

Promore Pharma AB (publ)

Year-end report 2018

October to December

- Net sales amounted to 1.4 (0.6) MSEK.
- The operating loss for the period was 6.5 (-10.4) MSEK
- Net loss was 7.2 (-10.9) MSEK, corresponding to a loss per share of SEK 0.35 (-0.54)
- Cash flow from operating activities amounted to -8.7 (0.2) MSEK
- Cash and cash equivalents amounted to 30.9 (63.0) MSEK

January to December

- Net sales amounted to 2.4 (0.6) MSEK.
- The operating loss for the period was 32.7 MSEK (-9.6) MSEK
- Net loss was 32.5 (-8.4) MSEK, corresponding to a loss per share of SEK -1.61 (-0.51)
- Cash flow from operating activities amounted to -32.5 (-7.0) MSEK

Significant events during the period January - December

- Cellastra Inc's option to receive a license to commercialize PXL01 in North America expired.
- Promore Pharma regained PXL01 manufacturing rights
- Out-licensing agreement for PXL01 signed with PharmaResearch Products Ltd ("PRP") meaning PRP will finance the development of PXL01 for use to prevent fibrosis after spinal surgery.
- Approval to start the LL-37 Phase IIb study (HEAL) on patients with venous leg ulcers from the Medical Product Agency in Sweden
- Approval to start the LL-37 Phase IIb study (HEAL) on patients with venous leg ulcers in Poland
- First patient recruited in HEAL LL-37 in Poland
- Successful meeting with the FDA regarding PXL01
- Approval from Drug Controller General in India to start Phase III study with PXL01

Significant events after the end of the reporting period

- Phase III trial with PXL01 modified and the number of clinics in the study expanded

" We are very pleased with the development of our LL-37 project, where we after extensive work received study approval first in Sweden and then in Poland during the summer. In October, we were able to announce that we recruited our first patient and currently the study is in a phase of active patient recruitment that proceeds according to plan."

Jonas Ekblom, President and CEO Promore Pharma

Financial overview for the Company

Amounts in MSEK	1 October - 31 December		1 January - 31 December	
	2018	2017	2018	2017
Net sales	1,4	0,6	2,4	0,6
Operating loss	-6,5	-10,4	-32,7	-9,6
Profit/Loss for the period	-7,2	-10,9	-32,5	-8,4
Earnings per share, before/after dilution, SEK ¹	-0,35	-0,54	-1,61	-0,51
Cash flow from operating activities	-8,7	0,2	-32,5	-7,0
Cash and cash equivalents at the end of the period	30,9	63,0	30,9	63,0

1) Adjusted for share split 15:1

Promore Pharma in brief:

Promore Pharma is a biopharmaceutical company specialized in the development of therapeutic peptides. The company's aim is to develop first-in-category pharmaceuticals for indications where very few efficacious prescription pharmaceuticals are available, thus, addressing high unmet medical needs. Promore Pharma's two projects are in late stage clinical development phase and have a very strong safety profile since they are based on innate substances that are administered locally. The leading project, PXL01, that will be used for prevention of post-surgical adhesions and scars, is being prepared for clinical phase III-studies in patients undergoing tendon repair surgery in the hand. LL-37 has initiated a clinical phase IIb study in patients with venous leg ulcers (VLU). The product candidates can also be deployed for other indications, such as preventing dermal scarring, adhesions after other surgical procedures and treatment of diabetic foot ulcers. The company is listed on Nasdaq First North.

CEO statement

The past year, 2018, was in many ways a decisive year for Promore Pharma. We achieved several scientific and operational milestones in our main projects. The fiscal year was characterized by continued preparatory work within our two clinical development programs - HEAL LL-37, which is a phase IIb study with our drug candidate LL-37 for the treatment of venous leg ulcers and PHSU03, a phase III study with our drug candidate PXL01 for prevention of adhesions after tendon- and nerve-repair surgeries. These two indication areas are currently without pharmaceutical products.

