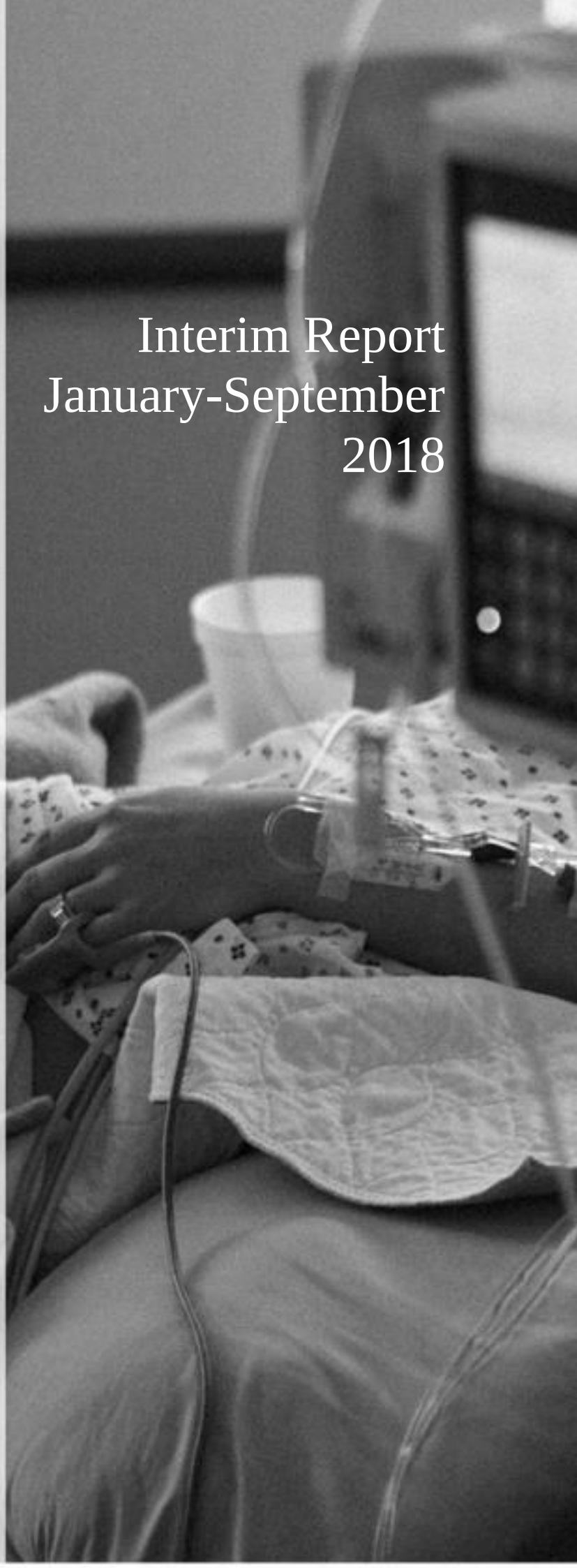
PledPharma

Interim Report January-September 2018



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SUMMARY

JULY-SEPTEMBER IN BRIEF

- PledPharma announces positive results from the Aladote® proof of principle study
- The Scientific Advisory Board for Aladote® held its first meeting with focus on the design of the next study
- Study drug to PledPharma's global phase III program with PledOx® was delivered and first patient is expected to be enrolled during the fourth quarter

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

- During October, all supplementary clinical trial applications for PledOx® will be amended, with final study drug data, to health authorities in countries participating in the phase III studies.

FINANCIALS FOR THE QUARTER, JULY-SEPTEMBER

- Quarterly result MSEK -18.8 (-27.3)
- Cash flow from operating activities MSEK -17.4 (-9.6)
- Result per share SEK -0.4 (-0.6)

JANUARY-SEPTEMBER IN BRIEF

PledOx®

- Positive results from the SUNCIST-study where PledOx® were administered to Caucasian and Japanese healthy volunteers were communicated in February
- The European and the US clinical investigator meetings for the POLAR studies was held in Barcelona, Spain and Orlando, USA
- 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

Aladote®

- PledPharma announces positive results from the Aladote® proof of principle study, the study was fully recruited in May and subsequently the drug was concluded as safe in June
- The Scientific Advisory Board for Aladote® held its first meeting with focus on the design of the next study

