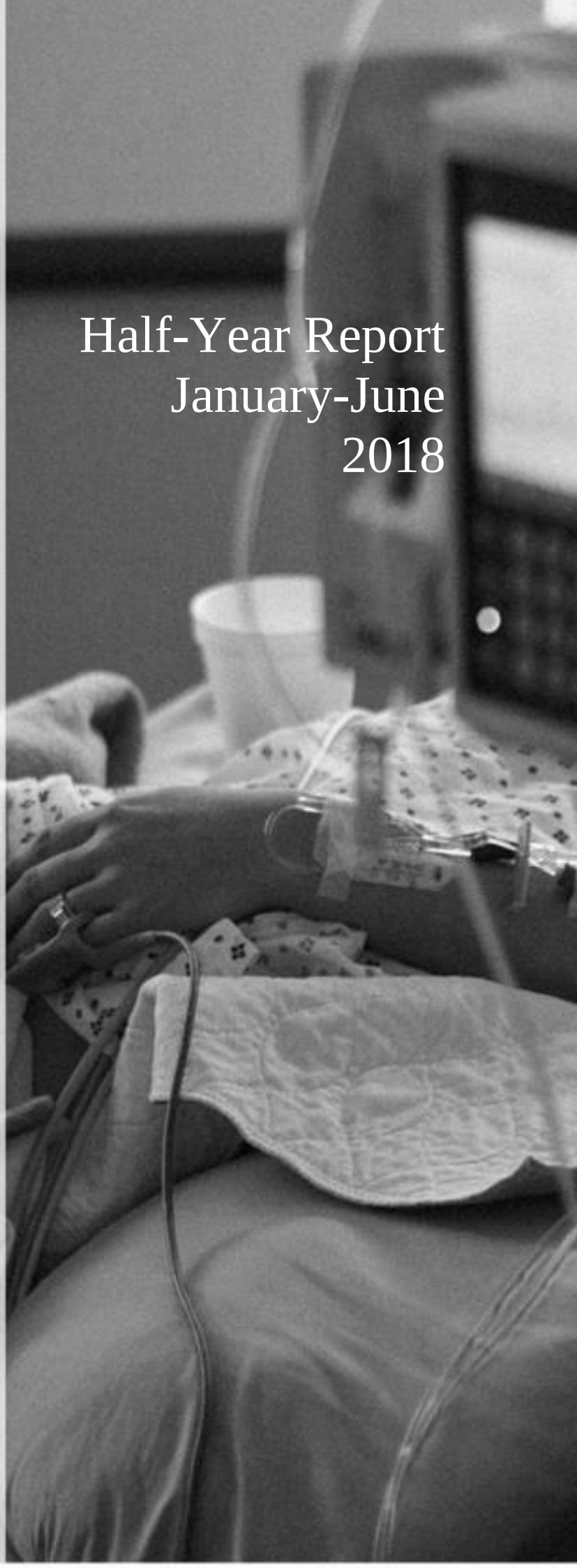
PledPharma

Half-Year Report January-June 2018



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SUMMARY

APRIL-JUNE IN BRIEF

- All planned submissions of clinical trial applications to health authorities and ethical committees for PledOx® in Europe has been submitted.
- The European investigator meeting for the POLAR studies was held in Barcelona, Spain
- European Medicines Agency (EMA) approved PledPharma's waiver application for the pediatric investigation plan (PIP)
- Japanese Medical Agency (PMDA) supports the expansion of the Phase III program for PledOx® to include Japanese patients
- PledPharma has completed recruitment of all patients in the proof-of-principle study with the drug candidate Aladote®
- Aladote® is concluded as safe in the first clinical study in patients with paracetamol overdose
- PledPharma plan to apply for Orphan Drug Designation in the US for Aladote®
- PledPharma has established a Scientific Advisory Board for the continued clinical development of Aladote®

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

- The Scientific Advisory Board for Aladote® held its first meeting with focus on the design of the next study
- PledPharma's supplier has manufactured the active pharmaceutical ingredient (API) which will now be used to finalise formulation and production of PledOx® study drug before dosing of first patient in the global phase III program. Delivery of the newly produced study drug is expected in September 2018

