

Xbrane Biopharma AB (publ)

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Amounts in SEK thousand	Q3 2017	Q3 2016	Q1-Q3 2017	Q1-Q3 2016
Revenue	-47	-	11,236	-
EBITDA	-8,181	-8,433	-23,534	-17,437
Profit or loss for the period	-9,092	-9,027	-25,777	-19,033
Research and development expenses in % of total operating expenses	80%	80%	76%	72%
Cash and cash equivalents	23,624	43,923	23,624	43,923
Earnings per share before dilution, SEK	-1.53	-1.95	-4.91	-3.27
Earnings per share after dilution, SEK	-1.38	-1.55	-4.14	-3.37

About Xbrane Biopharma

Xbrane is a commercial phase Swedish biopharmaceutical company specialized in biosimilars and long acting injectables. Xbrane has world leading expertise in developing generics for long acting injectable drugs and proprietary high-yield protein expression technology for the development of biosimilars. Xbranes' headquarter is located in Solna outside of Stockholm and the company's in-house research and development facilities are in Sweden and Italy. Xbrane is listed at Nasdaq First North since February 3rd, 2016 under the name XBRANE and Avanza Bank AB is Xbrane's Certified Adviser.

For more information see www.xbrane.com.



CEO comments

Dear shareholders,

In July, our partner received marketing authorization for Spherotide in Iran. After just 4 months on the market, Spherotide, locally named Microrelin®, has sold close to 20,000 doses. We are pleased to see that the product is so well received in the market and that sales are ramping up quickly. Through a further order to be delivered during the fourth quarter, we will reach sales of Spherotide for the full year of approximately SEK 20 million.

Preparations for clinical studies with Spherotide continue. We have worked with the development and validation of a few additional analytical methods required by the European authorities. We have also had further meetings with regulatory authorities to clarify all details for the clinical trials. We intend to initiate two separate phase III clinical trials with Spherotide 1 month formulation, one in prostate cancer patients and one in endometriosis patients. The objective of the study in endometriosis patients is to support market authorization for all female indications for which the original drug is approved: endometriosis, uterine fibroids and breast cancer. The studies are estimated to take approximately one year to complete, after which a regulatory process can be initiated to achieve regulatory approval and market authorization in Europe and US.

The Xlucane development program is focused around the scale-up process together with our contract manufacturer BiotechPharma in Lithuania. From now on up until the summer of 2018, we will produce a number of commercial-scale batches. This will form the basis of a comparative analytical biochemical characterization of Xlucane, produced in commercial scale under GMP, versus the original product. We intend to initiate the pivotal phase I / III trial by the end of 2018, a study estimated to take approximately 2 years to complete, after which a regulatory process can be initiated leading to approval and to market authorization in Europe and the US.

As we previously have communicated, our ambition is to have a few commercialization partners in place before we enter the clinic for both

Spherotide and Xlucane. We are continuing our discussions and negotiations with a Chinese partner for Spherotide that we still plan to sign an outlicensing agreement with for sales and marketing of Spherotide in China this year.

In accordance with what has previously been communicated, the discussions and negotiations that Xbrane have with several world leading generics and biosimilar companies regarding out-licensing of Xlucane and Spherotide continue. Overall commercial terms are agreed upon with a couple of potential partners who are currently doing an active evaluation of the products. No decisions have been taken nor agreements have been signed and if/when this happens, Xbrane will communicate such information to the market in accordance with current rules and regulations.

During the autumn we have also prepared the company for listing on the Nasdaq OMX Main list. We release this quarterly report with our first financial reporting in accordance with IFRS and we have improved internal processes and ways of working to meet the requirements of Nasdaq. We intend, as previously communicated, to apply for listing on OMX's Main list during 2018.

Thank you for your continued support,



Martin Åmark



Business description

Xbrane Biopharma is a biotechnology company that develops and manufactures biosimilars and long-acting injectable drugs. The goal is to make accessible difficult-to-manufacture pharmaceuticals to the global population based on unique technology platforms that allow cost efficient production. Xbrane has a patented protein production platform with up to 8 times higher yield compared to standard systems in E.coli and world leading competence within development and production of microsphere based pharmaceuticals with long acting effect in the body.

Xbrane's leading product in the long-term injectable drug segment is Spherotide. Spherotide is a long-acting formulation with the active substance triptorelin, used mainly in the treatment of prostate cancer, endometriosis, breast cancer and myoma. The originator drug that Spherotide addresses has a total annual sales of approximately USD 500 million for all its formulations.

Xbrane's leading product in the biosimilar segment is Xlucane. Xlucane is a ranibizumab biosimilar (originator drug Lucentis®) used in the treatment of various eye diseases, mainly wet form of age-related macular degeneration. Lucentis® has annual sales of approximately USD 3.2 billion.

Organization

The Xbrane Group consists of the parent company, Xbrane Biopharma AB, and the Italian wholly-owned subsidiary, Primm Pharma s.r.l., acquired on September 30, 2015. The parent company is focused on research and development of biosimilars with Xlucane as a leading product, while Primm Pharma is focused on long-term injectable with Spherotide as the leading product. Primm Pharma owns production facilities for Spherotide outside Naples in Italy.

Significant events for the period

- » Spherotide receives market approval in Iran
- » Xbrane confirms order of Spherotide to a value of SEK 8.5 million
- » The Board decided to initiate the preparation for a listing change to Nasdaq OMX Main list

Significant events after the period

- » Xbrane Biopharma AB appoints Dina Jurman, Head of Clinical Affairs, as a member of the management team

Shares and shareholders

As per September 30, 2017, Xbrane had a total of approximately 2,300 shareholders distributed on 5,956,770 shares. The ten largest shareholders by the end of this report's period are shown in the table below.¹

Name	No. of shares	Ownership, %
Serendipity Ixora AB	1,295,723	21.75%
Paolo Sarmientos	327,295	5.49%
Försäkringsaktiebolaget Avanza pension	257,992	4.33%
Nordnet Pensionsförsäkring AB	184,276	3.09%
Active Invest-Sweden AB	163,934	2.75%
Michael Löfman	160,000	2.69%
Martin Åmark	111,890	1.88%
Christer Skogum	111,800	1.88%
Swedbank försäkring	111,350	1.87%
Jan-Willem De Gier	89,223	1.50%
10 largest shareholders in total	2,813,483	47.23%
Summary others	3,143,287	52.77%
Total outstanding shares	5,956,770	100.00%

¹ Based on complete public share register of directly owned and nominee registered shareholders. Source: Modular Finance.

Operational update

Spherotide

Xbrane's partner Pooyesh Darou was recently granted marketing authorization in Iran for Spherotide 1-month formulation, and the product is now sold and marketed under the name Microrelin®. Xbrane is currently evaluating, with its partner, the ability to get market approval for the product in neighboring countries in the Middle East based on the approval in Iran.

Xbrane is currently in the final stages of the development of Spherotide 3-months formulation, after which the production process will scale up to commercial scale in the same production facility where the 1-month formulation is produced.

To achieve market authorization for Spherotide in Europe and in the US, three pivotal phase III clinical trials are required, one in prostate cancer patients for each formulation and one in endometriosis patients for the 1-month formulation. The objective of the trials is to study the effect, in terms of hormone levels in the patients after treatment, and to compare with the originator product. Xbrane has received scientific advice from the German authorities, Bundesinstitut für Arzneimittel und Medizinprodukte, BfArM, and the Food and Drug Administration, FDA, in the United States regarding the design of these clinical trials and is currently carrying out final preparations to be able to initiate the study on the 1-month formulation. Xbrane's goal is to have concluded an agreement with one or more commercialization partners before initiating the clinical study, and thereby fully or partially finance the clinical program for Spherotide. A couple of pharmaceutical companies are currently conducting evaluation of Spherotide for this purpose.

In order to achieve market authorization for Spherotide in China, local clinical studies are required based on the approved product in Europe. Therefore, local clinical trials cannot be initiated until Spherotide has been granted market authorization in Europe. Xbrane is in the final stages of negotiations with a commercialization partner for the product in China.

Xlucane

Xbrane has developed the pilot scale production process for Xlucane and has demonstrated positive in vitro biosimilarity data on the basis of an analysis package consisting of over 20 analytical methods in accordance with EMA and FDA guidelines. Xbrane has discussed the analytical package and received scientific advice regarding the continued pre-clinical and clinical development of Xlucane from both EMA and FDA. Xbrane is currently carrying out the process of scale up of the production process to commercial scale together with its contract manufacturer BiotechPharma in Lithuania. After successful scale up and demonstration of positive in vitro biosimilarity data on the basis of a number of Xlucane batches produced at commercial scale, the clinical study can be initiated.

Xbrane intends to conduct a pivotal phase I / III study in patients with wet form of age-related macular degeneration, where the effect in terms of visual improvement with Xlucane is compared to the originator drug Lucentis®. As for Spherotide, Xbrane's goal is to conclude an agreement with one or more commercialization partners before the clinical trial is initiated, in order to fully or partially finance the study.

