration, CAM2043 can reduce the risks associated with current parenteral products for PAH, such as infusion related reactions, or the need to continuously carry an infusion pump. CAM2043 has been investigated in a completed open-label Phase 1 trial.

**STATUS Q3**

A clinical trial application for a Phase 2 study of CAM2043 for the treatment of Raynaud's was granted by MHRA earlier in 2020. The study is planned to start in Q4 2020 provided the Covid-19 situation allows.

## CAM4072

CAM4072 is a weekly formulation of the MC-4 agonist setmelanotide developed together with our partner Rhythm Pharmaceuticals for the treatment of rare genetic disorders of obesity. In June 2020, Rhythm announced positive Phase 2 results of CAM4072. The data demonstrated that participants with severe obesity treated with the weekly formulation achieved comparable weight loss to those treated with the daily formulation. Furthermore, weekly setmelanotide was observed to be well-tolerated with a safety profile similar to the daily formulation. Rhythm is now preparing discussions with the FDA about the path to registration of the weekly formulation.

## CAM4083

CAM4083 is a long-acting formulation of the complement component C5-inhibitor zilucoplan, which is being developed together with our partner UCB (previously Ra Pharmaceuticals) for the treatment of generalized myasthenia gravis and other serious tissue-based complement-mediated disorders. Preparations for the start of the clinical development program of CAM4083 are ongoing.

## CAM4071

CAM4071 is a long-acting formulation of pasireotide. Pasireotide is currently approved for the treatment of Cushing's syndrome and acromegaly as a second-line treatment. CAM4071 has completed a dose escalating Phase 1 study of pharmacokinetics, pharmacodynamics and safety in healthy volunteers.

## CAM2032

CAM2032 is a long-acting subcutaneous leuprolide depot for the treatment of prostate cancer. It is developed for convenient self-administration by patients and has been successfully evaluated in two Phase 2 studies in prostate cancer. Additional potential indications for CAM2032 include endometriosis and precocious puberty. Discussions with potential development and commercialization partners are ongoing.

## CAM2047

CAM2047 is a long-acting subcutaneous granisetron depot in development for the treatment of acute and delayed chemotherapy-induced nausea and vomiting, a side effect experienced by the majority of cancer patients undergoing chemo-therapy treatment. CAM2047 has been successfully evaluated in a completed Phase 1 trial. Partnering discussions are ongoing.

## CAM2048

CAM2048 is a buprenorphine depot formulation for the treatment of postoperative pain providing rapid onset of action and therapeutic buprenorphine plasma levels over a couple of days. CAM2048 is being developed in collaboration with Braeburn Pharmaceuticals and has been successfully evaluated in a completed Phase 1 trial. Partnering discussions are ongoing.

# Medical device

## episil®

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

Sales and distribution of episil are conducted via in-house marketing in Sweden, Finland, Denmark, Norway, and the UK, and through distribution partners in other countries, including Japan, China and Australia.

# Financial statements

## Revenues

Net revenues during the quarter amounted to MSEK 100.3 (40.2), up 150% .

Product sales amounted to MSEK 94.3 (19.5), corresponding to an increase of 383% compared to Q3 2019. Compared to previous quarter product sales increased by 24%, or 26% at exchange rates in June 2020.

During January-September the net revenues were MSEK 230.4 (70.6), up 226% compared to previous year, whereof product sales were MSEK 218.6 (41.8), up 423%.

For further information, see Note 4.

## Operating result

Marketing and distribution costs were MSEK 42.0 (44.5) in the quarter and MSEK 126.1 (128,6) for the first nine months. Due to the ongoing Covid-19 pandemic, many scientific meetings and conferences have been turned into virtual events and as a consequence costs have been reduced.

Administrative expenses, including the Company's legal costs related to the ongoing arbitration process, for the quarter were MSEK 24.2 (4.8) and MSEK 40.6 (17.9) for the first nine months.

R&D costs, including depreciation and amortization of tangible and intangible assets were MSEK 47.1 (63.7) for the quarter and MSEK 166.0 (186.0) for the first nine months. The lower costs in the quarter reflect the updated timelines in clinical studies, including manufacturing.

The operating result for the quarter was MSEK -23.7 (-77.4), an improvement of 70%, and for the first nine months MSEK -123.6 (-271.6), corresponding to an improvement by 54%.

## Financial items and tax

Financial items in the period were MSEK -0.4 (-0.4) and MSEK -1.0 (-1.2) for the first nine months.