FINANCIALS FOR THE QUARTER, APRIL-JUNE

- Quarterly result MSEK -28.2 (-16.2)
- Cash flow from operating activities MSEK -28.3 (-19.6)
- Result per share SEK -0.6 (-0.3)

FINANCIALS FOR THE PERIOD, JANUARY-JUNE

- Loss for the period MSEK -44.0 (-28.5)
- Cash position MSEK 267.1 (363.7)
- Cash flow from operating activities MSEK -42.5 (-31.6)
- Result per share SEK -0.9 (-0.6)

FINANCIAL SUMMARY

	2018 Apr-Jun	2017 Apr-Jun	2018 Jan-Jun	2017 Jan-Jun	2017 Jan-Dec
Result after tax, SEKk	-28,211	-16,189	-44,022	-28,470	-87,935
Cash flow, SEKk	-27,289	-18,293	-42,478	-30,251	-84,468
Cash, SEKk	267,053	363,748	267,053	363,748	309,531
Equity ratio %	92%	98%	92%	98%	96%
Result per share, SEK	-0.6	-0.3	-0.9	-0.6	-1.8
Result per share after dilution, SEK	-0.6	-0.3	-0.9	-0.6	-1.8
Average number of employees	8	5	7	4	5

COMMENTS FROM THE CEO

Every year many cancer patients are affected by potentially disabling nervdamages as a consequence of their treatment with chemotherapy. Also, every year hundreds of thousands of people are afflicted by paracetamol poisoning, which may result is severe liver damage.
PledPharma's ambition is to develop two completely new therapies to reduce the sufferings of these patients. During the second quarter, we have taken additional important steps towards reaching our goal.

Preparations ahead of dosing of first patient in the phase III program with PledOx® are on track

Our focus continues to be on the preparations ahead of dosing of first patient in the global phase III program with PledOx® - a potentially groundbreaking treatment to prevent chemotherapy induced peripheral neuropathy. All applications to healthcare authorities and ethical committees for the execution of the POLAR-studies in Europe and the US are submitted and will be amended with data from the newly produced study drug. Subject to necessary approvals, patient recruitment can commence during the fourth quarter, this is in-line with previous communication.
We have continued to work together with our Asian partner, Solasia Pharma, to enable the expansion of our phase III program to include Asian patients, where the Japanese Healthcare agency (PMDA) has expressed its support for this ambition. The expansion of the phase III program, which is fully financed by Solasia, creates a truly global phase III program and an opportunity to materially increase the commercial potential for PledOx®.

Aladote® displays positive safety data

We took a big leap forward in our second drug project Aladote® during the quarter – a drug candidate in development for the prevention of liver damage caused by paracetamol poisoning. Recruitment of patients in the clinical proof-of-principle study was completed, and initial results indicate that Aladote® has a good safety profile and did not result in any dose limiting side effects. Currently, patients are being followed-up, and we expect full set of results in September including explorative biomarkers for liver damage. Subject to continued positive results, PledPharma plan to submit an Orphan Drug Designation application for Aladote® in the US, this will amongst others give us strengthened market protection. At the end of June, we announced that well renown internationally leading experts within the field of paracetamol poisoning, toxicology and acute medicine joins our newly established Scientific Advisory Board to optimize Aladote®'s potential and hence increase the likelihood of an approval for this meaningful drug. The first advisory board meeting was held in July with focus on the design of the next study.

To summarise, we can establish that patient inclusion in to our phase III program for PledOx® are getting closer and full set of results from the proof-of-principle study for Aladote® will be available soon. Both of these drug candidates have the potential to become new treatment options helping patient populations with clear unmet medical need. We continue to do our professional outermost for our unique assets to make them available for patients as soon as possible.

Nicklas Westerholm, CEO
Pledpharma AB
Stockholm

PLEDPHARMA IN BRIEF

PledPharma develops new drugs that protect the body against oxidative stress – a potentially debilitating and sometimes life-threatening condition that can be caused by chemotherapy treatment and following acetaminophen (paracetamol) overdose.