Financial summary for the Group

	2017-07-01	2016-07-01	2017-01-01	2016-01-01	2016-01-01
Amounts in Swedish kronor (SEK)	2017-09-30	2016-09-30	2017-09-30	2016-09-30	2016-12-31
Revenue	-47,403	-	11,236,265	-	-
Research and development expenses	-6,620,033	-6,834,007	-20,450,466	-14,014,500	-18,059,213
Research and development expenses as a % of total operating expenses	80.0%	79.7%	76.0%	71.7%	59.5%
Operating profit or loss	-8,839,528	-9,015,711	-25,414,806	-18,902,875	-27,701,685
Cash and cash equivalents	23,624,168	43,923,136	23,624,168	43,923,136	31,338,378
Equity ratio, %	89.8%	90.4%	89.8%	90.4%	91.3%
Number of shares end of period	5,956,770	4,623,314	5,956,770	4,623,314	4,755,546
Average number of shares	5,941,346	4,623,314	5,246,673	5,813,509	4,508,409
Average number of shares after dilution	6,602,553	5,813,509	6,229,535	5,640,237	5,706,191
Earnings per share before dilution	-1.53	-1.95	-4.91	-3.27	-6.16
Earnings per share after dilution	-1.38	-1.55	-4.14	-3.37	-4.87

Comments on the financial report

The Group's result for the period January - September 2017

The Group's revenue for the year's first three quarter amounted to SEK 11,236 thousand (0) and refers to revenue from sales of Spherotide. Cost of goods sold amounted to SEK 8,572 thousand (0). Costs of goods sold consist of just under half of purchased raw materials, in other words not only consumed materials, which means that costs for part of future items sold are already expensed. The remaining part of the cost of goods sold consists of the manufacturing cost for the contract manufacturer, leasing costs for production equipment and depreciation. Both raw materials and manufacturing costs are affected by economies of scale, which means that the gross margin, which amounted to 24% during the period, is expected to increase with increased production.

Other operating income amounted to SEK 727 thousand (2,107) and refers to licenses income from protein expression technology as well as tax concession for Italian subsidiary. Selling and distribution expenses amounted to SEK 1,071 thousand (0). Administrative expenses amounted to SEK 7,209 thousand (6,920). Research and development expenses amounted to SEK 20,450 thousand (14,014) of which SEK 12,175 thousand concerns Xlucane and SEK 8,280 thousand concerns Spherotide. Other operating expenses amounted to SEK 75 thousand (75).

The number of employees increased during the period from 16 to 20. Personnel expenses amounted to SEK 10,029 thousand (7,145), of which SEK 224 thousand consisted of non-cash flow provision for incentive programs. About two thirds of personnel costs refers to research and development, approximately one fourth refers to administrative costs and the remaining part refers to selling and distribution expenses.

Depreciation amounted to SEK 1,880 thousand (1,602), of which SEK 1,831 thousand refers to depreciation of property, plant and equipment and SEK 49 thousand refers to depreciation of intangible assets.

The Groups operating result amounted to SEK -25,415 thousand (-18,903).

Financial income was marginal and amounted to 0 TSEK. Financial expenses amounted to SEK -363 thousand (-178) and amounts of SEK 88 thousand of interest expenses mainly from leases. The remaining part consists of translation differences and exchange rate losses on receivables and liabilities.

The Group's result for the period July - September 2017

The Group's revenue amounted to SEK -47 thousand (0) and refers to currency translation differences. Cost of goods sold amounted to SEK 193 thousand (0) and refers mainly to purchased raw materials for future production and also leasing of production equipment. Other operating income amounted to SEK 331 thousand (138) and concerns license income from protein expression technology and tax concessions for Italian subsidiary. Selling and distribution expenses amounted to SEK 284 thousand (0) and refers mainly to personnel expenses. Administrative expenses amounted to SEK 1,975 thousand (2,282). Research and development

expenses amounted to SEK 6,620 thousand (6,834) of which SEK 1,568 thousand concerns Xlucane and SEK 5,053 thousand concerns Spherotide. Other operating expenses amounted to SEK 51 thousand (37).

The number of employees increased during the period from 18 to 20. Personnel expenses amounted to SEK 3,120 thousand (2,473), of which SEK -93 thousand consisted of non-cash flow provision for incentive programs. About two thirds of personnel costs refers to research and development, approximately one fourth refers to administrative costs and the remaining part refers to selling and distribution expenses.

Depreciation amounted to SEK 658 thousand (718), of which SEK 642 thousand refers to depreciation of property, plant and equipment and SEK 16 thousand refers to depreciation of intangible assets.

The Group's operating result amounted to SEK -8,840 thousand (-9,016).

Financial income was negative and amounted to SEK -18 thousand (16), which is explained by currency translation differences. Financial expenses amounted to SEK -235 thousand (-28), of which SEK -49 thousand consisted of interest expenses primarily from leases. The remaining part consists of currency translation differences and exchange rate losses on receivables and liabilities.

Group cash flow for the period January - September 2017

Cash flow from current operations amounted to SEK -25,747 thousand (-27,898).

Cash flow from investing activities amounted to SEK 950 thousand (-12,182) and the positive effect is primarily due to previous year's capitalization that has been reclassified and expensed, as well as non-cash currency translation differences. Cash flow from investments in property, plant and equipment amounted to SEK 671 thousand (-7,858), of which SEK -266 thousand relates to investments in laboratory equipment and SEK -92 thousand relates to investments in computers, while the remaining SEK 1,029 thousand refers to adjustments and currency translation differences. Cash flow from investments in intangible fixed assets amounted to SEK 279 thousand (-2,786) and relates to currency translation differences.

Cash flow from financing activities amounted to SEK 17,083 thousand (81,179) and refers to two new issues of shares which in total brought in SEK 17,450 thousand after issue costs, as well as a decrease in liabilities and loans.

Group cash flow for the period July - September 2017

Cash flow from current operations amounted to SEK -7,950 thousand (-11,366).

Cash flow from investing activities corresponded to SEK -53 thousand (-1,628) and the positive effect is primarily due to previous year's capitalization that has been reclassified and expensed as well as currency translation differences.

Cash flow from investments in property, plant and equipment amounted to SEK 209 thousand (-106), of which SEK -244 thousand relates to investments in laboratory equipment and SEK -20 thousand relates to investments in computers, while the remaining SEK 473 thousand refers to adjustments and currency translation differences.

Cash flow from investments in intangible fixed assets amounted to SEK -262 thousand (-891) and relates to currency translation differences.

Cash flow from financing activities amounted to SEK -739 thousand (224) and relates to issue costs for new share issues carried out during Q2 and Q3 as well as costs for converting convertible loan. Liabilities and loans decreased during the period by SEK 263 thousand (755).

The Group's financial position

The Group's cash and cash equivalents by the end of the period amounted to SEK 23,624 thousand (43,923). Current liquid assets, working capital and estimated income are expected to finance the Group's current costs for the next 12 months. For expanded and planned investments in the company's research and development projects, larger capital is required that can either be financed through milestone payments from outslicensing to partners, through loans or equity. The management actively evaluates different financing options.

The equity ratio was 90 percent (90).

The Group's changes in equity

During the second quarter, a directed share issue was conducted to four investors in which Carnegie Investment Bank AB acted as financial adviser. The subscription price was SEK 30.50 per share, equivalent to a discount of 7.5 percent against the closing price of 23 May. The share issue brought in SEK 20 million before issue costs and increased the number of outstanding shares by 655,738.

During the second quarter, a part of the outstanding convertible loan was converted into shares, which increased the number of outstanding shares by 528,986. This did not affect equity or cash flow other than minor transaction costs.

During the third quarter, a directed share issue was made to certain employees at par value as part of previous year's incentive programs. This increased number of outstanding shares of 16,500 and had a marginal negative impact on equity as transaction costs exceeded the payment for the shares that amounted to SEK 4 thousand.

The Parent company's result for the period January - September 2017

The Parent company has not reported any revenue or costs sold during the period.

Other operating income amounted to SEK 585 thousand (1,969) and relates to license revenues for protein expression technology. The Parent company reports no sales and distribution expenses. Administrative expenses amounted to SEK 5,751 thousand (2,379) and the increase compared to the previous period was primarily related to an expanded administrative department and costs associated with the coming list change. Research and development expenses amounted to SEK 14,587 thousand (13,123), of which SEK 12,175

thousand relates to Xlucane and SEK 2,411 thousand relates to Spherotide. The number of employees increased during the period from 12 to 16. Personnel expenses amounted to SEK 7,575 thousand (4,950), of which SEK -224 thousand consisted of non-cash provision for incentive program. About 80 percent of personnel expenses refers to research and development expenses and about 20 percent refers to administrative expenses.

Depreciation amounted to SEK 953 thousand (828) and refers only to amortization of property, plant and equipment.

The Parent company's operating result amounted to SEK -19,753 thousand (-13,533).

Financial income was marginal and amounted to SEK 0 thousand. Financial expenses amounted to SEK -275 thousand (-64), primarily due to currency translation differences and exchange rate losses on receivables and liabilities.

The Parent company's result for the period July - September 2017

The Parent company has not reported any revenue or costs of goods sold for the period.

Other operating income amounted to SEK 285 thousand (2,133) and relates to license revenues for protein expression technology. The Parent Company reports no sales and distribution expenses. Administrative expenses amounted to SEK 3,761 thousand (905), and the increase compared the previous period is primarily related to an expanded administrative department and costs associated with the coming list change. Research and development expenses amounted to SEK 1,917 thousand (13,123) of which SEK 1,578 thousand relates to Xlucane and SEK 339 thousand refers to Spherotide.

The number of employees increased during the period from 12 to 16. Personnel expenses amounted to SEK 2,424 thousand (1,759), of which SEK 93 thousand consisted of non-cash-provision for incentive program. Approximately 80 percent of personnel costs refers to research and development and about 20 percent refers to administrative expenses.

Depreciation amounted to SEK 352 thousand (360) and refers only to depreciation of property, plant and equipment.

The Parent company's operating result amounted to SEK -5,394 thousand (-8,617).

Financial income was marginal and amounted to SEK 0 thousand. Financial expenses amounted to SEK -273 thousand (2), primarily due to currency translation differences and exchange rate losses on receivables and liabilities.

The Parent company's cash flow for the period January - September 2017

Cash flow from operating activities amounted to SEK -19,221 thousand (-13,896).