Tax in the quarter was MSEK 3.5 (15.1) and for January-September MSEK 22.9 (54.8), a tax income mainly representing deferred tax for the reported loss during the period.

## Result for the period

The result for the period amounted to MSEK -20.3 (-62.7), an improvement of 68% compared to 2019. Earnings per share before and after dilution were SEK -0.38 (-1.31).

For the first nine months the result were MSEK -101.8 (-218.0), an increase of 53%, and corresponding to earnings per share before and after dilution of SEK -1.95 (-4.76).

The Company's costs related to the ongoing arbitration process have been accounted for in the financial result at the time they occurred.

## Cash flow and investment

Cash flow from operating activities, before change in working capital, was MSEK -20.8 (-76.6) during the quarter and MSEK -118.2 (-267.7) for the first nine months.

Change in working capital affected the cash flow by MSEK -13.2 (-11.6) in the quarter and during the first nine months by MSEK -47.8 (-32.4). The difference compared to previous year is mainly due to an increase in inventory of Buvidal® to meet the increasing demands in our existing markets and to expansion into new countries.

Cash flow from investing activities was MSEK -0.5 (-1.7) and MSEK -1.9 (-14.5) during January-September, mainly relating to investmens in ongoing clinical trials. Cash flow from financing activities was MSEK 288.8 (-0.9) in the quarter and MSEK 286.6 (373.5) year to date. The difference compared to last year mainly relates to proceeds from the rights issue in July current year.

### Cash

As of 30 September, 2020, the cash position was MSEK 475.7 (192.3). The difference compared to the last quarter and the third quarter 2019, is mainly due to the directed share issue completed in July 2020.

The Group had no loans as of 30 September, 2020, and no loans have been taken since then.

### Equity

The consolidated equity as of 30 September, 2020 was MSEK 823.7 (418.0). The difference compared to previous year is attributable to the Company's result and the directed share issue completed during the quarter, raising SEK 285.6 million in net proceeds after issue costs.

### Parent Company

Revenues for the quarter amounted to MSEK 100.1 (41.0) and to MSEK 235.2 (88.2) for the first nine months. Result after tax was MSEK -22.8 (-66.1) and MSEK -108.6 (-235.0) for the first nine months.

On 30 September 2020, equity in the Parent Company was MSEK 770.8 (379.0). Total assets amounted to MSEK 892.7 (495.1), of which MSEK 437.4 (172.3) were cash and cash equivalents.

### Acquisitions

During the quarter a wholly owned subsidiary has been established in Belgium.

### Camurus' share

Camurus' share is listed on Nasdaq Stockholm.

At the end of the period, the total number of shares and votes was 53,636,858 (47,976,858) and the difference compared to last year relates to the directed share issue completed in July this year and in December 2019.

Currently Camurus has four subscription warrant programs active for the Company's employees. During the quarter, earnings after tax were negatively impacted by MSEK 3.3 related to the stay-on bonus the participants receive as part of the programs. More information about the programs are found in Note 2.3.

### Personnel

At the end of the period, Camurus had 134 (118) employees, of whom 77 (63) were within research and development, 45 (43) within business development and marketing and sales, while 11 (11) were within administration. The number of employees, in terms of full-time equivalents, amounted to 120 (106) during the quarter and 117 (104) during the first nine months.

### Financial outlook for 2020

Camurus reiterates the raised revenue guidance from 23 June 2020 Net revenues are expected in the range of MSEK 340 – 380, excluding milestone payments relating to a US approval of Brixadi™, and product sales are expected between MSEK 310 – 340. The outlook is based on exchange rates in June 2020.

Full year OPEX (operating expenses), without regards to the outcome of the ongoing arbitration process, have been reduced from the range MSEK 570 – 610 to MSEK 505 – 525. The revised forecast reflects updated timelines in clinical studies, including manufacturing, as well as lower costs for travel, congresses and marketing as a result of Covid 19. The estimate is based on current exchange rate in October 2020.

### Annual General Meeting 2021

Camurus Annual General Meeting will be held on Thursday 6 May 2021, at 5pm 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 auditor.

### 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, which may cause actual results to differ materially from previous judgements.