The company's most advanced project **PledOx®** is being developed to reduce nerve damage associated with chemotherapy. A phase IIb study has been conducted and serves as the basis for the initiated phase III program.

The drug candidate **Aladote®** is being developed to reduce the risk of acute liver failure associated with acetaminophen poisoning. A proof of principle study has been conducted and will serve as the basis for the continued development.

PledPharma (STO:PLED) is listed on Nasdaq First North.

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PROJECT UPDATES

PLEDOX®

PLEDOX® IN BRIEF

PledOx® is a "first in class" drug candidate developed to provide patients, that are treated adjuvantly or for metastatic colorectal cancer, prevention against the nerve damage that can occur in conjunction with chemotherapy treatment. The side-effects of chemotherapy can lead to a reduction of the planned dose or in worst case, treatment discontinuation. Unfortunately, it appears that the chemotherapy can induce permanent nerve damage. Patients may, for example, experience discomfort and numbness in the hands and feet, difficulty with balance with risk of falling and problems with sensation that can last for the rest of their lives.

The results from the Phase IIb study PLIANT, where patients with metastatic colorectal cancer were treated with the chemotherapy combination FOLFOX and PledOx® (calmangafodipir), indicates that the patients who received PledOx® had a lower risk than the placebo group to suffer from nerve damage during the chemotherapy.

The presence of the investigator reported sensory nerve damage, the primary endpoint, was after treatment 38% lower in the group of patients treated with PledOx® compared with the placebo group (p=0.16). This was not statistically significant, but a difference of this magnitude is considered to be clinically relevant. After completion of chemotherapy, the patient-reported incidence of moderate and severe neuropathy was 77% lower in patients treated with PledOx® compared to the placebo group (exploratory analysis; p=0.014). This is considered valuable for the success of the forthcoming POLAR studies, where patient-reported symptoms after completion of treatment will be the primary efficacy parameter. No apparent negative effect on the efficacy of the cancer treatment was observed.

EVENTS DURING THE QUARTER

In April, EMA approved PledPharma's waiver application for the pediatric investigation plan (PIP). In conclusion, EMA will not require a pediatric study for PledOx® at the timing of application for marketing authorization in EU.

All planned submissions to healthcare authorities and ethical committees for the execution of the POLAR-studies in Europe were submitted.

The European investigator meeting for the POLAR studies was held in April in Barcelona, Spain, together with PledPharma's Contract Research Organization (CRO).

During the second quarter, PledPharma and its Asian partner Solasia Pharma K.K. held a meeting with the Japanese healthcare agency (PMDA). PMDA has expressed its support for an expansion of the Phase III program with the drug candidate PledOx® to include Japanese patients.

The phase III program for PledOx® now consists of two double-blind, randomised, placebo-controlled studies, POLAR-M and POLAR-A. POLAR-M includes 420 patients undergoing chemotherapy treatment for metastatic colorectal cancer and is planned to be conducted in Europe, Asia and the United States. The study compares PledOx® at doses of 2 µmol/kg and 5 µmol/kg, with placebo. POLAR-A includes 280 patients undergoing adjuvant chemotherapy treatment for colorectal cancer and planned to be conducted in Europe and Asia. The study compares PledOx® at a dose of 5 µmol/kg with placebo. These studies have been designed based on interactions with the European Medicines Agency (EMA), the US FDA, the Japanese HealthCare Agency (PMDA) and PledPharma's scientific advisory board. The aim is to show that PledOx® reduces sensory nerve damage that the chemotherapy treatment gives rise to by measuring patient reported symptoms of peripheral nerve damage. The phase III program was initiated in December 2017 with the first applications submitted to regulatory authorities and ethical committees.

Other preparation ahead of dosing of first patient in the phase III program is on-track. After delivery of study drug in September 2018, patient recruitment is planned to commence in parallel at different centers and countries, during Q4 2018. Top-line results are expected during the second half of 2020.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

PledPharma's supplier has manufactured the active pharmaceutical ingredient (API) which will now be used to finalise formulation and production of PledOx® study drug before dosing of first patient in the global phase III program. Submitted applications to healthcare authorities will be amended with data from the newly produced study drug after delivery, which is expected in September 2018. Inclusion of patients are

on-track and will commence during the fourth quarter 2018, subject to necessary approvals.