FINANCIALS FOR THE PERIOD, JANUARY-SEPTEMBER

- Loss for the period MSEK -62.9 (-55.8)
- Cash position MSEK 250.3 (354.3)
- Cash flow from operating activities MSEK -59.9 (-41.2)
- Result per share SEK -1.3 (-1.1)

FINANCIAL SUMMARY

	2018 Jul-Sep	2017 Jul-Sep	2018 Jan-Sep	2017 Jan-Sep	2017 Jan-Dec
Result after tax, SEKk	-18,844	-27,338	-62,866	-55,807	-87,935
Cash flow, SEKk	-16,785	-9,406	-59,263	-39,656	-84,468
Cash, SEKk	250,267	354,342	250,267	354,342	309,531
Equity ratio %	95%	94%	95%	94%	96%
Result per share, SEK	-0.4	-0.6	-1.3	-1.1	-1.8
Result per share after dilution, SEK	-0.4	-0.6	-1.3	-1.1	-1.8
Average number of employees	8	6	8	5	5

COMMENTS FROM THE CEO

Positive study data for Aladote® enables further clinical development

Positive results from the clinical proof of principle study with Aladote® - a drug candidate for the treatment of acute liver damage post paracetamol poisoning - were reported in September. Aladote®'s good safety results and benign dose limiting side effect profile were already reported in June. The positive results in the final report shows that treatment with Aladote® in combination with current standard of care (NAC) may reduce liver damage in the specific patient population in comparison to treatment with NAC alone. These findings are based on results from measurements of two explorative biomarkers for liver damage, both are accepted as biomarkers in drug development for the prevention of liver damage by the health agencies in the US and Europe.

We are encouraged by the promising results and have, together with our internationally renown advisory board for Aladote®, initiated an extensive work to design and plan the next study. In parallel, we are preparing our Orphan Drug Designation application for the US.

Paracetamol is a pharmaceutical drug that is commonly overdosed – intentional and unintentional – and can cause life threatening liver damage. Current standard of care (NAC) is most efficient given within 8 hours of paracetamol overdose. There is a lack of efficient treatment for patients who arrive later than 8 hours to the hospital.

PledOx® phase III study is planned to be initiated in the fourth quarter

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. POLAR-A includes 280 patients undergoing adjuvant chemotherapy treatment for colorectal cancer and planned to be conducted in Europe and Asia.

During the quarter, PledOx® - a drug candidate with the potential to reduce the risk for chemotherpay induced peripheral neuropathy - study drug was successfully produced and delivered. All submitted clinical trial applications to health authorities will be amended during October with data from the newly produced study drug. PledPharma is well-prepared to include patients as soon as necessary approvals are in place. Based on updated feasibility studies of patient recruitment at study centers, the expectation is to complete recruitment within 10-12 months from study start.

Current standard of care treatment regime for colorectal cancer includes the chemotherapy oxaliplatin. Oxaliplatin is associated with dose-limiting and debilitating nerve damages. These nerve damages affect 40 to 60 percent of the patients during and after treatment, of which 20 to 30 percent of the patients have long-lasting side effects. Currently, there are no market approved prophylactic or alleviating treatments.

Important milestones in the fourth quarter

Recent achievements enable us to dose the first patients in the global phase III program for PledOx® during the fourth quarter. And we do also look forward to finalise the design for the next study with Aladote®. These are important and value creating milestones in our journey towards our set goals – to address the unmet medical need in these two patient populations.

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 successfully completed 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 (Glimelius et al., 2018).

PledOx® showed 38% effect (odds ratio = 0.62; p=0.16) on investigator reported sensory nerve damage, the primary endpoint, compared with the placebo group. This was not statistically significant, but a difference of this magnitude is considered clinically relevant. After completion of chemotherapy, PledOx® showed 77% effect (odds ratio = 0.23; exploratory analysis: p=0.014) on patient-reported moderate and severe neuropathy compared to the placebo group. 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

Our focus continues to be on the preparations ahead of dosing of first patient in the global phase III program with PledOx®. During the quarter, study drug was successfully produced and delivered. Submission of amendments to the clinical trial applications was initiated.