### Financial calendar 2020-2021

| | |
|---|---|
| Presentation Q3 2020 | 5 November 2020, 2 pm CET |
| Full Year Report 2020 | 11 February, 2021 |
| Annual Report 2020 | 14 April, 2021 |
| Q1 Interim Report 2021 | 6 May 2021, at 1 pm CET |
| AGM 2021 | 6 May 2021, at 5 pm CET |
| Q2 Interim Report 2021 | 15 July, 2021 |
| Q3 Interim Report 2021 | 4 November, 2021 |

### Further information

For further information, please contact:
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Lund, Sweden, 4 November, 2020
Camurus AB
Board of Directors

**Camurus AB reg. no. 556667-9105**

## Introduction

We have reviewed the condensed interim financial information (interim report) of Camurus AB as of 30 September 2020 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 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, 5 November 2020

PricewaterhouseCoopers AB

Ola Bjärehäll
Authorized Public Accountant
Auditor in charge

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| KSEK | Note | 2020 Jul-Sep | 2019 Jul-Sep | 2020 Jan-Sep | 2019 Jan-Sep | 2019 Jan-Dec |
|---|---|---|---|---|---|---|
| Net revenues | 4 | 100,260 | 40,175 | 230,428 | 70,582 | 105,605 |
| Cost of goods sold | | -10,645 | -4,769 | -22,801 | -9,747 | -23,287 |
| **Gross profit** | | **89,615** | **35,406** | **207,627** | **60,835** | **82,318** |
| **Operating expenses** | | | | | | |
| Marketing and distribution costs | | -42,023 | -44,531 | -126,146 | -128,635 | -170,540 |
| Administrative expenses | | -24,240 | -4,806 | -40,564 | -17,867 | -23,468 |
| Research and development costs | | -47,123 | -63,702 | -166,028 | -186,021 | -249,226 |
| Other operating income | | 380 | 252 | 1,470 | 601 | 894 |
| Other operating expenses | | – | – | – | -524 | – |
| **Operating result** | | **-23,391** | **-77,381** | **-123,641** | **-271,611** | **-360,022** |
| Finance income | | 42 | – | 151 | 22 | 43 |
| Finance expenses | | -401 | -420 | -1,164 | -1,239 | -1,585 |
| **Net financial items** | | **-359** | **-420** | **-1,013** | **-1,217** | **-1,542** |
| **Result before tax** | | **-23,750** | **-77,801** | **-124,654** | **-272,828** | **-361,564** |
| Income tax | 9 | 3,467 | 15,063 | 22,859 | 54,819 | 71,699 |
| **Result for the period**[1)] | 5 | **-20,283** | **-62,738** | **-101,795** | **-218,009** | **-289,865** |
| **Other comprehensive income** | | | | | | |
| Exchange-rate differences | | 192 | 270 | –288 | 467 | 258 |
| **Comprehensive income for the period** | | **-20,091** | **-62,468** | **-102,083** | **-217,542** | **-289,607** |

1) All attributable to Parent Company shareholders.

**Earnings per share based on earnings attributable to Parent Company shareholders for the period (in SEK per share)**

| | 2020 Jul-Sep | 2019 Jul-Sep | 2020 Jan-Sep | 2019 Jan-Sep | 2019 Jan-Dec |
|---|---|---|---|---|---|
| Earnings per share before dilution, SEK | -0.38 | -1.31 | -1.95 | -4.76 | -6.23 |
| Earnings per share after dilution, SEK | -0.38 | -1.31 | -1.95 | -4.76 | -6.23 |

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 14 Camurus' share, and Note 2.3.

## CONSOLIDATED BALANCE SHEET

| KSEK | Note | 30-09-2020 | 30-09-2019 | 31-12-2019 |
|---|---|---|---|---|
| **ASSETS** | | | | |
| **Fixed assets** | | | | |
| **Intangible assets** | | | | |
| Capitalized development expenditure | | 36,278 | 27,305 | 37,335 |
| **Tangible assets** | | | | |
| Lease assets | | 23,519 | 26,776 | 27,722 |
| Equipment | | 9,328 | 10,557 | 10,662 |
| **Financial assets** | | | | |
| Deferred tax receivables | 9 | 286,932 | 235,764 | 256,637 |
| **Total fixed assets** | | **356,057** | **300,402** | **332,356** |
| **Current assets** | | | | |
| **Inventories** | | | | |
| Finished goods and goods for resale | | 60,333 | 18,665 | 14,243 |
| Raw material | | 34,207 | 16,626 | 18,849 |
| **Total inventories** | | **94,540** | **35,291** | **33,092** |
| **Current receivables** | | | | |
| Trade receivables | | 43,631 | 22,553 | 34,791 |
| Other receivables | | 10,000 | 5,703 | 5,197 |
| Prepayments and accrued income | | 9,666 | 9,159 | 7,866 |
| **Total current receivables** | 6 | **63,297** | **37,415** | **47,854** |
| Cash and cash equivalents | | 475,730 | 192,331 | 358,744 |
| **Total current assets** | | **633,567** | **265,037** | **439,690** |
| **TOTAL ASSETS** | | **989,624** | **565,439** | **772,046** |