ALADOTE®

ALADOTE® IN BRIEF

Aladote® is a “first-in-class” drug candidate with the potential to prevent the development of acute liver failure caused by paracetamol (acetaminophen) overdose. Paracetamol overdose is one of the most common forms of drug poisoning. When excessive amounts of paracetamol are broken down into the liver, the harmful metabolite NAPQI is formed, which can cause acute liver failure. The current treatment for paracetamol poisoning (N-acetylcysteine) is effective if the patient seeks medical care within 8 hours of ingestion. However, there is currently no effective treatment for patients who arrive post 8 hours after overdose.

PledPharma's drug candidate Aladote® has shown good efficacy in relevant preclinical models, even in the time-window when N-acetylcysteine (NAC) treatment is no longer is effective.
A proof of principle study in patients with paracetamol poisoning is ongoing at the Royal Infirmary of Edinburgh.

EVENTS DURING THE QUARTER

All planned 24 patients in the Aladote® study has been included and completed planned treatment. The study included three dose-cohorts with eight patients per cohort.

During the quarter, the Data Safety Monitoring Board has concluded Aladote® as safe without any dose limiting toxicities. Full set of results, including long-term follow-up of safety data and exploratory biomarker data for liver damage, is expected in September 2018.

During the fall, the company will initiate the application procedure for an Orphan Drug Designation in the US.

Initial positive results from Aladote® triggered the company to establish a Scientific Advisory Board (SAB). The purpose of the SAB is to provide PledPharma guidance on the development strategy and design for the remaining clinical studies.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

The first meeting with the SAB for Aladote® was held in July. Meeting focus was to evaluate the different design options for the forthcoming study.

FINANCIAL INFORMATION
SECOND QUARTER
APRIL – JUNE 2018

REVENUE, AND RESULTS

Revenues
Revenue amounted to SEKK 9,668 (144) during the quarter and was primarily attributed to reimbursements from Solasia Pharma K.K. for the initial start-up costs related to the Asian expansion of the POLAR studies.

Expenses
Operating expenses amounted to SEKK 40,088 (16,368) for the quarter. Of these project costs amounted to SEKK 30,730 (11,379) for the quarter. The increase compared to the previous year is largely due to continued start-up costs to the contract research organization for the POLAR studies with PledOx®, corresponding to SEKK 23,560.

Employee costs amounted to SEKK 4,778 (2,143) for the quarter. The increase is due to the recruitment of new employees during 2017 and 2018, aimed at preparing the company for the execution of the phase III trials. Cost-savings corresponding to the increased employee expenses will be obtained by the reduction of contracted consultants. Also remuneration for the Board of Directors which is paid as salary according to new rules are included. Other operating costs amounted to SEKK 3,257 (2,771) for the quarter. Depreciation amounted to SEKK 0 (0) for the quarter.

Results
Operating result amounted to SEKK -30,421 (-16,225) for the quarter. Financial and related items amounted to SEKK 2,210 (36). Results are related to revaluation of company's FX-accounts at the end of the quarter. Results after financial items amounted to SEKK -28,211 (-16,189) for the quarter. No income tax was reported for the periods. Result per share before and after dilution amounted to SEK -0.6 (-0.3) for the quarter.

FINANCIAL POSITION

Cash
Cash at June 30, 2018 amounted to SEKK 267,053 (363,748).

Cash flow
Cash flow from operating activities amounted to SEKK -27,289 (-19,617) for the quarter. Cash flow amounted to SEKK -27,289 (-18,293) for the quarter.

Equity and equity ratio
At June 30, 2018 equity amounted to SEKK 259,689 (362,417). Shareholders' equity per share amounted to SEK 5.3 (7.4), at the end of the period. The company's equity ratio was 92 (98) %.

Debts
No long-term debts were outstanding. Current liabilities amounted to SEKK 21,432 (5,586).