Cash flow from investing activities amounted to SEK -5,211 thousand (-27,963) and the positive effect is primarily due to previous year's capitalizations, that has been reclassified and expensed, as well as non-cash-flowing translation differences.

Cash flow from investments in property, plant and equipment amounted to SEK 546 thousand (-5 756), and the positive effect is primarily due to previous year's revaluation and reclassification and non-cash currency translation differences. Cash flow from investments in subsidiaries amounted to SEK -5,756 thousand (-20,366).

Cash flow from financing activities amounted to SEK 16,936 thousand (82,157) and refers the amount that the two shares issues brought in after transaction costs.

Parent company's cash flow for the period July - September 2017

Cash flow from operating activities amounted to SEK -6,844 thousand (-6,234).

Cash flow from investing activities amounted to SEK -1,944 thousand (-5,853) of which SEK -35 SEK thousand (-1,072) consists of investments in tangible fixed assets and SEK 1,910 thousand (-4,780) consists of investments in subsidiaries.

Cash flow from financing activities amounted to -68 TSEK (0) and refers to expenses for the two share issues that took place in the second quarter as well as expenses for conversion of convertible loans.

Parent company's financial position

The Parent company's cash and bank amounted to SEK 23,016 thousand (42,496) by the end of the period.

Parent company's changes in equity

The same changes as stated in the Group's changes in equity are valid for the Parent Company.

Share information

By the end of the period Xbrane's share capital amounted to SEK 1,336 thousand (1,036), divided on 5,956,770 shares (4,956,770). The par value of all shares is SEK 0.224, and all the shares have equal rights to the Company's assets and earnings. Since February 3, 2016, Xbrane's share are listed on Nasdaq First North. The number of shareholders as of September 30, 2017 was approximately 2,300 according to public share register and nominee list*. As of September 30, 2017, the share closed at SEK 97 equivalent to a market capitalization of SEK 578 million for the Company.

Risks and uncertainties

The main risks to the business are related to:

- » Cost increase and delays in the process of launching Spherotide and Xlucane.
- » Potential discrepancies in safety and efficacy in comparison with the respective originator drugs in clinical trials for Xlucane and Spherotide.

A more detailed review of operational risks is available in the Annual Report for 2016 available on www.xbrane.com.

Organization and employees

Xbrane is headquartered in Solna, outside of Stockholm, Sweden, where the

Company also has a laboratory for research and development of biosimilars. The company has modern equipment for small scale fermentation, purification and simpler characterization of proteins. In 2015, Xbrane acquired the Italian company Primm Pharma s.r.l., located in Milan, which develops and manufactures microspheres. By the end of the period the company had 20 employees, of which 16 were located in Sweden and 4 in Italy.

Transactions with closely related stakeholders

Closely related stakeholders are defined as management and directors of the Board of Xbrane.

Since December 31, 2015, the company has a debt to the CEO of the Italian subsidiary Primm Pharma that on the balance sheet date amounted to SEK 3,012 thousand. The debt relates to provisions for severance pay and is not interest-bearing.

During the third quarter, Xbrane acquired consulting services amounting to SEK 48 thousand from Edman Life Science, owned by Peter Edman, a member of Xbrane's board.

During the third quarter, Xbrane acquired legal services from S. Legal AB amounting to SEK 154 thousand. During the first quarter Xbrane acquired accounting and administration services from Juno Ekonomi AB for a value of SEK 135 thousand. Both companies are 100 percent owned by Sdiptech AB, which in turn is owned to 76 percent by Serendipity Group AB. Saeid Esmaeilzadeh, Chairman of Xbrane owns 50 percent of Serendipity Group AB.

During the first three quarters, Primm Pharma s.r.l. has acquired administration and accounting services and rented premises from Primm s.r.l. for a amount of SEK 431 thousand of which SEK 144 thousand related to the third quarter. Primm s.r.l. is owned by 56 percent of Paolo Sarmientos, CEO of Primm Pharma, and 10 percent by Alessandro Sidoli, member of Xbrane's Board.

Certified Adviser

Xbrane's Certified Adviser at Nasdaq First North is Avanza Bank AB.

Review

This report has not been reviewed by Company's auditors.

Conversion to IFRS

The interim report for the third quarter of 2017 is the first of the Group's financial report to be prepared in accordance with IFRS. The effect of the conversion to IFRS on the Group's income statement and balance sheet for the full year 2015 and 2016 as well as the quarters between Q1 2016 and Q2 2017 can be found in the bridges on pages 9-15.

The most significant effects derive from goodwill that, in accordance with IFRS, is not depreciated. The income statement that prior to the implementation of IFRS was cost-based has been converted to a function-based.

Revenues from non-core operations has been reclassified to other operating income. However, this change is not a mandatory IFRS-conversion.

The company's auditor has reviewed the IFRS conversion for the whole year 2015 and 2016. The documentation for the IFRS conversion is in addition to in this report also available on the company's website.

Effect of conversion to IFRS on the Xbrane Group's consolidated statement of profit or loss and other comprehensive income and statement of financial position

Full year 2015

Consolidated statement of profit and loss and other comprehensive income	Prior to IFRS conversion	Change of depreciation of goodwill	Change of depreciation for start-up cost for subsidiaries	Change to NPV of debt to employees	Reclassification of income, not mandatory according to IFRS	Change to function based cost	After conversion to IFRS
Revenue	392,859				-392,859		-
Cost of goods sold	-						-
Gross profit	392,859				-392,859		-
Raw material and consumables	-256,615					256,615	-
Other external expenses	-6,632,497		-306,332			6,938,829	-
Personnel expenses	-4,138,606			2,700		4,135,906	-
Depreciation and amortization	-1,441,338	1,350,100	15,316			75,921	-
Other income	550,467				392,859		943,326
Selling and distribution expenses	-						-
Research and development expenses	-					-6,958,317	-6,958,317
Administrative expenses	-					-4,462,697	-4,462,697
Other expenses	-25,067					13,743	-11,324
Operating profit or loss	-11,550,796	1,350,100	-291,015	2,700			-10,489,011
Finance income	424						424
Finance costs	-294,413						-294,413
Net finance costs	-293,989						-293,989
Profit or loss before tax	-11,844,786	1,350,100	-291,015	2,700			-10,783,000
Income tax	-						-
Profit or loss from continuing operations	-11,844,786	1,350,100	-291,015	2,700			-10,783,000
Total comprehensive income for the period							
Items that can be transferred to profit for the period							
Translation difference, recalculation of goodwill	-						-
Total income for the period	-11,844,786	1,350,100	-291,015	2,700			-10,783,000

2015-12-31

Consolidated statement of financial position	Prior to IFRS conversion	Change of depreciation of goodwill	Reclassification of convertible debt	Change of depreciation for start-up cost for subsidiaries	Reclassification of assets	Change to NPV of debt to employees	After conversion to IFRS
ASSETS							
Goodwill	51,847,636	1,350,100					53,197,736
Intangible assets	6,025,702			-286,670	38,253		5,777,285
Tangible assets	10,023,994				-38,253		9,985,741
Total non-current assets	67,897,332	1,350,100		-286,670			68,960,762
Inventories	160,913						160,913
Accounts receivable	169,448						169,448
Currents tax receivables	2,655,288						2,655,288
Prepayments and accrued income	42,568						42,568
Other receivables	1,717,420						1,717,420
Cash and cash equivalents	2,687,560						2,687,560
Total current assets	7,433,197						7,433,197
TOTAL ASSETS	75,330,530	1,350,100		-286,670			76,393,959
EQUITY							
Share capital	500,000						500,000
Other capital	73,182,031		-54,550,272				18,631,759
Translation reserves	-3,147,111			4,345		-40	-3,142,806
Retained earnings	-23,025,725	1,350,100		-291,015		2,700	-21,963,940
Equity attributable to owners of the Company	47,509,195	1,350,100	-54,550,272	-286,670		2,660	-5,974,987
Non-controlling interests	-						-
TOTAL EQUITY	47,509,195	1,350,100	-54,550,272	-286,670		2,660	-5,974,987
LIABILITIES							
Other provisions	353,004					-2,660	350,344
Other non-current liabilities	4,063,676						4,063,676
Total non-current liabilities	4,416,680					-2,660	4,414,020
Accounts payable	4,762,519						4,762,519
Liabilities to Group companies	10,264,242						10,264,242
Tax liabilities	59,250						59,250
Other current liabilities	6,801,747		54,550,272				61,352,019
Accrued expenses and pre-paid income	1,516,897						1,516,897
Total current liabilities	23,404,655		54,550,272				77,954,927
TOTAL LIABILITIES	27,821,335		54,550,272			-2,660	82,368,947
TOTAL EQUITY AND LIABILITIES	75,330,530	1,350,100		-286,670			76,393,960

Effect of conversion to IFRS on the Xbrane Group's consolidated statement of profit or loss and other comprehensive income and statement of financial position