| KSEK | Note | 30-09-2020 | 30-09-2019 | 31-12-2019 |
|---|---|---|---|---|
| **EQUITY AND LIABILITIES** | | | | |
| **EQUITY** | | | | |
| **Equity attributable to Parent Company shareholders** | | | | |
| Share capital | | 1,341 | 1,199 | 1,291 |
| Other contributed capital | | 1,706,745 | 1,127,147 | 1,412,687 |
| Retained earnings, including result for the period | | -884,427 | -710,383 | -782,344 |
| **Total equity** | 10 | **823,659** | **417,963** | **631,634** |
| **LIABILITIES** | | | | |
| **Long-term liabilities** | | | | |
| Lease liabilities | | 18,623 | 22,814 | 22,938 |
| **Total long-term liabilities** | | **18,623** | **22,814** | **22,938** |
| **Short-term liabilities** | | | | |
| Trade payables | | 28,148 | 17,033 | 17,387 |
| Lease liabilities | | 5,125 | 3,399 | 4,394 |
| Income taxes | | 3,122 | 3,218 | 1,687 |
| Other liabilities | | 10,353 | 9,260 | 5,806 |
| Accrued expenses and deferred income | | 100,594 | 91,752 | 88,200 |
| **Total short-term liabilities** | 6 | **147,342** | **124,662** | **117,474** |
| **TOTAL EQUITY AND LIABILITIES** | | **989,624** | **565,439** | **772,046** |

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| KSEK | Note | Share capital | Other contri-buted capital | Retained earnings, including compr. inc. for the period | Total equity |
|---|---|---|---|---|---|
| **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 |
| Subscripton warrants | | – | 6,607 | – | 6,607 |
| **Closing balance 30 September, 2019** | | **1,199** | **1,127,043** | **-710,279** | **417,963** |
| | | | | | |
| **Opening balance 1 January, 2019** | | **960** | **744,101** | **-492,737** | **252,324** |
| Comprehensive income for the period | | – | – | -289,607 | -289,607 |
| **Transactions with shareholders** | | | | | |
| Share issues[1)] | | 331 | 702,794 | – | 703,125 |
| Issuance costs, net after deferred tax | | – | -40,815 | – | -40,815 |
| Subscription warrants | | – | 6,607 | – | 6,607 |
| **Closing balance 31 December, 2019** | | **1,291** | **1,412,687** | **-782,344** | **631,634** |
| | | | | | |
| **Opening balance 1 January, 2020** | | **1,291** | **1,412,687** | **-782,344** | **631,634** |
| Comprehensive income for the period | | – | – | -102,083 | -102,083 |
| **Transactions with shareholders** | | | | | |
| Directed share issue | | 50 | 299,950 | – | 300,000 |
| Issuance costs, net after deferred tax | | | -14,449 | | -14,449 |
| Subscription warrants | | – | –8,558 | – | -8,558 |
| **Closing balance 30 September, 2020** | 10 | **1,341** | **1,706,745** | **-884,427** | **823,659** |

1) Rights issue in March and directed share issue in December.