INVESTMENTS, TANGIBLE AND INTANGIBLE ASSETS
During the period, investments in tangible and intangible fixed assets corresponded to SEKK 0 (0).

SHARE
The number of shares at June 30, 2018 were 48 666 656. PledPharma´s shares are listed on Nasdaq First North since April 7, 2011.

WARRANT PROGRAM
The 2018 Annual General Meeting resolved on a warrants program for employees of PledPharma of 779,500 warrants, each warrant entitles the holder to subscribe for one (1) new share in the company at a subscription price of SEK 26 per share. As of June 30, 2018, 285,000 warrants were subscribed for by employees, of which CFO and CMO subscribed for maximum allowed allocation of 100,000 each. 1,526,500 warrants had been subscribed for by employees and board members of PledPharma from the previous warrants program of which the CEO holds 500,000 warrants.
At full utilization of all warrants, the company's shares will be increased by 2 306 000 to 50 972 656.

EMPLOYEES
Number of employees as of June 30, 2018 were 8 (5) persons, 2 women and 6 men.

PARENT COMPANY
The parent company's revenues for the quarter amounted to SEKK 9,668 (144). Expenses for the quarter amounted to SEKK 40,088 (16,368).
The parent company's result amounted to SEKK -28,211 (-16,189) for the quarter.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEKk	2018 Apr-Jun	2017 Apr-Jun	2018 Jan-Jun	2017 Jan-Jun	2017 Jan-Dec
Revenue					
Sales	9,668	144	10,397	201	13,585
Other operating income	-	-	2	-	302
	9,668	**144**	**10,399**	**201**	**13,886**
Operating expenses					
Project costs	-30,730	-11,379	-41,616	-19,099	-76,974
Other external costs	-3,495	-2,771	-6,513	-5,539	-12,849
Employee benefit costs	-4,540	-2,143	-9,252	-3,999	-10,895
Depreciation and impairment	-	-	-	-	-
Other operating expenses	-1,324	-75	-1,893	-114	-1,266
Operating result	**-30,421**	**-16,225**	**-48,875**	**-28,550**	**-88,097**
Financial items					
Interest income and similar items	2,210	36	4,854	81	163
Interest expense and similar items	0	-	0	-	0
Result after financial net	**-28,211**	**-16,189**	**-44,022**	**-28,470**	**-87,935**
Result before tax					
Tax	-	-	-	-	-
Result after tax	**-28,211**	**-16,189**	**-44,022**	**-28,470**	**-87,935**
Statement of comprehensive income					
Other comprehensive income	-	-	-	-	-
Comprehensive income for the period	**-28,211**	**-16,189**	**-44,022**	**-28,470**	**-87,935**
Net earnings and comprehensive income is entirely attributable to parent company shareholders					
Share Data					
Number of shares at the end of period	48,666,656	48,666,656	48,666,656	48,666,656	48,666,656
Average number of shares during period	48,666,656	48,666,656	48,666,656	48,666,656	48,666,656
Result per share before dilution (SEK)	-0.6	-0.3	-0.9	-0.6	-1.8
Result per share after dilution (SEK)	-0.6	-0.3	-0.9	-0.6	-1.8
Equity per share (SEK)	5.3	7.4	5.3	7.4	6.2
Equity per share after dilution (SEK)	5.3	7.4	5.3	7.4	6.2

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

SEKk	6/30/2018	6/30/2017	12/31/2017
ASSETS			
Non-current assets			
Total non-current assets	**-**	**-**	**-**
Current assets			
Accounts receivables	9,696	-	2,566
Other receivables	725	713	1,436
Prepaid expenses and accrued income	3,647	3,542	1,836
	14,068	4,255	5,838
Cash and bank balance	267,053	363,748	309,531
Total current assets	**281,121**	**368,003**	**315,368**
Total assets	**281,121**	**368,003**	**315,368**