Q1 2016

Consolidated statement of profit and loss and other comprehensive income	Prior to IFRS conversion	Change of depreciation of goodwill	Currency translation difference of goodwill	Change of depreciation for start-up cost for subsidiaries	Change to NPV of debt to employees	Reclassification of income, not mandatory according to IFRS	Change to function based cost	After conversion to IFRS
Revenue	853,757					-853,757		-
Cost of goods sold								-
Gross profit	853,757					-853,757		-
Raw material and consumables	-95,087						95,087	-
Other external expenses	-2,827,470						2,827,470	-
Personnel expenses	-1,778,917				3,011		1,775,906	-
Depreciation and amortization	-1,539,076	1,337,390		15,172			186,513	-
Other income	7,034					853,757		860,791
Selling and distribution expenses	-							-
Research and development expenses	-						-2,199,220	-2,199,220
Administrative expenses	-						-2,697,946	-2,697,946
Other expenses	-49,770						12,190	-37,581
Operating profit or loss	-5,429,529	1,337,390		15,172	3,011			-4,073,956
Finance income	757							757
Finance costs	-101,447							-101,447
Net finance costs	-100,691							-100,691
Profit or loss before tax	-5,530,220	1,337,390		15,172	3,011			-4,174,646
Income tax	-							-
Profit or loss from continuing operations	-5,530,220	1,337,390		15,172	3,011			-4,174,646
Total comprehensive income for the period								
Items that can not be transferred to profit for the period								
Translation difference, recalculation of goodwill	-		-12,710					-12,710
Total income for the period	-5,530,220	1,337,390	-12,710	15,172	3,011			-4,187,357

2016-03-31

Consolidated statement of financial position	Prior to IFRS conversion	Transfer of IFRS conversion changes from 2015	Change of depreciation of goodwill	Currency translation difference of goodwill	Reclassification of convertible debt	Change of depreciation for start-up cost for subsidiaries	Change to NPV of debt to employees	After conversion to IFRS
ASSETS								
Goodwill	51,089,583	1,350,100	1,337,390	-12,710				53,764,363
Intangible assets	7,863,390	-248,417				15,172		7,630,145
Tangible assets	15,036,528	-38,253						14,998,275
Total non-current assets	73,989,501	1,063,430	1,337,390	-12,710		15,172		76,392,783
Inventories	3,013,727							3,013,727
Accounts receivable	169,448							169,448
Currents tax receivables	2,890,338							2,890,338
Prepayments and accrued income	689,090							689,090
Other receivables	1,437,009							1,437,009
Cash and cash equivalents	68,609,624							68,609,624
Total current assets	76,809,236							76,809,236
TOTAL ASSETS	150,798,737	1,063,430	1,337,390	-12,710		15,172		153,202,019
EQUITY								
Share capital	1,036,482							1,036,482
Other capital	162,953,300	-54,550,272			54,550,272			162,953,300
Translation reserves	-2,759,088	4,305		-12,710			15	-2,767,478
Retained earnings	-28,555,944	1,061,785	1,337,390			15,172	3,011	-26,138,585
Equity attributable to owners of the Company	132,674,750	-53,484,182	1,337,390	-12,710	54,550,272	15,172	3,026	135,083,719
Non-controlling interests								
TOTAL EQUITY	132,674,750	-53,484,182	1,337,390	-12,710	54,550,272	15,172	3,026	135,083,719
LIABILITIES								
Non-current interest-bearing liabilities	452,890							452,890
Other provisions	419,109	-2,660					-3,026	413,423
Other non-current liabilities	4,024,295							4,024,295
Non-current liabilities	4,896,295	-2,660					-3,026	4,890,609
Accounts payable	5,620,844							5,620,844
Tax liabilities	49,697							49,697
Other current liabilities	5,441,146	54,550,272			-54,550,272			5,441,146
Accrued expenses and pre-paid income	2,116,005							2,116,005
Total current liabilities	13,227,692	54,550,272			-54,550,272			13,227,692
TOTAL LIABILITIES	18,123,987	54,547,612			-54,550,272		-3,026	18,118,301
TOAL EQUITY AND LIABILITIES	150,798,737	1,063,430	1,337,390	-12,710		15,172		153,202,020

Effect of conversion to IFRS on the Xbrane Group's consolidated statement of profit or loss and other comprehensive income and statement of financial position

Q2 2016

Consolidated statement of profit and loss and other comprehensive income	Prior to IFRS conversion	Change of depreciation of goodwill	Currency translation difference of goodwill	Change of depreciation for start-up cost for subsidiaries	Change to NPV of debt to employees	Reclassification of income, not mandatory according to IFRS	Change to function based cost	After conversion to IFRS
Revenue	1,032,017					-1,032,017		-
Cost of goods sold	-							-
Gross profit	1,032,017					-1,032,017		-
Raw material and consumables	-459,027						459,027	-
Other external expenses	-2,859,823						2,859,823	-
Personnel expenses	-2,892,877				3,162		2,889,715	-
Depreciation and amortization	-2,419,348	1,364,193		358,383			696,772	-
Other income	76,216					1,032,017		1,108,233
Selling and distribution expenses	-							-
Research and development expenses	-						-4,981,273	-4,981,273
Administrative expenses	-						-1,939,857	-1,939,857
Other expenses	-16,105						15,792	-313
Operating profit or loss	-7,538,947	1,364,193		358,383	3,162			-5,813,209
Finance income	31,023							31,023
Finance costs	-49,062							-49,062
Net finance costs	-18,038							-18,038
Profit or loss before tax	-7,556,985	1,364,193		358,383	3,162			-5,831,248
Income tax	-							-
Profit or loss from continuing operations	-7,556,985	1,364,193		358,383	3,162			-5,831,248
Total comprehensive income for the period								
Items that can not be transferred to profit for the period								
Translation difference, recalculation of goodwill	-			13,402				13,402
Total income for the period	-7,556,985	1,364,193		358,383	3,162			-5,817,846

2016-06-30

Consolidated statement of financial position	Prior to IFRS conversion	Transfer of IFRS conversion changes from 2015	Change of depreciation of goodwill	Currency translation difference of goodwill	Reclassification of convertible debt	Change of depreciation for start-up cost for subsidiaries	Reclassification of assets	Change to NPV of debt to employees	After conversion to IFRS
ASSETS									
Goodwill	50,784,097	1,350,100	2,701,583	692					54,836,472
Intangible assets	8,449,524	-248,417				373,555	-689,899		7,884,763
Tangible assets	16,125,899	-38,253					689,899		16,777,544
Other non-current assets	634,700								634,700
Total non-current assets	75,994,219	1,063,430	2,701,583	692		373,555			80,133,480
Inventories	2,804,995								2,804,995
Accounts receivable	1,201,462								1,201,462
Currents tax receivables	2,956,759								2,956,759
Prepayments and accrued income	275,977								275,977
Other receivables	559,907								559,907
Cash and cash equivalents	56,693,752								56,693,752
Total current assets	64,492,851								64,492,851
TOTAL ASSETS	140,487,071	1,063,430	2,701,583	692		373,555			144,626,331
EQUITY									
Share capital	1,036,482								1,036,482
Not registered share capital	162,953,300	-54,550,272			54,550,272				162,953,300
Translation reserves	-1,385,399	4,305		692				92	-1,380,310
Retained earnings	-36,112,930	1,061,785	2,701,583			373,555		6,173	-31,969,833
Equity attributable to owners of the Company	126,491,453	-53,484,182	2,701,583	692	54,550,272	373,555		6,265	130,639,638
Non-controlling interests									
TOTAL EQUITY	126,491,453	-53,484,182	2,701,583	692	54,550,272	373,555		6,265	130,639,638
LIABILITIES									
Non-current interest-bearing liabilities	434,181								434,181
Other provisions	492,958	-2,660						-6,265	484,033
Other non-current liabilities	4,019,437								4,019,437
Non-current liabilities	4,946,576	-2,660						-6,265	4,937,651
Accounts payable	3,128,886								3,128,886
Tax liabilities	42,026								42,026
Other current liabilities	3,836,311	54,550,272			-54,550,272				3,836,311
Accrued expenses and pre-paid income	2,041,820								2,041,820
Total current liabilities	9,049,042	54,550,272			-54,550,272				9,049,042
TOTAL LIABILITIES	13,995,618	54,547,612			-54,550,272			-6,265	13,986,693
TOAL EQUITY AND LIABILITIES	140,487,071	1,063,430	2,701,583	692		373,555			144,626,331

Changes in consolidated statement of cash flow for the Group

Changes in the Group's consolidated statement of cash flow for the Group as a result of IFRS-conversion are limited and concerns reclassification in result and balance.
 Cash flow from current operation decreased by SEK 134 thousand (-0,1%).
 Cash flow from investing activities increased by SEK 264 thousand (2%).
 Cash flow from financing activities decreased by SEK 131 thousand (-0,2%).

Effect of conversion to IFRS on the Xbrane Group's consolidated statement of profit or loss and other comprehensive income and statement of financial position

Q3 2016

Consolidated statement of profit and loss and other comprehensive income	Prior to IFRS conversion	Change of depreciation of goodwill	Currency translation difference of goodwill	Change of depreciation for start-up cost for subsidiaries	Change to NPV of debt to employees	Reclassification of income, not mandatory according to IFRS	Change to function based cost	After conversion to IFRS
Revenue	71,840					-71,840		-
Cost of goods sold	-							-
Gross profit	71,840					-71,840		-
Raw material and consumables	-137,605						137,605	-
Other external expenses	-5,360,409						5,360,409	-
Personnel expenses	-2,473,291				3,360		2,469,932	-
Depreciation and amortization	-2,190,628	1,397,875		-327,048			1,119,801	-
Other income	65,730					71,840		137,570
Selling and distribution expenses	-						-14,014,500	-14,014,500
Research and development expenses	-						260,214	260,214
Administrative expenses	-						4,637,803	4,637,803
Other expenses	-65,534						28,738	-36,796
Operating profit or loss	-10,089,896	1,397,875		-327,048	3,360			-9,015,710
Finance income	16,229							16,229
Finance costs	-27,899							-27,899
Net finance costs	-11,670							-11,670
Profit or loss before tax	-10,101,566	1,397,875		-327,048	3,360			-9,027,380
Income tax	-							-
Profit or loss from continuing operations	-10,101,566	1,397,875		-327,048	3,360			-9,027,380
Total comprehensive income for the period								
Items that can not be transferred to profit for the period								
Translation difference, recalculation of goodwill	-		15,694					15,694
Total income for the period	-10,101,566	1,397,875	15,694	-327,048	3,360			-9,011,685