We are very pleased with the development of our LL-37 project, where we after extensive work received study approval first in Sweden and then in Poland during the summer. In October, we were able to announce that we recruited our first patient and currently the study is in a phase of active patient recruitment that proceeds according to plan. The goal is to include 120 patients in this multi-center study, which is carried out in Sweden and Poland.

We are also pleased that Promore Pharma received a so-called *Notice of Allowance* in the United States for a patent for the application of specific LL-37 doses medically relevant for the treatment of chronic wounds. This gives us an extended patent protection in this project.

In our clinical Phase III trial of PXL01, (PHSU03), the preparatory work continued in 2018. We have had problems with one individual supplier that has not succeeded in renewing all of the manufacturing permits required and consequently, they have not been able to provide an important component in the manufacturing chain at the specified time. This is one of several reasons why we wish to improve our long-term production capacity as well as process quality and also reducing the risks of dependency on individual suppliers in the manufacturing process. This in turn meant that we in 2018 started work on changing the manufacturing chain.

In order to minimize the likelihood of time losses on the way to market approval, the company plans to increase the number of clinics in the PHSU03 study by also including a number of hospitals in Italy, thereby minimizing the overall delay by accelerating the recruitment of patients. We have received our clinical trial application approval by the Indian Medicines Agency (Drug Controller General of India), and our goal is to solve the challenges we have left with the manufacturing chain and then to submit national clinical trial applications in Europe.

We can see several medical applications of PXL01 and in 2018 we took some important initiatives to actualize the potential of our drug candidate. In May, we entered into an out-licensing agreement with the South Korean company PharmaResearch Products Ltd. about developing PXL01 also in the field of spinal surgery. A significant proportion of surgical procedures for treating degenerative disc disorder fail because of fibrosis or adhesions. Every year, approximately two million back-surgery procedures are performed in degenerative disc disorder on the traditional drug markets, which will be the sub-segment that our partner focuses on. In addition, we plan to evaluate the applicability of using PXL01 to prevent dermal scarring, through a small controlled clinical trial (PHSU05) which we plan to start in parallel with PHSU03.

Within the PXL01 program, we also reached another significant milestone as we in the autumn had an important meeting with the US Food and Drug Administration (FDA). In this meeting, the FDA confirmed that completed manufacturing documentation and plans and nonclinical safety and local tolerability studies provide a good basis for a proposed next clinical trial. This confirmatory information will be crucial for our ability to establish a corporate partnership for the American PXL01 market.



I am convinced that we are well positioned for the future. We are today strengthened in the belief that PXL01 and LL-37 are two pharmaceuticals that have great medical and commercial potential. We have a solid, exciting and value-creating strategy in place, and our therapeutic peptides have the potential to provide significant value not only to our shareholders but most importantly, for the patients.

I want to thank our co-workers for their commitment and efforts during the past year. Our vision is a world where patients with hard-healed wounds or complications of scarring can be offered effective treatment in order to live a normal life. This vision - to solve the global medical problems of scarring, adhesions and chronic wounds - inspires our work at Promore Pharma every day, both internally and in our collaborative network.

Solna 26 February 2019

Jonas Ekblom
President and CEO

Overview of activities

Promore Pharma is a biopharmaceutical company that develops peptide-based product candidates aimed for the bioactive wound care market, the segment within the wound care market expected to show the highest growth with a CAGR of 14% per year until 2020¹. The company was founded in 2002 and has two therapeutic peptides, PXL01 and LL-37, in late stage clinical development. PXL01 is aimed for prevention of post-surgical adhesions and scars and is being prepared for clinical Phase III-studies on patients undergoing tendon repair surgery in the hand. LL-37 is being investigated in an ongoing clinical Phase IIb trial on patients with venous leg ulcers.