## CONSOLIDATED STATEMENT OF CASH FLOW

| KSEK | Note | 2020 Jul-Sep | 2019 Jul-Sep | 2020 Jan-Sep | 2019 Jan-Sep | 2019 Jan-Dec |
|---|---|---|---|---|---|---|
| **Operating activities** | | | | | | |
| Operating profit/loss before financial items | | -23,391 | -77,381 | -123 ,641 | -271,611 | -360,022 |
| Adjustments for non-cash items | 8 | 3,409 | 2,220 | 8,463 | 6,553 | 9,014 |
| Interest received | | 42 | – | 151 | 22 | 43 |
| Interest paid | | -401 | -420 | -1,164 | -1,239 | -1,585 |
| Income taxes paid | | -448 | -983 | -2,023 | -1,385 | -2,962 |
| | | **-20,789** | **-76,564** | **-118,214** | **-267,660** | **-355,512** |
| Increase/decrease in inventories | | -12,287 | -10,905 | -61,448 | -25,461 | -23,262 |
| Increase/decrease in trade receivables | | 2,807 | -7,492 | -8,840 | -20,273 | -32,511 |
| Increase/decrease in other current receivables | | 2,650 | 3,226 | -6,603 | 4,442 | 6,241 |
| Increase/decrease in trade payables | | -3,218 | -827 | 10,761 | -18,748 | -18,394 |
| Increase/decrease in other current operating liabilities | | -3,181 | 4,438 | 18,376 | 27,611 | 19,074 |
| ***Cash flow from changes in working capital*** | | ***-13,229*** | ***-11,560*** | ***-47,754*** | ***-32,429*** | ***-48,852*** |
| **Cash flow from operating activities** | | **-34,018** | **-88,124** | **-165,968** | **-300,089** | **-404,364** |
| **Investing activities** | | | | | | |
| Acquisition of intangible assets | | -433 | -1,729 | -1,085 | -12,893 | -23,442 |
| Acquisition of tangible assets | | -108 | -2 | -766 | -1,635 | -2,462 |
| **Cash flow from investing activities** | | **-541** | **-1,731** | **-1,851** | **-14,528** | **-25,904** |
| **Financing activities** | | | | | | |
| Amortization of lease liabilities | | -1,403 | -821 | -3,584 | -2,463 | -3,513 |
| Share issue after issuance costs | | 281,616 | – | 281,616 | 369,378 | 651,197 |
| Subscription warrants | | 8,586 | -49 | 8,558 | 6,607 | 6,607 |
| **Cash flow from financing activities** | | **288,799** | **-870** | **286,590** | **373,522** | **654,291** |
| **Net cash flow for the period** | | **254,240** | **-90,725** | **118,771** | **58,905** | **224,023** |
| Cash and cash equivalents at beginning of the period | | 222,004 | 283,066 | 358,744 | 134,377 | 134,377 |
| Translation difference in cash flow and liquid assets | | -514 | -10 | -1,785 | -951 | 344 |
| **Cash and cash equivalents at end of the period** | | **475,730** | **192,331** | **-475,730** | **192,331** | **358,744** |

## INCOME STATEMENT – PARENT COMPANY

| KSEK | Note | 2020 Jul-Sep | 2019 Jul-Sep | 2020 Jan-Sep | 2019 Jan-Sep | 2019 Jan-Dec |
|---|---|---|---|---|---|---|
| Net sales | | 100,075 | 41,006 | 235,236 | 88,155 | 123,042 |
| Cost of goods sold | | -12,823 | -4,004 | -29,274 | -10,556 | -22,965 |
| **Gross profit** | | **87,252** | **37,002** | **205,962** | **77,599** | **100,077** |
| **Operating expenses** | | | | | | |
| Marketing and distribution costs | | -46,079 | -48,883 | -138,787 | -157,024 | -201,261 |
| Administrative expenses | | -24,127 | -5,029 | -40,447 | -18,218 | -23,560 |
| Research and development costs | | -44,557 | -65,591 | -162,011 | -196,541 | -269,325 |
| Other operating income | | 206 | 78 | 553 | 40 | 567 |
| Other operating expenses | | – | – | – | -96 | – |
| **Operating result** | | **-27,305** | **-82,423** | **-134,730** | **-294,240** | **-393,502** |
| Interest income and similar items | | 42 | – | 151 | 22 | 43 |
| Interest expense and similar items | | -3 | -14 | -14 | -32 | -33 |
| **Result after financial items** | | **-27,266** | **-82,437** | **-134,593** | **-294,250** | **-393,492** |
| **Result before tax** | | **-27,266** | **-82,437** | **-134,593** | **-294,250** | **-393,492** |
| Tax on result for the period | 9 | 4,438 | 16,305 | 26,002 | 59,204 | 78,983 |
| **Result for the period** | | **-22,828** | **-66,132** | **-108,591** | **-235,046** | **-314,509** |

Total comprehensive income is the same as result for the period, as the Parent Company contains no items that are recognized under other comprehensive income.