Subject to necessary approvals, patient recruitment can commence during the fourth quarter, which is in-line with previous communication

Based on updated feasibility studies of patient recruitment at study centers, the expectation is to complete recruitment within 10-12 months from study start. Top-line results are expected in second half of 2020.

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.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

During October, all clinical trial applications will be amended to health authorities in countries participating in the phase III studies. In Japan, patient inclusion into the trials is already approved.

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 has successfully been completed at the Royal Infirmary of Edinburgh.

EVENTS DURING THE QUARTER

The first meeting with PledPharma’s Scientific Advisory Board for Aladote, was held in July. The focus of the meeting was to discuss design of the remaining clinical studies.

On September 24, PledPharma announced that the primary objective of the phase1b/2a proof of principle study - to document safety and tolerability – was met. Secondary endpoints included exploratory biomarkers for prediction of liver injury, the results indicate a positive signal of reduced paracetamol-induced liver injury in patients treated with Aladote® in combination with N-acetylcysteine (NAC).

In more detail, the primary objective of the trial was to evaluate the safety and tolerability of Aladote® in combination with N-acetylcysteine (NAC). NAC is the current standard of care for the treatment of paracetamol poisoning. In addition, several biomarkers of liver damage were measured. In total, 24 patients were recruited to three different dose cohorts with eight patients per cohort. In each cohort, six patients were treated with the combination of Aladote® and NAC and two were treated with NAC alone as control. The study results established the safety and tolerability of the combination of Aladote® and NAC. Further, the results shows that Aladote® may reduce liver injury in this patient population. This is based on the measurement of the pre-defined exploratory biomarkers, Keratin-18 (K18) and microRNA-122 (miR-122) in patients treated with Aladote® and NAC compared to NAC alone. There was no difference in alanine transaminase (ALT) activity across the treatment groups.

miR-122 is a biomarker specific for liver injury and fully conserved (translational) across in vitro models, in vivo models and humans. MiR-122 is an early marker for acute liver injury which predicts a rise in ALT activity following paracetamol overdose. K18, measured in the first serum sample at presentation at the hospital after paracetamol overdose, correlate with peak ALT activity during the hospital stay. K18 distinguished patients with and without acute liver injury at an early time where ALT activity was still normal. K18 and miR-122 are supported for exploratory use in assessing drug-induced liver injury in clinical trials, both by the European Medicines Agency (EMA) and the US Food and Drug Administration (FDA).

Detailed data from the study will be presented at a future scientific meeting.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

There were none significant event after the period.

FINANCIAL INFORMATION
THIRD QUARTER
JULY – SEPTEMBER 2018

REVENUE, AND RESULTS

Revenues
Revenue amounted to SEKK 6,715 (77) during the quarter and was primarily attributed to reimbursements from Solasia Pharma K.K. for the Asian expansion of the POLAR studies.

Expenses
Operating expenses amounted to SEKK 27,317 (27,456) for the quarter. Of these, project costs amounted to SEKK 17,991 (20,854) for the quarter. Project costs related to PledPharma amounted to SEKK 11,250.

Employee costs amounted to SEKK 4,335 (3,253) 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. Also remuneration for the Board of Directors which is paid as salary according to new rules are included. Cost increases are mitigated by reduction of consultancy expenses. Other operating costs amounted to SEKK 2,460 (3,326) for the quarter. Depreciation amounted to SEKK 0 (0) for the quarter.

Results
Operating result amounted to SEKK -20,601 (-27,379) for the quarter. Financial and related items amounted to SEKK 1,757 (41). Results are related to revaluation of company's FX-accounts at the end of the quarter. Results after financial items amounted to SEKK -18,844 (-27,338) for the quarter. No income tax was reported for the periods. Result per share before and after dilution amounted to SEK -0.4 (-0.6) for the quarter.

FINANCIAL POSITION

Cash
Cash at September 30, 2018 amounted to SEKK 250,267 (354,342).

Cash flow
Cash flow from operating activities amounted to SEKK -17,440 (-9,599) for the quarter. Cash flow amounted to SEKK -16,785 (-9,406) for the quarter.

Equity and equity ratio
At September 30, 2018 equity amounted to SEKK 241,499 (335,273). Shareholders' equity per share amounted to SEK 5.0 (6.9), at the end of the period. The company's equity ratio was 95 (94) %.