Promore Pharma's product candidates are based on peptides, possessing multiple biological functions and properties. These molecules are derived from sequences of human innate defence system. They are aimed for local application and have a strong safety profile since they are quickly degraded in the blood stream and are therefore unlikely to contribute to severe systemic adverse events. The results from prior clinical studies are very promising for both PXL01 and LL-37 when it comes to tolerability and safety as well as efficacy. The product candidates are protected by several international patent families offering protection until 2030 and longer. The patents provide protection in several dimensions, such as therapeutic use, formulation and dosage ranges.

Promore Pharma's product candidate represent first-in-category therapeutics for several patient groups, segments where patients experience pain, reduced mobility, and lowered quality-of-life. If Promore Pharma's product candidates in clinical development receive market authorization and are established as treatment for chronic wounds and for preventing adhesions and scars, it would mean shorter treatment times for patients and lower costs for society.

Promore Pharma is a small and cost-effective company without its own laboratories or research facilities, using a network of high-quality contract research organizations and contract manufacturing organizations. The company has experienced advisors in all critical aspects of the strategic planning process, including product development, regulatory affairs, design and execution of clinical trials.

Promore Pharma's overall strategy is to take the product candidates through clinical development to market authorization or to a point when a license agreement, alternatively a commercial deal with a larger pharmaceutical company with global presence can be realized. Such transactions may include out-partnering/licensing, strategic partnerships, joint ventures or asset sales.

About PXL01

PXL01 is derived from a human anti-bacterial protein (lactoferrin), which is part of the innate immune system. This protein and its fragments have several modes of action, including immunomodulation and enhancement of fibrinolytic activity. It is well established that inflammation and fibrin formation after surgery are two pivotal mechanisms that strongly contribute to scar formation. The development of PXL01 is initially aiming at preventing postsurgical adhesions after tendon repair surgery. In a Phase-II clinical study that has been completed by the company in several countries of the European Union (EU), it has been demonstrated that PXL01 is efficacious and safe. Promore Pharma is preparing for a clinical Phase III study in EU and India. The trial is planned as a randomized, double-blinded study including some 600 patients with flexor tendon injuries in the hand where a single administration event of PXL01 at two different doses will be compared with placebo. It is the company's ambition to conduct a similar clinical Phase III study in the USA, to form the basis for market authorization in North America. The first indication that the company is focusing on is preventing post-surgical adhesions after tendon repair surgery. Postoperative adhesions constitute a substantial clinical problem after most surgical procedures, but in particular hand surgery. Flexor tendon injury and surgical repair result in adhesion formation around the tendon, which restricts the gliding function of the tendon, leading to decreased digit mobility and impaired hand recovery. Small decreases in mobility greatly impact the quality of life due to difficulties in performing easy tasks, such as closing buttons or using a key board. A first product is aimed at obtaining a label for tendon-and nerve-repair in the hand, lower arm and foot. Additionally, it is anticipated that there are good opportunities for indication broadening, such as preventing fibrosis after spine surgery, dermal scars and adhesions after total knee arthroplasty.

About LL-37

LL-37 is based on a human antimicrobial peptide, which stimulates several processes in wound healing. In a clinical Phase IIa study conducted by the company in patients with venous leg ulcers (VLU), LL-37 showed, in the most effective dose, an increase in healing rate of relative wound area reduction of close to 70% after one month's treatment, suggesting a significantly higher efficacy than what has been reported for any other treatment in chronic wounds. No serious adverse events that were deemed to be caused by the investigational product occurred in the trial. The product candidate can easily

¹ Technavio "Global bioactive wound care market 2016-2020"

be combined with the standard wound care treatments. The development of LL-37 is initially focused on venous leg ulcers and the company has initiated a clinical Phase IIb study (HEAL) on patients with VLU in Europe. VLU constitutes the largest category of all chronic, or hard-to-heal, ulcers and represent significant challenges to patients and healthcare systems since they are frequent, costly to manage, recurring, and may persist for months or years. There are an estimated 13-18 million patients in the traditional pharmaceutical markets. Standard treatment consists of compression bandaging and there are no approved pharmaceutical products for VLUs. In the US alone, the costs for VLUs are estimated at a minimum of USD 14 billion annually. The development of LL-37 focuses initially on VLU but the company sees good potential in developing LL-37 for also diabetic foot ulcers.