## BALANCE SHEET – PARENT COMPANY

| KSEK | Note | 30-09-2020 | 30-09-2019 | 31-12-2019 |
|---|---|---|---|---|
| **ASSETS** | | | | |
| **Fixed assets** | | | | |
| **Tangible assets** | | | | |
| Equipment | | 9,166 | 10,359 | 10,479 |
| **Financial assets** | | | | |
| Interests in Group companies | | 2,577 | 2,317 | 2,317 |
| Deferred tax assets | 9 | 295,088 | 241,456 | 265,152 |
| **Total fixed assets** | | **306,831** | **254,132** | **277,948** |
| **Current assets** | | | | |
| **Inventories** | | | | |
| Finished goods and goods for resale | | 50,631 | 17,500 | 13,579 |
| Raw material | | 34,207 | 16,626 | 18,849 |
| **Total inventories** | | **84,838** | **34,126** | **32,428** |
| **Current receivables** | | | | |
| Receivables subsidiaries | | 14,308 | – | – |
| Trade receivables | | 31,849 | 20,845 | 31,777 |
| Other receivables | | 7,017 | 3,586 | 2,356 |
| Prepayments and accrued income | | 10,426 | 10,066 | 8,619 |
| **Total current receivables** | | **63,600** | **34,497** | **42,752** |
| Cash and bank deposit | | 437,413 | 172,342 | 332,607 |
| **Total current assets** | | **585,851** | **240,965** | **407,787** |
| **TOTAL ASSETS** | | **892,682** | **495,097** | **685,735** |

| KSEK | Note | 30-09-2020 | 30-09-2019 | 31-12-2019 |
|---|---|---|---|---|
| **EQUITY AND LIABILITIES** | | | | |
| **EQUITY** | | | | |
| **Restricted equity** | | | | |
| Share capital (53,636,858 shares) | | 1,341 | 1,199 | 1,291 |
| Statutory reserve | | 11,327 | 11,327 | 11,327 |
| **Total restricted equity** | | **12,668** | **12,526** | **12,618** |
| **Unrestricted equity** | | | | |
| Retained earnings | | -806,432 | -491,923 | -491,923 |
| Share premium reserve | | 1,673,131 | 1,093,429 | 1,379,073 |
| Result for the period | | -108,591 | -235,046 | -314,509 |
| **Total unrestricted equity** | | **758,108** | **366,460** | **572,641** |
| **Total equity** | 10 | **770,776** | **378,986** | **585,259** |
| **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** | | | | |
| Liabilities to subsidiaries | | 572 | 572 | 572 |
| **Total long-term liabilities** | | **572** | **572** | **572** |
| **Short-term liabilities** | | | | |
| Liabilities to subsidiaries | | – | 14,760 | 639 |
| Trade payables | | 24,661 | 14,757 | 13,906 |
| Other liabilities | | 6,341 | 4,832 | 3,576 |
| Accrued expenses and deferred income | | 86,846 | 77,704 | 78,297 |
| **Total short-term liabilities** | | **117,848** | **112,053** | **96,418** |
| **TOTAL EQUITY AND LIABILITIES** | | **892,682** | **495,097** | **685,735** |

## KEY FIGURES AND DEFINITIONS

| Key figures, MSEK | 2020 Jul-Sep | 2019 Jul-Sep | 2020 Jan-Sep | 2019 Jan-Sep | 2019 Jan-Dec |
|---|---|---|---|---|---|
| Net revenues | 100.3 | 40.2 | 230.4 | 70.6 | 105.6 |
| Operating expenses | -113.4 | -113.0 | -332.7 | -332.5 | -443.2 |
| Operating result | -23.4 | -77.4 | -123.6 | -271.6 | -360.0 |
| Result for the period | -20.3 | -62.7 | -101.8 | -218.0 | -289.9 |
| Cash flow from operating activities | -34.0 | -88.1 | -166.0 | -300.1 | -404.4 |
| Cash and cash equivalents | 475.7 | 192.3 | 475.7 | 192.3 | 358.7 |
| Equity | 823.7 | 418.0 | 823.7 | 418.0 | 631.6 |
| Equity ratio in Group, percent | 83% | 74% | 83% | 74% | 82% |
| Total assets | 989.6 | 565.4 | 989.6 | 565.4 | 772.0 |
| Weighted average number of shares, before dilution*) | 53,593,380 | 47,976,858 | 52,293,792 | 45,833,494 | 46,496,256 |
| Weighted average number of shares, after dilution*) | 55,581,429 | 50,336,327 | 54,240,112 | 47,854,525 | 48,601,481 |
| Earnings per share before dilution, SEK*) | -0.38 | -1.31 | -1.95 | -4.76 | -6.23 |
| Earnings per share after dilution, SEK*) | -0.38 | -1.31 | -1.95 | -4.76 | -6.23 |
| Equity per share before dilution, SEK*) | 15.37 | 8.71 | 15.75 | 9.12 | 13.58 |
| Equity per share after dilution, SEK*) | 14.82 | 8.30 | 15.19 | 8.73 | 13.00 |
| Number of employees at end of period | 134 | 118 | 134 | 118 | 120 |
| Number of employees in R&D at end of period | 77 | 63 | 77 | 63 | 67 |
| R&D costs as a percentage of operating expenses | 42% | 56% | 50% | 56% | 56% |