SEKk	6/30/2018	6/30/2017	12/31/2017
Equity			
Share capital	2,561	2,561	2,561
Other capital contributions	617,944	615,861	617,944
Accumulated loss including net loss	-360,817	-256,006	-316,794
Total equity	**259,689**	**362,417**	**303,711**
Current liabilities			
Accounts payable	15,652	3,538	5,972
Other liabilities	995	286	733
Accrued expenses and deferred income	4,785	1,762	4,953
Total current liabilities	**21,432**	**5,586**	**11,657**
Total equity and liabilities	**281,121**	**368,003**	**315,368**

CONSOLIDATED STATEMENT OF CASH FLOWS

SEKk	2018 Apr-Jun	2017 Apr-Jun	2018 Jan-Jun	2017 Jan-Jun	2017 Jan-Dec
OPERATING ACTIVITIES					
Result after financial net	-28,211	-16,189	-44,022	-28,470	-87,935
Adjustments for non-cash items	-	-	-	-	-
Cash flow from operating activities before changes in working capital	**-28,211**	**-16,189**	**-44,022**	**-28,470**	**-87,935**
Changes in short term receivables	-8,362	323	-8,230	-1,818	-3,143
Changes in accounts payable	9,634	-2,485	9,680	-1,140	1,294
Changes in other liabilities	-350	-1,266	94	-147	3,232
Cash flow from operating activities	**-27,289**	**-19,617**	**-42,478**	**-31,575**	**-86,551**
INVESTING ACTIVITIES					
Cash flow from investing activities	**-**	**-**	**-**	**-**	**-**
FINANCING ACTIVITIES					
New share/Warrants issue	-	1,324	-	1,324	2,083
Cash flow from financing activities	**-**	**1,324**	**-**	**1,324**	**2,083**
Cash flow for the period					
Balance at beginning of period	294,342	382,041	309,531	393,998	393,998
Change in cash	-27,289	-18,293	-42,478	-30,251	-84,468
CASH BALANCE AT THE END OF THE PERIOD	**267,053**	**363,748**	**267,053**	**363,748**	**309,531**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SEKk	Share capital	Other capital contributions	Accumulated loss incl. net result for the period	Total equity
Opening balance 20170101	**2,561**	**615,861**	**-228,860**	**389,562**
Incentive program	-	1,324	-	1,324
Comprehensive income for period	-	-	-28,470	-28,470
Closing balance 20170630	**2,561**	**617,185**	**-257,330**	**362,417**
Opening balance 20180101	**2,561**	**617,944**	**-316,794**	**303,711**
Comprehensive income for period	-	-	-44,022	-44,022
Closing balance 20180630	**2,561**	**617,944**	**-360,817**	**259,689**
Opening balance 20170101	**2,561**	**615,861**	**-228,860**	**389,562**
Incentive program	-	2,083	-	2,083
Comprehensive income for period	-	-	-87,935	-87,935
Closing balance 20171231	**2,561**	**617,944**	**-316,794**	**303,711**

CONSOLIDATED KEY RATIOS

The key ratios below are useful to those who read the financial statements and a complement to other performance targets in evaluating strategic investment implementation and the Group's ability to achieve financial goals and commitments.

SEKk	2018 Apr-Jun	2017 Apr-Jun	2018 Jan-Jun	2017 Jan-Jun	2017 Jan-Dec
Equity	259,689	362,417	259,689	362,417	303,711
Equity ratio %	92%	98%	92%	98%	96%
Return on equity %	neg.	neg.	neg.	neg.	neg.
Number of shares at the end of the period	48,666,656	48,666,656	48,666,656	48,666,656	48,666,656
Number of shares at the end of the period after dilution	48,666,656	48,666,656	48,666,656	48,666,656	48,666,656
Average number of shares under the period	48,666,656	48,666,656	48,666,656	48,666,656	48,666,656
Average number of shares under the period after dilution	48,666,656	48,666,656	48,666,656	48,666,656	48,666,656
Share Data					
Result per share	-0.6	-0.3	-0.9	-0.6	-1.8
Result per share after dilution*	-0.6	-0.3	-0.9	-0.6	-1.8
Cash flow from operating activities	-0.6	-0.4	-0.9	-0.6	-1.8
Equity per share	5.3	7.4	5.3	7.4	6.2
Equity per share after dilution	5.3	7.4	5.3	7.4	6.2
Dividend	-	-	-	-	-
Average number of employees	8	5	7	4	5

*Effect from dilution is not considered when result is negative.