Significant events during 2018

Adjusted plans for PXL01 in North America

According to the co-development agreement signed with Cellastra Inc. in San Francisco, that was entered in March 2017, Cellastra received an option to participate in the financing of the Phase III clinical trial for patients undergoing tendon repair surgery. If Cellastra solely had funded the clinical trial, Cellastra would have obtained a license to commercialize PXL01 on the North American market. The option expired by 31 December 2017, since Cellastra did not reach its fundraising objectives before the shift of the year. Promore Pharma intended to use parts of the proceeds from the share issue conducted in conjunction with the listing on Nasdaq First North to finance the Phase III clinical trial in North America if Cellastra did not do so. The share issue brought less capital than anticipated, however, and the company will primarily focus its resources on the EU, which represents the main market opportunity for PXL01. In parallel, the company continues its discussions with Cellastra, but will also consider new and complementary avenues for financing a US-based initiative.

Promore Pharma regained PXL01 manufacturing rights

In February 2018 the company agreed with PharmaResearch Products Ltd ("PRP") that Promore Pharma will assume responsibility for the manufacturing of investigational medicinal product for the PXL01 phase III trial in EU and Asia. At the same time, Promore Pharma regained the global manufacturing rights for the commercial product.

In March 2016, Promore Pharma entered into an agreement with PRP regarding development collaboration on PXL01, complemented by a manufacturing agreement in January 2017. In accordance with the agreements, PRP has contributed to the financing of the Phase III clinical trial on PXL01 through milestone payments as well as manufacturing of investigational medicinal product for the trial. In cooperation with Promore Pharma, PRP has been working intensively to prepare the manufacturing. Since the clinical trial will be conducted primarily in Europe, the parties agreed that Promore Pharma will assume responsibility for the manufacturing of investigational medicinal product to facilitate control of manufacturing and product supply for the trial. At the same time, Promore Pharma regains the global manufacturing rights for the commercial product.

Out-licensing agreement for PXL01 where PRP will finance the development of PXL01 for use to prevent fibrosis after spinal surgery

In May 2018 the company announced that PRP will fully finance the development of PXL01 to prevent fibrosis after spinal surgery used in the treatment of degenerative disc disorder ("DDD"). Promore Pharma will participate in the upside through participation in any milestone payments to PRP and a double-digit royalty from worldwide sales of the product. As part of the original agreement between the two companies from March 2016, PRP received the rights to develop and commercialize a medical device for spinal surgery and only in certain Asian markets. The new agreement means an expansion of this strategic collaboration to include a license to develop also a pharmaceutical product world-wide.

Approval for Phase IIb trial with LL-37 from the Medical Products Agency of Sweden

In July 2017, Promore Pharma received an approval from the Swedish Medical Products Agency to start a Phase IIb study with LL-37 (HEAL) for treatment of venous leg ulcers. HEAL (A Study in Patients with Hard-to-Heal Venous Leg Ulcers to Measure Efficacy and Safety of Locally Administered LL-37) is anticipated to recruit 120 patients in Sweden and Poland with venous leg ulcers (VLU) with a size up to 40 square centimeters. The study will have three arms, two where patients will receive LL-37 and one placebo arm. The treatment will be ongoing for thirteen weeks, two times a week in connection with regular change of wound dressing. The primary end point is the proportion of patients who have completely healed wounds, which is what regulatory authorities require for market approval. The post-treatment follow-up period is four months.