2016-09-30

Consolidated statement of financial position	Prior to IFRS conversion	Transfer of IFRS conversion changes from 2015	Change of depreciation of goodwill	Currency translation difference of goodwill	Reclassification of convertible debt	Change of depreciation for start-up cost for subsidiaries	Reclassification of assets	Change to NPV of debt to employees	After conversion to IFRS
ASSETS									
Goodwill	50,626,076	1,350,100	4,099,458	16,386					56,092,020
Intangible assets	8,763,733	-248,417				47,726			8,563,042
Tangible assets	17,183,831	-38,253					-767,742		16,377,836
Other non-current assets	634,700						767,742		1,402,442
Total non-current assets	77,208,339	1,063,430	4,099,458	16,386		47,726			82,435,340
Inventories	2,869,219								2,869,219
Accounts receivable	1,793,413								1,793,413
Currents tax receivables	3,278,964								3,278,964
Prepayments and accrued income	1,556,945								1,556,945
Other receivables	489,046								489,046
Cash and cash equivalents	43,923,136								43,923,136
Total current assets	53,910,723								53,910,723
TOTAL ASSETS	131,119,062	1,063,430	4,099,458	16,386		47,726			136,346,062
EQUITY									
Share capital	1,036,483								1,036,483
Not registered share capital	29,645								29,645
Translation reserves	162,923,655	-54,550,272			54,550,272				162,923,655
Retained earnings	228,140	4,305		16,386		1,219		250	250,300
Equity attributable to owners of the Company	-46,214,497	1,061,785	4,099,458			46,508		9,532	-40,997,214
Non-controlling interests									
TOTAL EQUITY	118,003,426	-53,484,182	4,099,458	16,386	54,550,272	47,726		9,782	123,242,869
LIABILITIES									
Non-current interest-bearing liabilities	415,428								415,428
Other provisions	573,759	-2,660						-9,782	561,317
Other non-current liabilities	4,021,167								4,021,167
Non-current liabilities	5,010,354	-2,660						-9,782	4,997,912
Accounts payable	3,250,670								3,250,670
Tax liabilities	69,729								69,729
Other current liabilities	2,226,753	54,550,272			-54,550,272				2,226,753
Accrued expenses and pre-paid income	2,558,130								2,558,130
Total current liabilities	8,105,282	54,550,272			-54,550,272				8,105,282
TOTAL LIABILITIES	13,115,637	54,547,612			-54,550,272			-9,782	13,103,194
TOAL EQUITY AND LIABILITIES	131,119,063	1,063,430	4,099,458	16,386		47,26			136,346,063

Changes in consolidated statement of cash flow for the Group

Changes in the Group's consolidated statement of cash flow for the Group as a result of IFRS-conversion are limited and concerns reclassification in result and balance.

Cash flow from current operation decreased by SEK 679 thousand (-2%).

Cash flow from investing activities increased by SEK 568 thousand (5%).

Cash flow from financing activities increased by SEK 111 thousand (0,1%).

Effect of conversion to IFRS on the Xbrane Group's consolidated statement of profit or loss and other comprehensive income and statement of financial position

Full year 2016

Consolidated statement of profit and loss and other comprehensive income	Prior to IFRS conversion	Change of depreciation of goodwill	Currency translation difference of goodwill	Change of depreciation for start-up cost for subsidiaries	Change to NPV of debt to employees	Reclassification of income, not mandatory according to IFRS	Change to function based cost	After conversion to IFRS
Revenue	2,490,117					-2,490,117		-
Cost of goods sold	-							-
Gross profit	2,490,117					-2,490,117		-
Raw material and consumables	-1,180,067						1,180,067	-
Other external expenses	-18,562,463						18,562,463	-
Personnel expenses	-9,409,836				12,764		9,397,072	-
Depreciation and amortization	-8,539,334	5,445,532		61,778			3,032,023	-
Other income	2,199,084					2,490,117		4,689,201
Selling and distribution expenses	-						-	-
Research and development expenses	-						-14,196,703	-14,196,703
Administrative expenses	-						-18,059,213	-18,059,213
Other expenses	-219,259						84,290	-134,969
Operating profit or loss	-33,221,759	5,445,532		61,778	12,764	-	-	-27,701,684
Finance income	137,645							137,645
Finance costs	-204,549							-204,549
Net finance costs	-66,903							-66,903
Profit or loss before tax	-33,288,662	5,445,532		61,778	12,764	-	-	-27,768,587
Income tax	-							-
Profit or loss from continuing operations	-33,288,662	5,445,532		61,778	12,764	-	-	-27,768,587
Total comprehensive income for the period	-							-
Items that can not be transferred to profit for the period	-							-
Translation difference, recalculation of goodwill	-			-114,476				-114,476
Total income for the period	-33,288,662	5,445,532		-114,476	61,778	12,764	-	-27,883,063

2016-12-31

Consolidated statement of financial position	Prior to IFRS conversion	Transfer of IFRS conversion changes from 2015	Change of depreciation of goodwill	Currency translation difference of goodwill	Reclassification of convertible debt	Change of depreciation for start-up cost for subsidiaries	Reclassification of assets	Change to NPV of debt to employees	After conversion to IFRS
ASSETS									
Goodwill	48,905,994	1,350,100	5,571,291	-114,476					55,712,910
Intangible assets	8,461,933	-248,417				63,205	-1,331,643		6,945,078
Tangible assets	16,581,154	-38,253					1,331,643		17,874,544
Other non-current assets	634,700								634,700
Total non-current assets	74,583,781	1,063,430	5,571,291	-114,476		63,205			81,167,231
Inventories	2,496,875								2,496,875
Accounts receivable	1,499,241								1,499,241
Currents tax receivables	4,867,636								4,867,636
Prepayments and accrued income	2,977,247								2,977,247
Other receivables	346,957								346,957
Cash and cash equivalents	31,338,378								31,338,378
Total current assets	43,526,334								43,526,334
TOTAL ASSETS	118,110,115	1,063,430	5,571,291	-114,476		63,205			124,693,565
EQUITY									
Share capital	1,066,127								1,066,127
Not registered share capital	162,923,655	-54,550,272			54,550,272				162,923,655
Translation reserves	-374,021	4,305	125,759	-114,476		1,427		295	-356,711
Retained earnings	-56,314,387	1,061,785	5,445,532			61,778		12,764	-49,732,527
Equity attributable to owners of the Company	107,301,374	-53,484,182	5,571,291	-114,476	54,550,272	63,205		13,059	113,900,544
Non-controlling interests	-								-
TOTAL EQUITY	107,301,374	-53,484,182	5,571,291	-114,476	54,550,272	63,205		13,059	113,900,544
LIABILITIES									
Other provisions	638,744	-2,660						-13,058	623,025
Other non-current liabilities	4,285,617								4,285,617
Non-current liabilities	4,924,361	-2,660						-13,058	4,908,642
Accounts payable	2,363,641								2,363,641
Tax liabilities	93,756								93,756
Other current liabilities	362,045	54,550,272			-54,550,272				362,046
Accrued expenses and pre-paid income	3,064,938								3,064,938
Total current liabilities	5,884,380	54,550,272			-54,550,272				5,884,380
TOTAL LIABILITIES	10,808,740	54,547,612			-54,550,272			-13,058	10,793,022
TOAL EQUITY AND LIABILITIES	118,110,115	1,063,430	5,571,291	-114,476		63,205			124,693,566

Changes in consolidated statement of cash flow for the Group

Changes in the Group's consolidated statement of cash flow for the Group as a result of IFRS-conversion are limited and concerns reclassification in result and balance.

Cash flow from current operation decreased by SEK 972 thousand (-2%).

Cash flow from investing activities increased by SEK 970 thousand (5%).

Cash flow from financing activities increased by SEK 2 thousand (-0,1%).

Effect of conversion to IFRS on the Xbrane Group's consolidated statement of profit or loss and other comprehensive income and statement of financial position

Q1 2017

Consolidated statement of profit and loss and other comprehensive income	Prior to IFRS conversion	Change of depreciation of goodwill	Currency translation difference of goodwill	Change of depreciation for start-up cost for subsidiaries	Change to NPV of debt to employees	Change to function based cost	After conversion to IFRS
Revenue	6,839,564						6,839,564
Cost of goods sold	-					-5,318,038	-5,318,038
Gross profit	6,839,564					-5,318,038	1,521,526
Raw material and consumables	-2,337,096					2,337,096	-
Other external expenses	-9,073,531					9,073,531	-
Personnel expenses	-3,125,979				3,342	3,122,638	-
Depreciation and amortization	-2,305,676	1,389,751		15,766		900,159	-
Other income	140,311						140,311
Selling and distribution expenses	-					-440,333	-440,333
Research and development expenses	-					-7,911,185	-7,911,185
Administrative expenses	-					-2,006,341	-2,006,341
Other expenses	-242,473					242,473	-
Operating profit or loss	-10,104,880	1,389,751		15,766	3,342		-8,696,022
Finance income	-						-
Finance costs	-29,241						-29,241
Net finance costs	-29,241						-29,241
Profit or loss before tax	-10,134,121	1,389,751		15,766	3,342		-8,725,263
Income tax	-						-
Profit or loss from continuing operations	-10,134,121	1,389,751		15,766	3,342		-8,725,263
Total comprehensive income for the period	-						-
Items that can not be transferred to profit for the period	-						-
Translation difference, recalculation of goodwill	-		141,143				141,143
Total income for the period	-10,134,121	1,389,751	141,143	15,766	3,342		-8,584,120