KEY RATIOS DEFINITIONS

Ratios that have been calculated according to IFRS

Earnings per share
Net income divided by average number of shares before dilution

Number of shares at end of period
The number of outstanding shares before dilution at the end of the period

Number of shares after dilution
The number of issued shares after dilution effect of potential shares at end of period

Average number of shares during the period
Average number of outstanding shares before dilution for the period

Average number of shares during the period after dilution
Average number of issued shares after dilution effect of potential shares

Number of employees (average)
The average number of employees at the end of each period

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Ratios that have not been calculated in accordance with IFRS

Equity ratio, %
The company defines the ratio as follows; The period's closing equity divided by the period's closing balance sheet. The company uses the alternate ratio Equity as it shows the proportion of total assets represented by shareholders' equity and has been included to allow investors to assess the company's capital structure.

Return on equity, %
The company defines the ratio as follows; Net income divided by shareholders' equity. The company uses the alternate key figure Return on equity, % because the company believes that the key ratio gives investors a better understanding of the return generated on the total capital that the shareholders have invested in the Company.

Cash flow from operations per share
The company defines the ratio as follows; Cash flow from operating activities divided by the number of shares outstanding at the end of the period. The company uses the alternate key figure Cash flow from operations per share because the Company believes that the key ratio gives investors a better understanding of the company's cash flow in relation to its number of shares adjusted for changes in the number of shares outstanding during the period.

Equity per share
The company defines the ratio as follows; Equity divided by number of shares outstanding at the end of the period. The company uses the alternate key ratio equity per share because the Company believes that the key ratio gives investors a better understanding of the historical return per share adjusted for changes in the number of shares outstanding during the period.

PARENT COMPANY - INCOME STATEMENT

SEKk	2018 Apr-Jun	2017 Apr-Jun	2018 Jan-Jun	2017 Jan-Jun	2017 Jan-Dec
Revenue					
Sales	9,668	144	10,397	201	13,585
Other operating income	-	-	2	0	302
	9,668	**144**	**10,399**	**201**	**13,886**
Operating expenses					
Project costs	-30,730	-11,379	-41,616	-19,099	-76,974
Other external costs	-3,495	-2,771	-6,512	-5,539	-12,849
Employee benefit costs	-4,540	-2,143	-9,252	-3,999	-10,895
Depreciation and impairment	-	-	-	-	-
Other operating expenses	-1,324	-75	-1,893	-114	-1,266
Operating result	**-30,421**	**-16,225**	**-48,874**	**-28,550**	**-88,097**
Financial items					
Interest income and similar items	2,210	36	4,854	81	163
Interest expense and similar items	0	-	0	-	0
Result after financial net	**-28,211**	**-16,189**	**-44,021**	**-28,470**	**-87,935**
Result before tax					
Group contribution received	-	-	-	-	2,083
Tax	-	-	-	-	-
Result after tax	**-28,211**	**-16,189**	**-44,021**	**-28,470**	**-85,851**
Statement of comprehensive income					
Other comprehensive income	-	-	-	-	-
Comprehensive income for the period	**-28,211**	**-16,189**	**-44,021**	**-28,470**	**-85,851**

PARENT COMPANY - BALANCE SHEET

SEKk	6/30/2018	6/30/2017	12/31/2017
ASSETS			
Non-current assets			
Financial non-current assets	50	50	50
Total non-current assets	**50**	**50**	**50**
Current assets			
Receivables from group companies	2,083	-	2,083
Accounts receivables	9,696	-	2,566
Other receivables	725	713	1,436
Prepaid expenses and accrued income	3,647	3,542	1,836
	16,151	4,255	7,921
Cash and bank balance	264,971	362,424	307,447
Total current assets	**281,122**	**366,678**	**315,368**
Total assets	**281,172**	**366,728**	**315,418**