Approval for Phase IIb trial with LL-37 in Poland

In August 2018, Promore Pharma received an approval from the Office for Registration of Medicinal Products, Medical Devices and Biocidal Products in Poland start a Phase IIb study with LL-37 (HEAL) for treatment of venous leg ulcers. HEAL (A Study in Patients with Hard-to-Heal Venous Leg Ulcers to Measure Efficacy and Safety of Locally Administered LL-37) is anticipated to recruit 120 patients in Sweden and Poland with venous leg ulcers.

First patient enrolled in HEAL LL-37

Promore Pharma announced in October 2018 that the first patient has been enrolled in the company's Phase IIb study (HEAL) with the company's product candidate LL-37 for treatment of venous leg ulcers. The patient is treated at Klinika Flebologii in Warsaw.

Successful meeting with the FDA regarding PXL01

Promore Pharma announced in October 2018 that a Pre-Investigational New Drug Meeting with the US Food and Drug Administration (FDA) had been held to discuss manufacturing, quality, nonclinical and clinical documentation for PXL01 and the design of a potential clinical Phase III study. The FDA confirmed that completed manufacturing documentation and plans, as well as nonclinical safety and local tolerability studies, provide a good basis for a proposed next clinical trial. The FDA concluded that the next clinical trial in the United States, where design is still being discussed, in combination with the results of the Clinical Phase III trial in Europe (PHSU03) could be feasible as a basis for a U.S. Market Application. The FDA had no concerns regarding Promore Pharma's product concept, with a pre-filled sterile syringe for local administration in connection to the surgery.

Approval from Drug Controller General in India for Phase III trial with PXL01

In November 2018 the Drug Controller General in India (DCGI) approved Promore Pharma's application to start a clinical Phase III study with PXL01 to prevent post-surgical adhesions after tendon repair surgery. The approval is for a double-blind clinical study on patients undergoing tendon repair surgery in the hand. The filing is part of a multi-national clinical trial (PHSU03) that aims at enrolling approximately 600 patients where a single administration event of PXL01 at two different doses will be compared with placebo. The company is aiming to submit filings in several countries in the EU under the same protocol.

Significant events after the reporting period

Phase III trial with PXL01 modified and the number of clinics in the study expanded

The company announced in February 2019 that the company is making adjustments to the manufacturing chain of the investigational medicinal product for the company's clinical phase III study, PSHU03, with PXL01 for prevention of adhesions following tendon repair surgery. The product consists of a kit with several components and is supplied through contract manufacturing where service providers in both the USA and Europe are engaged. One of these service providers has not succeeded in renewing all of the manufacturing permits required, which affects the coordination of the manufacturing chain, and it consequently cannot be implemented according to the original plan. In order to reduce the likelihood of time losses on the way to market approval, the company plans to increase the number of clinics in the PHSU03 study by also including a number of hospitals in Italy, thereby minimizing the overall delay by accelerating the recruitment of patients.

Other events

Patent granted for PXL01 in the United States

The company was granted a patent for PXL01 in combination with high molecular weight hyaluronic acid in January 2018, through its wholly owned subsidiary Pergamum. The patent is valid until January 12, 2030. Patents within the same patent family have previously been granted in several countries in Europe, South Africa and Australia.

Expanded indications of PXL01 in the field of dermal scarring

In September 2018, Promore Pharma announced that the company is planning for a clinical Phase I/II study to explore the feasibility of using PXL01 for prevention of dermal scarring. The study will be performed in Sweden and co-ordinated by Fredrik Huss, Associate Professor in Plastic Surgery at Uppsala University.

Investigator meeting for HEAL LL-37 in Poland

In September 2018 the company hosted an Investigator Meeting for HEAL LL-37. The meeting gathered physicians, nurses and study coordinators from clinics in Poland that will participate in the HEAL study and representatives for Promore Pharma, Clinical Research Organisation PCG Clinical Services and subcontractor EastHORN Clinical Services. Some 30 people attended the meeting which took place in Warsaw, Poland. The purpose was to meet study personnel from the participating clinics and to go through the HEAL study to ensure that the study is done in accordance with the Study protocol, guidelines and current rules.