*) The dilution effect, regarding 2019, is calculated according to IAS 33

**Cash and cash equivalents** Cash and cash bank balances

**Equity ratio, percent** Equity divided by total capital

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

**Weighted average number of shares, after dilution**
Weighted average number of shares adjusted 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 average number of shares at the period before dilution

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

**R&D costs 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)

## Note 1 General information

Camurus AB, Corp. ID No. 556667-9105 is the parent company of the Camurus Group and has its registered office based in Lund, Sweden, at Ideon Science Park, 223 70 Lund. Camurus AB Group's interim report for the third quarter 2020 has been approved for publication by the Board of Directors and the chief executive officer.

All amounts are stated in SEK thousands (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 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 2019, see camurus.com/Investors/Financial Reports.

### 2.1 BASIS OF PREPARATION OF REPORTS

#### 2.1.1 Changes to accounting policies and disclosures

No new or revised IFRS standards, with any material impact on the Group, have come into force.

### 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 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 programs were adopted by the Annual General Meeting (AGM) in 2017, 2018, 2019 and 2020.

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. 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.

| Program | Number of shares sub-scribed warrants entitles to | Potential dilution of the sub-scribed warrants | Subscription period | Strike price SEK, for sub-scription of shares upon exercise | Market value[3] | Number of employees partici-pating in the program |
|---|---|---|---|---|---|---|
| TO2017/2020 | 718,236[1,2] | 1.34%[1,2] | 15 May 2020-15 Dec 2020 | 153.90[1] | 15 May 2017: 17.00 SEK<br>19 Sep 2017: 15.60 SEK | 44 |
| TO2018/2021 | 607,566[1,2] | 1.13%[1,2] | 15 May 2021-15 Dec 2021 | 133.40[1] | 14 May 2018: 12.83 SEK<br>20 Aug 2018: 9.94 SEK | 46 |
| TO2019/2022 | 597,459[2] | 1.11%[2] | 15 May 2022-15 Dec 2022 | 98.90 | 3 Jun 2019: 11.10 SEK | 63 |
| TO2020/2023 | 192,275 | 0.36% | 15 May 2023-15 Dec 2023 | 169.50 | 17 Aug 2020: 44.70 SEK | 36 |
| **Total** | **2,115,536** | **3.94%** | | | | |

1) After recalculation of TO2017/2020 and TO2018/2021, which was called for in accordance with the terms of the programs due to the rights issue in March 2019. Prior to recalculation, the total number was 2,006,066, corresponding to a dilution effect of 3.74 percent.
2) No further allocation can be made.
3) The warrants were valued by in accordance with the Black&Scholes model. Data used in the valuation are volatility in the share, dilution effect, subscription price at exercise, interest rate and the term for the warrants.

## 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. There is also a risk that differences of opinion will arise between Camurus and its partners or that such partners do not meet their contractual commitments. An example of this is the dispute that has arisen between Camurus and Braeburn in respect of Braeburn's performance of its obligations under the license agreement for Brixadi™ and CAM2038 for treatment of chronic pain. Depending on the outcome, the usual costs of an arbitration process may be reimbursed in whole or in part by the other party if Camurus wins the process. Should the other party win the process, Camurus may have to pay both its own and the other party's reasonable legal costs.

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 AUD, EUR, GBP, NOK, SEK and USD.

The Group reports a deferred tax asset of 286.9 MSEK as of 30 September, 2020. 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, the launch and ongoing sale of Buvidal in EU and Australia, and the FDA's tentative approval for Brixadi, weekly and monthly depot on December 21, 2018 (meaning that Brixadi has met all regulatory requirements but that a final approval of Brixadi (monthly depot) is dependent on the expiry of an exclusivity period 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 determening the amount of the deferred tax asset. Future revenues will mainly be generated from Camurus' own sales organization in markets where Camurus have own commercialization capabilities, and through partnerships for markets where Camurus has out-licensed FluidCrystal and/or product candidates or products such as Buvidal.