SEKk	6/30/2018	6/30/2017	12/31/2017
Equity			
Restricted Equity			
Share capital	2,561	2,561	2,561
Non-restricted equity			
Share premium reserve	617,943	615,861	615,860
Results for the period	-360,815	-257,330	-314,711
Total equity	**259,689**	**361,092**	**303,710**
Current liabilities			
Liabilities to group company	50	50	50
Accounts payable	15,652	3,538	5,972
Other liabilities	995	286	733
Accrued expenses and deferred income	4,785	1,762	4,953
Total current liabilities	**21,482**	**5,636**	**11,708**
Total equity and liabilities	**281,172**	**366,728**	**315,418**

NOTES

NOTE 1 - Accounting principles

PledPharma applies International Financial Reporting Standards (IFRS) as adopted by the EU. This report is prepared in accordance with IAS 34 Interim Financial Reporting and the Annual Accounts Act. The parent company's interim report is prepared in accordance with the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities and the Swedish Annual Accounts Act. Applied accounting principles and calculation methods are the same as in the latest annual report for 2017. Except that the company has shifted to account according to IFRS 9 and IFRS 15.
PledPharma has evaluated the effect of implementation of IFRS 9. The groups financial instruments consists only of accounts receivables and cash balance.
According to PledPharma's assessment, the implementation of IFRS 15 does not have any impact on the accounting, hence this does not add further need for new information which can have any impact for the financial reports. Please see 2017 annual report for further information.

NOTE 2 – Additional information

Other information in accordance with IAS 34.16A are found on pages before the income statement and statement of comprehensive income. Information on earnings, cash flow and financial position, see page 8. For events after the period, see page 1.

NOTE 3 – Financial assets and liabilities

Group 30 June 2018

The fair value and carrying value are shown in the table below:

SEKk	Hold to collect	Financial debts	Total carrying amount	Fair value
	Amortised cost	Amortised cost		
Accounts receivable	9,696	-	9,696	9,696
Cash	267,053	-	267,053	267,053
Total assets	**276,748**	-	**276,748**	**276,748**
Accounts payable	-	15,652	15,652	15,652
Other liabilities	-	-	-	-
Total liabilities	**-**	**15,652**	**15,652**	**15,652**

Group 30 June 2017

The fair value and carrying value are shown in the table below:

SEKk	Hold to collect	Financial debts	Total carrying amount	Fair value
	Amortised cost	Amortised cost		
Accounts receivable	-	-	**-**	**-**
Cash	363,748	-	363,748	363,748
Total assets	**363,748**	-	**363,748**	**363,748**
Accounts payable	-	3,538	3,538	3,538
Other liabilities	-	-	**-**	**-**
Total liabilities	**-**	**3,538**	**3,538**	**3,538**

Not 4 – Related parties transactions

There are none transactions to be reported with related parties.

Not 5 – Reclassification of operating expenses

Reclassification of certain consultancy and supplier expenses have been made. Following amounts have been reclassified SEKK 993, SEKK 1,368 and SEKK 2,777 for Jan-Jun 2018, Jan-Jun 2017 and FY 2017, respectively. These expenses have been reclassified from other external costs to project costs. The reclassification does not impact operating results.

OTHER INFORMATION

Next reports

Interim report Jan – Sep 2018, Oct 23, 2018
Interim report Jan – Dec 2018, Feb 21, 2019

This report, and further information is available on the website, www.pledpharma.se

This report has not been reviewed by the company's auditor. This is a translation of the Swedish interim report.

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This information is such information as PledPharma AB (publ) is obliged to disclose in accordance with EU market abuse regulation and the Securities Markets Act. The information was submitted, through the above contact persons, for publication on 22 August 2018 at 8.00 am (CET).

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Analysts who follow PledPharma

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CERTIFICATION

This report provides a true and fair overview of the company's business activities, financial position, and results of operations, and describes significant risks and uncertainties to which the company is exposed.

Stockholm, August 22, 2018

Håkan Åström
Chairman of the board

Marie Ekström Trägårdh
Board member

Sten Nilsson
Board member

Gunilla Osswald
Board member

Elisabeth Svanberg
Board member

Nicklas Westerholm
President and CEO