PRP exercised call option in Promore Pharma

PRP chose in December 2018 to exercise the call option granted by the other main shareholders Midroc New Technology AB (Midroc) and Rosetta Capital IV Sarl (Rosetta) in May 2017 which meant that Midroc and Rosetta granted PRP an option to acquire 548,184 shares in Promore Pharma from Midroc and Rosetta so that PRP's shares, after the exercise of the option together with the number of shares PRP acquired in the share issue in connection with the listing on Nasdaq First

North, would be 1,363,635 shares, corresponding to the number of shares PRP was entitled to following a previous agreement. The exercise price for the shares is the quota value. The transaction is taking place outside the stock market.

After the transaction the Midroc group holds 6,813,219 shares, Rosetta 6,291,592 shares and PRP 4,772,715 shares in Promore Pharma.

Subscription price for Promore Pharma's warrants TO1 determined

The subscription price for warrant TO1 in Promore Pharma AB was determined according to the terms and conditions for the warrants to 23.30 SEK per share.

Financial information

Net sales and result fourth quarter 2018

Promore Pharma is an innovation company and its product candidates are still undergoing clinical development. Consequently, the company has no revenues from products sales during the reporting period. Reported net sales of 1.4 MSEK are re-invoiced manufacturing and consulting costs. The net operating loss for the period was 6.5 (-10.4) MSEK, which was explained by higher costs for preparing for the company's clinical trial HEAL LL-37 in the fourth quarter 2017.

Net sales and result 2018

Promore Pharma is an innovation company and its product candidates are still undergoing clinical development. Consequently, the company has no revenues from product sales during the reporting period. In 2018, the company's net sales amounted to 1.4 (0.6) MSEK, which is primarily attributable to the re-invoicing of manufacturing and consulting costs. Other operating income amounted in 2018 to 0.7 MSEK (15.0 MSEK). In 2018 other operating income are mainly research funding for the FORMAMP project and in 2017 other operating income were milestone payments from PharmaResearch Products Ltd amounting to 1.5 MEUR.

The company's costs for raw materials and consumables are mainly related to development costs, such as costs for patents, products for the clinical trials and consultants working with the development of the company's candidate drugs. During 2018 these costs increased to 24.5 MSEK (10.9 MSEK) since costs for preparing and starting the company's clinical trials have increased.

Other external costs decreased in 2018 to 5.8 MSEK (9.5 MSEK), mainly due to higher costs in 2017 as a consequence to the company's IPO.

Personnel expenses increased in 2018 to 4.3 (3.4 MSEK) due to the employment of the company CEO from 1 May 2017.

Net loss for 2018 amounted to 32.5 MSEK (-8.4 MSEK), corresponding to a loss per share of SEK 1.61 (-0.51).

Liquidity and financing

The cash flow from operating activities in 2018 amounted to -32.5 MSEK (-7.0 MSEK), explained by increasing costs for the company's clinical projects. The cash-flow from investments during the period amounted to 0.5 MSEK (0.3 MSEK). Both in 2018 and 2017 the company has divested shares in Herantis Pharma Oyj.

The cash flow from financing activities was -0.04 MSEK (63.1 MSEK) during the period. In 2017 the company made a share issue in connection with the listing on Nasdaq First North.

The company's cash and cash equivalents amounted to 30.9 MSEK per 31 December 2018, as compared to 63.0 MSEK per 31 December 2017.

Auxiliary information

Number of shares

Promore Pharma's share is listed on Nasdaq First North in Stockholm since 6 July 2017 with the ticker PROMO and ISIN code SE0009947740. The number of shares as of 31 December 2018 was 20,235,090 (20,235,090). The average number of shares in the fourth quarter 2018 was 20,235,090 (20 235 090) and in 2018 20,235,090 (16,612,447). The main owners the Midroc Group, Rosetta Capital IV S.a.r.L., and PharmaResearch Products Ltd. own over 88 percent of shares in the company.