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 2019 (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 2020.

## 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.

| Revenues allocated by products and services | 2020 Jul-Sep | 2019 Jul-Sep | 2020 Jan-Sep | 2019 Jan-Sep | 2019 Jan-Dec |
|---|---|---|---|---|---|
| Sales of development related goods and services | 1,639 | 1,468 | 7,375 | 3,693 | 7,001 |
| Licensing revenues and milestone payment | 4,365 | 19,210 | 4,428 | 25,075 | 26,520 |
| Product sale[1)] | 94,256 | 19,497 | 218,625 | 41,814 | 72,084 |
| **Total** | **100,260** | **40,175** | **230,428** | **70,582** | **105,605** |

1) Related to Buvidal and episil

| Revenues allocated by geographical area | 2020 Jul-Sep | 2019 Jul-Sep | 2020 Jan-Sep | 2019 Jan-Sep | 2019 Jan-Dec |
|---|---|---|---|---|---|
| Europe | 60,512 | 16,538 | 142,758 | 37,676 | 61,426 |
| (whereof Sweden) | (3,486) | (658) | (8,713) | (1,734) | (4,028) |
| North America | 6,008 | 20,025 | 11,729 | 21,681 | 24,803 |
| Asia including Oceania | 33,740 | 3,612 | 75,941 | 11,225 | 19,376 |
| **Total** | **100,260** | **40,175** | **230,428** | **70,582** | **105,605** |

Revenues during the quarter of approximately MSEK 31.1 (18.7) relate to one single external customer.

99.8 (99.7) percent of the Group's fixed assets are located in Sweden.

## 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 | 2020 Jul-Sep | 2019 Jul-Sep | 2020 Jan-Sep | 2019 Jan-Sep | 2019 Jan-Dec |
|---|---|---|---|---|---|
| **Result attributable to Parent Company shareholders** | **-20,283** | **-62,738** | **-101,795** | **-218,009** | **-289,865** |
| **Weighted average number of ordinary shares outstanding (thousands)** | **53,593** | **47,977** | **52,294** | **44,919** | **45,950** |

| KSEK | 2020 Jul-Sep | 2019 Jul-Sep | 2020 Jan-Sep | 2019 Jan-Sep | 2019 Jan-Dec |
|---|---|---|---|---|---|
| **Result attributable to Parent Company shareholders** | **-20,283** | **-62,738** | **-101,795** | **-218,009** | **-289,865** |
| **Weighted average number of ordinary shares outstanding (thousands)** | **53,593** | **47,977** | **52,294** | **44,919** | **45,950** |
| Adjustment for fund issue element[1] (thousands) | – | – | – | 915 | 546 |
| **Weighted average number of ordinary shares outstanding (thousands)** | **53,593** | **47,977** | **52,294** | **45,833** | **46,496** |
| Adjustment for warrants (thousands) | 1,988 | 2,359 | 1,946 | 2,021 | 2,105 |
| **Weighted average number of ordinary shares used in calculation of earnings per share after dilution (thousands)** | **55,581** | **50,336** | **54,240** | **47,855** | **48,601** |

1) 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.

| Balance sheet assets, KSEK | 30-09-2020 | 30-09-2019 | 31-12-2019 |
|---|---|---|---|
| Trade receivables | 43,631 | 22,553 | 34,791 |
| Cash and cash equivalents | 475,730 | 192,331 | 358,744 |
| **Total** | **519,361** | **214,884** | **393,535** |
| | | | |
| **Balance sheet liabilities, KSEK** | | | |
| Trade payables | 28,148 | 17,033 | 17,387 |
| Other liabilities | 190 | 1,168 | 190 |
| **Total** | **28,338** | **18,201** | **17,577** |

## 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, 2020.

## Note 8 Other non-cash items

Adjustment for non-cash items:

| KSEK | 2020 Jul-Sep | 2019 Jul-Sep | 2020 Jan-Sep | 2019 Jan-Sep | 2019 Jan-Dec |
|---|---|---|---|---|---|
| Depreciation | 3,409 | 2,220 | 8,463 | 6,553 | 9,014 |
| **Total** | **3,409** | **2,220** | **8,463** | **6,553** | **9,014** |

## Note 9 Tax

Tax income for the quarter amounted to MSEK 3.5 (15.1), 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 and the directed share issue completed in July 2020.

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 5 November, 2020.

camurus®

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