2017-03-31

Consolidated statement of financial position	Prior to IFRS conversion	Transfer of IFRS conversion changes from 2015	Change of depreciation of goodwill	Currency translation difference of goodwill	Reclassification of convertible debt	Change of depreciation for start-up cost for subsidiaries	Reclassification of assets	Change to NPV of debt to employees	After conversion to IFRS
ASSETS									
Goodwill	47,279,365	1,350,100	5,456,815	1,390,447	141,143				55,617,870
Intangible assets	8,175,147	-248,417	-1,268,438			15,774	73,457		6,747,523
Tangible assets	15,349,161	-38,253	1,331,643				-73,457		16,569,094
Other non-current assets	634,700								634,700
Total non-current assets	71,438,373	1,063,430	5,520,020	1,390,447	141,143	15,774			79,569,187
Inventories	2,261,549								2,261,549
Accounts receivable	7,082,159								7,082,159
Currents tax receivables	5,167,607								5,167,607
Prepayments and accrued income	2,201,967								2,201,967
Other receivables	489,697								489,697
Cash and cash equivalents	22,455,829								22,455,829
Total current assets	39,658,807								39,658,807
TOTAL ASSETS	111,097,180	1,063,430	5,520,020	1,390,447	141,143	15,774			119,227,994
EQUITY									
Share capital	1,066,127								1,066,127
Other capital	164,725,412	-54,550,272	54,550,272						164,725,412
Translation reserves	-338,356	4,305	13,005	696	141,143	8		2	-179,198
Retained earnings	-68,693,080	1,061,785	5,520,074	1,389,751		15,766		3,342	-60,702,361
Equity attributable to owners of the Company	96,760,103	-53,484,182	60,083,351	1,390,447	141,143	15,774		3,343	104,909,980
Non-controlling interests	-								-
TOTAL EQUITY	96,760,103	-53,484,182	60,083,351	1,390,447	141,143	15,774		3,343	104,909,980
LIABILITIES									
Non-current interest-bearing liabilities	354,030								354,030
Other provisions	706,547	-2,660	-13,058					-3,343	687,485
Other non-current liabilities	3,799,660								3,799,660
Total non-current liabilities	4,860,237	-2,660	-13,058					-3,343	4,841,175
Accounts payable	5,797,418								5,797,418
Tax liabilities	108,409								108,409
Other current liabilities	432,012	54,550,272	-54,550,272						432,012
Accrued expenses and pre-paid income	3,139,001								3,139,001
Total current liabilities	9,476,839	54,550,272	-54,550,272						9,476,839
TOTAL LIABILITIES	14,337,076	54,547,612	-54,563,330					-3,343	14,318,014
TOTAL EQUITY AND LIABILITIES	111,097,180	1,063,430	5,520,021	1,390,447	141,143	15,774			119,227,995

Effect of conversion to IFRS on the Xbrane Group's consolidated statement of profit or loss and other comprehensive income and statement of financial position

Q2 2017

Consolidated statement of profit and loss and other comprehensive income	Prior to IFRS conversion	Change of depreciation of goodwill	Currency translation difference of goodwill	Change of depreciation for start-up cost for subsidiaries	Change to NPV of debt to employees	Reclassification of income, not mandatory according to IFRS	Change to function based cost	After conversion to IFRS
Revenue	4,514,227					-70,123		4,444,104
Cost of goods sold	-						-3,061,943	-3,061,943
Gross profit	4,514,227					-70,123	-3,061,943	1,382,161
Raw material and consumables	-339,369						339,369	-
Other external expenses	-6,776,646						6,776,646	-
Personnel expenses	-3,783,655				3,365		3,780,290	-
Depreciation and amortization	-2,405,406	1,407,632		15,969			981,805	-
Other income	185,502					70,123		255,626
Selling and distribution expenses	-						-346,349	-346,349
Research and development expenses	-						-5,919,249	-5,919,249
Administrative expenses	-						-3,227,217	-3,227,217
Other expenses	-700,878						676,649	-24,229
Operating profit or loss	-9,306,224	1,407,632		15,969	3,365			-7,879,257
Finance income	18,039							18,039
Finance costs	-99,370							-99,370
Net finance costs	-81,331							-81,331
Profit or loss before tax	-9,387,555	1,407,632		15,969	3,365			-7,960,588
Income tax	-							-
Profit or loss from continuing operations	-9,387,555	1,407,632		15,969	3,365			-7,960,588
Total comprehensive income for the period								
Items that can not be transferred to profit for the period								
Translation difference, recalculation of goodwill	-		26,126					26,126
Total income for the period	-9,387,555	1,407,632	26,126	15,969	3,365			-7,934,462

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Consolidated statement of financial position	Prior to IFRS conversion	Transfer of IFRS conversion changes from 2015	Change of depreciation of goodwill	Currency translation difference of goodwill	Reclassification of convertible debt	Change of depreciation for start-up cost for subsidiaries	Reclassification of assets	Change to NPV of debt to employees	After conversion to IFRS
ASSETS									
Goodwill	46,542,273	1,350,100	5,456,815	2,816,656	167,269				56,333,113
Intangible assets	8,004,622	-324,923	-1,268,438			31,954	-148,803		6,294,413
Tangible assets	14,782,144	38,253	1,331,643				148,803		16,300,842
Other non-current assets	634,700								634,700
Total non-current assets	69,963,740	1,063,430	5,520,020	2,816,656	167,269	31,954			79,563,068
Inventories	1,618,331								1,618,331
Accounts receivable	8,459,388								8,459,388
Currents tax receivables	5,416,707								5,416,707
Prepayments and accrued income	1,153,766								1,153,766
Other receivables	490,688								490,688
Cash and cash equivalents	32,365,484								32,365,484
Total current assets	49,504,365								49,504,365
TOTAL ASSETS	119,468,104	1,063,430	5,520,020	2,816,656	167,269	31,954			129,067,433
EQUITY									
Share capital	1,332,733								1,332,733
Not registered share capital	3,795								3,795
Translation reserves	181,460,034	-54,550,272	54,550,272						181,460,034
Retained earnings	582,862	4,345	13,005	19,273	167,269	219		46	786,979
Equity attributable to owners of the Company	-77,806,988	1,061,745	5,520,074	2,797,383		31,736		6,707	-68,389,302
Non-controlling interests									
TOTAL EQUITY	105,572,437	-53,484,182	60,083,351	2,816,656	167,269	31,954		6,753	115,194,239
LIABILITIES									
Non-current interest-bearing liabilities	328,770								328,770
Other provisions	785,006	-2,660	-13,058					-6,753	762,534
Other non-current liabilities	3,760,211								3,760,211
Total non-current liabilities	4,873,987	-2,660	-13,058					-6,753	4,851,515
Accounts payable	5,972,390								5,972,390
Current tax liabilities	58,611								58,611
Other current liabilities	644,250	54,550,272	-54,550,272						644,250
Accrued expenses and pre-paid income	2,346,429								2,346,429
Total current liabilities	9,021,680	54,550,272	-54,550,272						9,021,680
TOTAL LIABILITIES	13,895,667	54,547,612	-54,563,330					-6,753	13,873,195
TOTAL EQUITY AND LIABILITIES	119,468,104	1,063,430	5,520,021	2,816,656	167,269	31,954			129,067,434

Consolidated statement of profit or loss and other comprehensive income

Amounts in Swedish kronor (SEK)	Notes	2017-07-01	2016-07-01	2017-01-01	2016-01-01	2016-01-01
		2017-09-30	2016-09-30	2017-09-30	2016-09-30	2016-12-31
Revenue	2	-47,403	-	11,236,265	-	-
Cost of goods sold		-192,571	-	-8,572,552	-	-
Gross profit		-239,974	-	2,663,714	-	-
Other income		330,780	137,570	726,717	2,106,594	4,689,201
Selling and distribution expenses		-284,463	-	-1,071,145	-	-
Administrative expenses		-1,975,319	-2,282,477	-7,208,877	-6,920,280	-14,196,703
Research and development expenses		-6,620,033	-6,834,007	-20,450,466	-14,014,500	-18,059,213
Other expenses		-50,519	-36,798	-74,748	-74,690	-134,970
Operating profit or loss	2	-8,839,528	-9,015,711	-25,414,806	-18,902,875	-27,701,685
Finance income		-18,028	16,229	11	48,010	137,645
Finance costs		-234,535	-27,899	-363,146	-178,408	-204,549
Net finance costs		-252,563	-11,670	-363,135	-130,399	-66,903
Profit or loss before tax		-9,092,090	-9,027,381	-25,777,941	-19,033,274	-27,768,588
Income tax expense		-	-	-	-	-
Profit or loss for the period		-9,092,090	-9,027,381	-25,777,941	-19,033,274	-27,768,588
Profit or loss attributable to:						
Owners of the Company		-9,092,090	-9,027,381	-25,777,941	-19,033,274	-27,768,587
Non-controlling interest		-	-	-	-	-
Total comprehensive income for the period		-9,092,090	-9,027,381	-25,777,941	-19,033,274	-27,768,587
Earnings per share						
- Basic earnings per share (SEK)		-1.53	-1.95	-4.91	-3.27	-6.16
- Diluted earnings per share (SEK)		-1.38	-1.55	-4.14	-3.37	-4.87
Number of outstanding shares at the end of the reporting period						
- Basic earnings per share (SEK)		5,956,770	4,623,314	5,956,770	4,623,314	4,755,546
- Diluted earnings per share (SEK)		6,617,977	5,813,509	6,617,977	5,813,509	5,945,741
Average number of outstanding shares						
- Basic earnings per share (SEK)		5,941,346	4,623,314	5,246,673	5,813,509	4,508,409
- Diluted earnings per share (SEK)		6,602,553	5,813,509	6,229,535	5,640,237	5,706,191