Promore Pharma issued in connection with the listing on Nasdaq First North 6,523,560 warrants. The subscription price was determined according to the terms and conditions for the warrants to 23.30 SEK per share on 31 January 2018. The subscription period ended on 22 February 2019. There are additional outstanding warrants, which entitle to subscription of 1,910,310 shares. These warrants are held by PharmaResearch Products Ltd., Technomark Group USA LLC and Kentron Biotechnology Pvt. Ltd., all partners to the company for the development of PXL01 and these outstanding warrants correspond to a potential dilution 8.6%.

Holding of shares in Herantis Pharma Oyj

The company holds shares in the Finnish biotech company Herantis Pharma Oyj. This is a consequence of a passive historic holding in the Finnish company Biocis Oy since the formation of Pergamum AB in 2010. Biocis has since then undergone a number of corporate mergers and ownership restructurings which has resulted in a holding of shares in Herantis Pharma

Oyj, a company that executed an IPO in 2015. Promore Pharma's holding of shares in Herantis Pharma Oyj amounted to 50,282 per 31 December 2018. The board of directors of the company has decided that this holding shall be divested in a step-wise fashion.

Personnel

Promore Pharma has a small and cost-effective organization that primarily is focused on business development, project coordination as well as management of intellectual property and core development documentation. All personnel except the CEO operate on a consultancy basis. Per 31 December 2018, the company consequently had one employee.

Transactions with related parties

The company has not been part of any transactions involving related parties during the report period.

Annual General Meeting

The Annual General Meeting will be held on 21 May 2019 at 14.00 at Wenner-Gren Center, Biblioteket, plan 24, Sveavägen 166, in Stockholm. The Annual Report for 2018 will be available at Promore Pharma's office, Fogdevreten 2 in Solna and on the company's website promorepharma.com, at least three weeks before the Annual General Meeting.

Proposed dividend

The Board of Directors proposes that no dividend is paid for 2018.

Financial calendar

Interim report January – March 2019	21 May 2019
Annual General Meeting	21 May 2019
Interim report January – June 2019	27 August 2019
Interim report January – September 2019	26 November 2019

Review by auditor

This report has not been reviewed by the Company's auditor.

Solna 26 February 2018

Göran Pettersson

Chairman

Marianne Dicander Alexandersson

Torsten Goesch

Satyendra Kumar

Göran Linder

Consolidated income statement

Amounts in SEK	1 October - 31 December		1 January - 31 December	
	2018	2017	2018	2017
Operating income				
Net sales	1 374 269	612 130	2 446 785	632 126
Other operating income	-995	13 697	683 892	14 957 599
Operating expenses				
Commodities and supplies	-4 547 988	-7 093 989	-24 452 267	-10 937 930
Other external expenses	-1 955 319	-2 364 811	-5 841 185	-9 526 716
Personnel costs	-1 087 450	-1 297 583	-4 189 945	-3 422 010
Depreciation and impairments on fixed assets	-304 286	-304 286	-1 217 143	-1 217 142
Other operating expenses	-12 214	-7 604	-106 367	-69 052
Operating loss (EBIT)	-6 533 983	-10 442 446	-32 676 230	-9 583 125
Financial items		0	0	0
Net financial items	-637 744	-447 104	193 147	1 151 141
Profit/loss after financial items	-7 171 727	-10 889 550	-32 483 083	-8 431 984
Profit/loss before tax	-7 171 727	-10 889 550	-32 483 083	-8 431 984
Tax	-	-	-	-
Profit/Loss for the period	-7 171 727	-10 889 550	-32 483 083	-8 431 984