Consolidated statement of profit or loss and other comprehensive income

	2017-07-01	2016-07-01	2017-01-01	2016-01-01	2016-01-01
Amounts in Swedish kronor (SEK)	2017-09-30	2016-09-30	2017-09-30	2016-09-30	2016-12-31
Other comprehensive income					
Items that have been transferred and can be transferred to profit for the period					
Reclassification of foreign currency translation differences	-1,809,078	15,694	-1,641,809	16,386	-114,476
Items that can not be transferred to profit for the period					
Comprehensive income for the period	-1,809,078	15,694	-1,641,809	16,386	-114,476
Total comprehensive profit attributable to:					
Owners of the Company	-10,901,169	-9,011,686	-27,419,750	-19,016,888	-27,883,064
Non-controlling interest	-	-	-	-	-
Total comprehensive income for the period	-10,901,169	-9,011,686	-27,419,750	-19,016,888	-27,883,064

Consolidated statement of financial position

Amounts in Swedish kronor (SEK)	2017-09-30	2016-09-30	2016-12-31
ASSETS			
Goodwill	55,712,327	56,092,019	55,712,909
Intangible assets	6,617,138	8,563,042	6,945,078
Tangible assets	15,372,521	16,377,836	17,874,544
Financial assets	634,700	1,402,442	634,700
Non-current assets	78,336,686	82,435,339	81,167,230
Inventories	1,271,340	2,869,219	2,496,875
Accounts receivable	6,787,645	1,793,413	1,499,241
Currents tax receivables	6,250,000	3,278,964	4,867,636
Prepaid expenses and accrued income	1,306,344	1,556,945	2,977,247
Other receivables	-	489,046	346,957
Cash and cash equivalents	23,624,168	43,923,136	31,338,378
Current assets	39,239,497	53,910,723	43,526,334
TOTAL ASSETS	117,576,183	136,346,062	124,693,565
EQUITY AND LIABILITIES			
EQUITY			
Share capital	1,335,587	1,036,483	1,066,127
Not registered share capital	-	29,645	-
Other capital	179,814,415	162,923,655	162,923,655
Retained earnings	-75,593,205	-40,746,914	-50,089,239
Equity attributable to owners of the Company	105,556,797	123,242,869	113,900,543
Non-controlling interests	-	-	-
TOTAL EQUITY	105,556,797	123,242,869	113,900,543
LIABILITIES			
Non-current interest-bearing liabilities	295,321	415,428	-
Other non-current liabilities	3,623,960	4,021,167	4,285,617
Other provisions	803,987	561,317	623,025
Non-current liabilities	4,723,268	4,997,912	4,908,642
Accounts payable	3,538,401	3,250,670	2,363,641
Current tax liabilities	980,162	69,729	93,756
Other current liabilities	145,381	2,226,753	362,046
Accrues expenses, deferred income	2,632,176	2,558,130	3,064,938
Current liabilities	7,296,119	8,105,282	5,884,380
TOTAL LIABILITIES	12,019,387	13,103,194	10,793,022
TOTAL EQUITY AND LIABILITIES	117,576,183	136,346,063	124,693,565

Consolidated statement of cash flows

Amounts in Swedish kronor (SEK)	2017-07-01	2016-07-01	2017-01-01	2016-01-01	2016-01-01
	2017-09-30	2016-09-30	2017-09-30	2016-09-30	2016-12-31
Cash flows from operating activities					
Earnings before income and tax	-9,092,090	-9,027,381	-25,777,941	-19,033,274	-27,768,588
Adjustments for items not included in cash flow	1,062,129	793,281	2,046,591	1,676,564	2,332,776
Paid income taxes	-	-	-	-	-
Total	-8,029,961	-8,234,100	-23,731,350	-17,356,710	-25,435,812
Change in working capital	346,990	-64,224	1,225,534	-2,708,306	-2,335,962
Decrease/increase in inventories	1,176,561	-2,124,264	-4,652,907	-2,533,644	-5,106,357
Decrease/increase in operating receivables	-1,443,357	-943,759	1,411,739	-5,299,373	-7,520,275
Decrease/increase in operating payables	-7,949,767	-11,366,347	-25,746,984	-27,898,033	-40,398,406
Cash flows from current operations	-7,949,767	-11,577,320	-25,746,984	-28,109,006	-40,671,088
Investing activities					
Investment in tangible fixed assets	209,696	-106,094	670,929	-7,857,686	-9,948,898
Investment in intangible fixed assets	-262,526	-754,784	278,605	-2,785,757	-1,167,793
Changes in other long-term receivables	-	-767,742	-	-1,402,442	-634,700
Cash flows from investing activities	-52,830	-1,628,620	949,533	-12,045,885	-11,751,391
Cash flow from financing activities					
New share issue	-286,816	241,374	17,449,576	90,806,575	90,578,674
Increase/decrease of liabilities and loans	-451,904	-17,023	-366,336	108,678	-42,301
Repayment of loans (from Serendipity Ixora)	-	-	-	-9,735,758	-9,735,758
Cash flows from financing activities	-738,721	224,351	17,083,240	81,179,494	80,800,615
Cash flows for the period	-8,741,317	-12,770,616	-7,714,211	41,235,576	28,650,818
Change in cash and cash equivalents					
Cash and cash equivalents at beginning of period	32,365,485	56,693,752	31,338,378	2,687,560	2,687,560
Cash and cash equivalents at end of period	23,624,167	43,923,136	23,624,167	43,923,136	31,338,378
Change in cash and cash equivalents	-8,741,317	-12,770,616	-7,714,210	41,235,576	28,650,818

Consolidated statement of changes in equity

Amounts in Swedish kronor (SEK)	Not registered		Contributions	Translation reserve	Retained earnings	Total	Total equity
	Share Capital	share capital					
Balance at 1 January 2016	500,000	-	18,631,759	-3,142,806	-21,963,939	-5,974,987	-5,974,987
Profit or loss for the period	-	-	-	-	-19,033,274	-19,033,274	-19,033,274
Other comprehensive income for the period	-	-	-	3,393,105	-	3,393,105	3,393,105
Total comprehensive income for the period	-	-	-	3,393,105	-19,033,274	-15,640,168	-15,640,168
Reclassification of convertible	-	-	54,550,272	-	-	54,550,272	54,550,272
Conversion of convertible	-	29,645	-29,645	-	-	-	-
New issue of shares	536,482	-	89,771,268	-	-	90,307,750	90,307,750
Balance at 30 Sept 2016	1,036,482	29,645	162,923,654	3,643,405	-60,030,487	123,242,867	123,242,867
Balance at 1 January 2017	1,066,127	-	162,923,655	-356,712	-49,732,527	113,900,544	113,900,544
Profit or loss for the period	-	-	-	-	-25,730,528	-25,730,528	-25,730,528
Other comprehensive income for the period	386	-	-224	506,023	-279,461	226,724	226,724
Total comprehensive income for the period	386	-	-224	506,023	-26,009,989	-25,503,804	-25,503,804
Reclassification of convertible	118,493	-	-118,493	-	-	-	-
New issue of shares	150,581	-	16,843,314	-	-	16,993,895	16,993,895
- <i>New issue of shares to investors</i>	146,885	-	16,853,115	-	-	17,000,000	17,000,000
- <i>New issue of shares to employees</i>	3,696	-	-9,801	-	-	-6,105	-6,105
Effect of long term incentive program to employees	-	-	166,162	-	-	166,162	166,162
Balance at 30 Sept 2017	1,335,587	-	179,814,414	149,311	-75,742,516	105,556,797	105,556,797

The company did not have own share at the end of report or at comparative periods.

Income statement, Parent company

	2017-07-01	2016-07-01	2017-01-01	2016-01-01	2016-01-01
Amounts in Swedish kronor (SEK)	2017-09-30	2016-09-30	2017-09-30	2016-09-30	2016-12-31
Revenue	-	-	-	-	-
Cost of Sales	-	-	-	-	-
Gross profit	-	-	-	-	-
Other income	284,825	2,133,586	584,834	1,969,380	3,033,757
Selling and distribution expenses	-	-	-	-	-
Administrative expenses	-5,750,840	905,504	-5,750,840	-2,379,257	-13,089,486
Research and development expenses	-1,917,331	-11,693,721	-14,586,575	-13,122,683	-10,773,070
Other expenses	-	37,580	-	-	-
Operating profit or loss	-7,383,346	-8,617,051	-19,752,581	-13,532,560	-20,828,799
Financial items					
Financial income	-	-123	5	240	511
Financial expenses	-273,385	2,192	-275,324	-64,265	-64,312
Net finance costs	-273,385	2,069	-275,319	-64,025	-63,801
Profit or loss before tax	-7,656,731	-8,614,982	-20,027,900	-13,596,585	-20,892,600
Income tax expense	-	-	-	-	-
Profit or loss for the period	-7,656,731	-8,614,982	-20,027,900	-13,596,585	-20,892,600

Parent company statement of comprehensive income

	2017-07-01	2016-07-01	2017-01-01	2016-01-01	2016-01-01
Amounts in Swedish kronor (SEK)	2017-09-30	2016-09-30	2017-09-30	2016-09-30	2016-12-31
Profit or loss for the period	-7,656,731	-8,614,982	-20,027,900	-13,596,585	-20,892,600
Other comprehensive income for the period	-	-	-	-	-
Total Comprehensive income for the period	-7,656,731	-8,614,982	-20,027,900	-13,596,585	-20,892,600

Balance Sheet, Parent company

Amounts in Swedish kronor (SEK)	2017-09-30	2016-09-30	2016-12-31
ASSETS			
Fixed assets			
Tangible fixed assets			
Equipment, tools, fixtures and fittings	4,612,810	6,293,256	6,111,521
Total tangible fixed assets	4,612,810	6,293,256	6,111,521
Finacial fixed assets			
Participations in group companies	94,091,881	83,141,076	88,335,486
Other non-current receivables	634,700	634,700	634,700
Total financial fixed assets	94,726,581	83,775,776	88,970,186
Total fixed assets	99,339,391	90,069,032	95,081,707
Current assets			
Current receivables			
Accounts receivable, trade	-	1,793,413	1,499,241
Currents tax recievables	945,598	238,004	5,709
Prepaid expenses and accrued income	-	212,630	289,498
Recievables from subsidiaries	741,986	560,987	759,410
Other recievables	954,130	-	-
Liquid assets	23,016,374	42,495,587	30,511,999
Total current assets	25,658,088	45,300,620	33,065,857
TOTAL ASSETS	124,997,479	135,369,652	128,147,564
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	1,335,425	1,036,482	1,066,127
Not registered share capital	-	29,645	-
Total restricted equity	1,335,425	1,066,127	1,066,127
Unrestricted equity			
Share premium reserve			
Other capital	180,500,385	163,609,625	163,609,626
Profit/loss brought forward	-40,069,607	-19,278,335	-19,278,335
Profit/loss for the year	-20,027,900	-13,625,204	-20,791,270
Total equity	121,738,303	131,772,213	124,606,148
LIABILITIES			
Current liabilities			
Accounts payable	1,252,399	2,536,640	1,923,219
Current tax liabilities	928,061	-10,380	-
Other current liabilities	22,196	239,161	-
Accrues expenses, deferred income	1,056,520	832,018	1,618,198
Total current liabilities	3,259,175	3,597,439	3,541,417
TOTAL LIABILITIES	3,259,175	3,597,439	3,541,417
TOTAL LIABILITIES AND EQUITY	124,997,478	135,369,652	128,147,565

Cash flow statement, Parent company

Amounts in Swedish kronor (SEK)	2017-07-01	2016-07-01	2017-01-01	2016-01-01	2016-01-01
	2017-09-30	2016-09-30	2017-09-30	2016-09-30	2016-12-31
Current operations					
Earnings before income and tax	-5,636,840	-6,359,322	-20,027,900	-13,629,875	-20,791,270
Adjustments for items not included in cash flow	320,287	359,964	1,177,035	828,306	1,205,789
Paid taxes	-	-	-	-	-
Total	-5,316,552	-5,999,358	-18,850,864	-12,801,569	-19,585,482
Changes in working capital					
Decrease/increase in operating receivables	-1,809,830	-891,511	-87,856	-1,501,887	-1,245,002
Decrease/increase in operating liabilities	282,278	657,206	-282,242	407,812	341,409
Cash flow from current operations	-6,844,104	-6,233,663	-19,220,962	-13,895,644	-20,489,075
Investing activities					
Purchase of tangible fixed assets	-34,690	-1,072,192	545,602	-6,962,839	-7,158,587
Investments in subsidiaries	-1,909,685	-4,780,975	-5,756,395	-20,365,641	-25,560,051
Changes of non-current financial assets	-	-	-	-634,700	-634,700
Cash flow from investing activities	-1,944,375	-5,853,167	-5,210,793	-27,963,180	-33,353,338
Cash flow from financing activities					
New share issue	-67,666	3	16,936,129	92,157,263	92,157,263
Repayment of loans (from Serendipity Ixora)	-	-	-	-10,000,000	-10,000,000
Cash flow from financing activities	-67,666	3	16,936,129	82,157,263	82,157,263
Cash flow for the period	-8,856,145	-12,086,827	-7,495,626	40,298,439	28,314,851
Change in cash and cash equivalents					
Cash and cash equivalents at beginning of period	31,872,518	54,582,416	30,511,999	2,197,148	2,197,148
Cash and cash equivalents at end of period	23,016,374	42,495,587	23,016,374	42,495,587	30,511,999
Change in cash and cash equivalents	-8,856,144	-12,086,829	-7,495,625	40,298,439	28,314,851

Notes

Note 1 Accounting principles

This interim report has been prepared in accordance with IAS 34, Interim Financial Reporting, and applicable provisions in the Annual Accounts Act. The consolidated accounts have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and the Swedish Annual Accounts Act. The Group applies IFRS as from July 1, 2017 and the comparative figures for 2016 have been recalculated. The interim report for the parent company has been prepared in accordance with the Annual Accounts Act, the General Board of Accounting Board and the Council for Financial Reporting Recommendations. Accounting principles for the Parent Company are unchanged from those applied in the Annual Report 2016.

The accounting and valuation principles that apply to the company are available on the company's website.

Report per segment

Amounts in Swedish kronor (SEK)	2017-07-01	2016-07-01	2017-01-01	2016-01-01	2016-01-01
	2017-09-30	2016-09-30	2017-09-30	2016-09-30	2016-12-31
Revenue per segment					
Biosimilars	-	-	-	-	-
Long-term injectible drugs	-47,403	-	11,236,265	-	-
Total revenues	-47,403	-	11,236,265	-	-
Operating profit or loss per segment					
Biosimilars	-7,044,226	-7,815,162	-17,341,976	-12,575,380	-18,521,989
Long-term injectible drugs	-1,795,302	-1,200,549	-8,072,830	-6,327,495	-9,179,696
Operating profit or loss	-8,839,528	-9,015,711	-25,414,806	-18,902,875	-27,701,685

Note 2 Segment reporting

An operating segment is part of a group that operates, from which it can generate revenue and incur costs and for which there is independent financial information available. The operating profit or loss of a business segment is monitored by the company's highest executive decision maker who decides on resources to be allocated to the segment and assesses its long and short-term financial results. The operating segments are reported in a manner that complies with the internal reporting provided to the business's highest decision makers. The Chief Executive Officer and CEO, who is responsible for all allocating resources and evaluating the performance of the operating segments, is the highest executive decision maker who makes strategic decisions.

The Group has two operating segments - "Biosimilars" whose operations are carried out in the parent company, Xbrane Biopharma AB, and "Long-term injectible drugs", conducted in the Italian subsidiary, Primm Pharma s.r.l.

Alternative performance measures

The company presents certain financial measures in the interim report that are not defined in accordance with IFRS. The company believes that these measures provide valuable supplementary information to investors and the company's management as they enable evaluation of the company's performance. Since not all companies calculate financial measurements in the same way, these are not always comparable to measurements used by other companies. These financial measures should therefore not be seen as replacement for measures that are defined in accordance with IFRS. The tables below show measurements that are not defined in accordance with IFRS.

Gross margin

Gross margin is calculated as gross result divided by revenue. Gross result is calculated as revenue minus cost of goods sold.

	2017-07-01	2016-07-01	2017-01-01	2016-01-01	2016-01-01
Amounts in Swedish kronor (SEK)	2017-09-30	2016-09-30	2017-09-30	2016-09-30	2016-12-31
Gross result	-239,974	-	2,663,714	-	-
Divided by revenue	-47,403	-	11,236,265	-	-
Gross margin	N/A	N/A	24%	N/A	N/A

EBITDA

Shows the business's earning ability from current operations without regard to capital structure and tax situation and is intended to facilitate comparisons with other companies in the same industry.

	2017-07-01	2016-07-01	2017-01-01	2016-01-01	2016-01-01
Amounts in Swedish kronor (SEK)	2017-09-30	2016-09-30	2017-09-30	2016-09-30	2016-12-31
Operating profit or loss	-8,839,527	-9,015,711	-25,414,806	-18,902,875	-27,701,684
Depreciation, depletion and amortization	-47,403	-	11,236,265	-	-
EBITDA	-8,181,101	-8,433,403	-23,534,378	-17,437,284	-25,641,589

Research and development expenses as a percentage of operating expenses

Research and development expenses as a percentage of operating expenses show how much of the operating expenses that relates to research and development. This is calculated by dividing research and development expenses with total operating expenses excluding depreciation, depletion and amortization. Total operating expenses comprise of selling and distribution expenses, administrative expenses, research and development expenses and other operating expenses.

	2017-07-01	2016-07-01	2017-01-01	2016-01-01	2016-01-01
Amounts in Swedish kronor (SEK)	2017-09-30	2016-09-30	2017-09-30	2016-09-30	2016-12-31
Research and development expenses	-6,620,033	-6,834,007	-20,450,466	-14,014,500	-18,059,213
Divided by total operating expenses minus depreciation, depletion and amortization	-8,599,553	-9,015,711	-28,078,520	-18,902,875	-27,701,684
Research and development expenses as a percentage of operating	80.0%	79.7%	76.0%	71.7%	59.5%

Equity ratio

Equity ratio is the proportion of assets funded by equity to show the company's long-term ability to pay, ie equity through total assets.

Amounts in Swedish kronor (SEK)	2017-09-30	2016-09-30	2016-12-31
Total equity	105,556,797	123,242,869	113,900,543
Divided by total assets	117,576,183	136,346,062	124,693,565
Equity ratio	89.8%	90.4%	91.3%

More information

Financial calendar

Q4 2017	28 February
Annual Report	27 April
Q1 2018	24 May
Annual General Meeting	24 May
Q2 2018	24 August
Q3 2018	16 November
Q4 2018	28 February

For further information

Martin Åmark, CEO
+ 46 76-309 37 77
martin.emark@xbrane.com

Susanna Helgesen, CFO/IR
+ 46 70-827 86 36
susanna.helgesen@xbrane.com

www.xbrane.com