Consolidated balance sheet

Amounts in SEK	31 December 2018	31 December 2017
ASSETS		
FIXED ASSETS		
Intangible fixed assets	1 825 714	3 042 856
Tangible fixed assets	0	0
Financial fixed assets	2 809 597	3 035 393
Total fixed assets	4 635 311	6 078 249
CURRENT ASSETS		
Short term receivables	2 079 807	2 297 173
Cash at bank and in hand	30 882 428	62 972 202
Total current assets	32 962 235	65 269 375
TOTAL ASSETS	37 597 546	71 347 624
EQUITY AND LIABILITIES		
EQUITY		
Share capital	809 404	809 404
Other equity including the result for the period	32 437 709	64 920 790
Total equity	33 247 113	65 730 194
LONG-TERM LIABILITIES		
Other liabilities to credit institutions	714 038	714 038
Other liabilities	280 860	330 869
Total long-term liabilities	994 898	1 044 907
CURRENT LIABILITIES		
Accounts payable	1 312 038	3 409 044
Other current liabilities	2 043 497	1 163 479
Total current liabilities	3 355 535	4 572 523
TOTAL EQUITY AND LIABILITIES	37 597 546	71 347 624

Consolidated cash flow analysis

Amounts in SEK	1 October - 31 December		1 January - 31 December	
	2018	2017	2018	2017
OPERATING ACTIVITIES				
Profit after financial items	-7 171 727	-10 889 550	-32 483 083	-8 431 984
Adjustments for items not included in cash flow	883 800	1 060 772	960 013	369 255
Tax paid	0	0	0	0
Cash flow from operating activities before changes in working capital	-6 287 927	-9 828 778	-31 523 070	-8 062 729
Increase/decrease other current receivables	1 791 305	-178 786	217 367	-1 681 080
Increase/decrease other current liabilities	-4 201 823	10 253 035	-1 216 988	2 785 596
Cash flow from operating activities	-8 698 444	245 471	-32 522 691	-6 958 214
Cash flow from investing activities	114 407	32 667	471 896	294 767
Cash flow from financing activities	0	-9 950 126	-38 980	63 097 078
Cash flow for the period	-8 584 037	-9 671 988	-32 089 775	56 433 632
Cash and cash equivalents at the beginning of the period	39 466 465	72 596 864	62 972 202	6 491 244
Exchange rate difference cash and cash equivalents		47 326		47 326
Cash and cash equivalents at the end of the period	30 882 428	62 972 202	30 882 428	62 972 202

Changes in equity for the group

	Share capital	Other paid-in capital	Other equity	Total equity
Amount at the beginning of the period (1 October 2018)	809 404	0	39 609 434	40 418 838
Profit for the period			-7 171 727	-7 171 727
Amount at the end of the period (31 December 2018)	809 404		32 437 708	33 247 112
Amount at the beginning of the period (1 January 2018)	809 404	0	64 920 790	65 730 194
Profit for the period			-32 483 083	-32 483 083
Amount at the end of the period (31 December 2018)	809 404	0	32 437 708	33 247 112
Amount at the beginning of the period (1 October 2017)	809 404	0	75 810 337	76 619 741
Profit for the period			-10 889 550	-10 889 550
Amount at the beginning of the period (31 December 2017)	809 404		64 920 788	65 730 192
Opening balance (1 January 2017)	54 257	0	3 399 397	3 453 654
Bonus issue	488 313		0	488 313
New issue	266 834		69 953 375	70 220 209
Profit for the period			-8 431 984	-8 431 984
Amount at the beginning of the period (31 December 2017)	809 404		64 920 788	65 730 192

For additional information, please contact

Jonas Ekblom, CEO

Phone: [+46] 736 777 540

Email: jonas.ekblom@promorepharma.com

Jenni Björnulfson, CFO

Phone: [+46] 708 55 38 05

Email: jenni.bjornulfson@promorepharma.com

Street address: Fogdevreten 2, 171 65 Solna, Sweden

Website: www.promorepharma.com

Corporate registration number: 556639-6809

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Promore Pharma's Certified Adviser is Redeye AB.

Phone: [+46] 8 121 576 90

E-mail: Certifiedadviser@redeye.se