Debts and receivables
No long-term debts were outstanding. Current liabilities amounted to SEKK 12,742 (21,958). Accounts receivables amounted to SEKK 374 (0).

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 September 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 September 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 September 30, 2018 were 8 (5) persons, 2 women and 6 men.

PARENT COMPANY
The parent company's revenues for the quarter amounted to SEKK 6,715 (77). Expenses for the quarter amounted to SEKK 27,317 (27,456).
The parent company's result amounted to SEKK -18,844 (-27,338) for the quarter.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEKk	2018 Jul-Sep	2017 Jul-Sep	2018 Jan-Sep	2017 Jan-Sep	2017 Jan-Dec
Revenue					
Sales	6,715	0	17,113	0	13,585
Other operating income	-	77	2	278	302
	6,715	**77**	**17,114**	**278**	**13,886**
Operating expenses					
Project costs	-17,991	-20,854	-59,607	-39,952	-76,974
Other external costs	-2,460	-3,326	-8,734	-8,865	-12,849
Employee benefit costs	-4,355	-3,253	-13,846	-7,252	-10,895
Depreciation and impairment	-	-	-	-	-
Other operating expenses	-2,510	-23	-4,404	-138	-1,266
Operating result	**-20,601**	**-27,379**	**-69,477**	**-55,929**	**-88,097**
Financial items					
Interest income and similar items	1,757	41	6,611	122	163
Interest expense and similar items	-	-	0	-	0
Result after financial net	**-18,844**	**-27,338**	**-62,866**	**-55,807**	**-87,935**
Result before tax					
Tax	-	-	-	-	-
Result after tax	**-18,844**	**-27,338**	**-62,866**	**-55,807**	**-87,935**
Statement of comprehensive income					
Other comprehensive income	-	-	-	-	-
Comprehensive income for the period	**-18,844**	**-27,338**	**-62,866**	**-55,807**	**-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)	-0.4	-0.6	-1.3	-1.1	-1.8
Result per share after dilution (SEK)	-0.4	-0.6	-1.3	-1.1	-1.8
Equity per share (SEK)	5.0	6.9	5.0	6.9	6.2
Equity per share after dilution (SEK)	5.0	6.9	5.0	6.9	6.2

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

SEKk	9/30/2018	9/30/2017	12/31/2017
ASSETS			
Non-current assets			
Total non-current assets	**-**	**-**	**-**
Current assets			
Accounts receivables	374	-	2,566
Other receivables	733	411	1,436
Prepaid expenses and accrued income	2,866	2,477	1,836
	3,974	2,888	5,838
Cash and bank balance	250,267	354,342	309,531
Total current assets	**254,241**	**357,230**	**315,368**
Total assets	**254,241**	**357,230**	**315,368**

SEKk	9/30/2018	9/30/2017	12/31/2017
Equity			
Share capital	2,561	2,561	2,561
Other capital contributions	618,598	617,378	617,944
Accumulated loss including net loss	-379,661	-284,667	-316,794
Total equity	**241,499**	**335,273**	**303,711**
Current liabilities			
Accounts payable	6,814	19,023	5,972
Other liabilities	1,089	691	733
Accrued expenses and deferred income	4,840	2,244	4,953
Total current liabilities	**12,742**	**21,958**	**11,657**
Total equity and liabilities	**254,241**	**357,230**	**315,368**

CONSOLIDATED STATEMENT OF CASH FLOWS

SEKk	2018 Jul-Sep	2017 Jul-Sep	2018 Jan-Sep	2017 Jan-Sep	2017 Jan-Dec
OPERATING ACTIVITIES					
Result after financial net	-18,844	-27,338	-62,866	-55,807	-87,935
Adjustments for non-cash items	-	-	-	-	-
Cash flow from operating activities before changes in working capital	**-18,844**	**-27,338**	**-62,866**	**-55,807**	**-87,935**
Changes in short term receivables	10,095	1,367	1,864	-451	-3,143
Changes in accounts payable	-8,839	15,485	842	14,345	1,294
Changes in other liabilities	148	887	243	740	3,232
Cash flow from operating activities	**-17,440**	**-9,599**	**-59,918**	**-41,174**	**-86,551**
INVESTING ACTIVITIES					
Cash flow from investing activities	**-**	**-**	**-**	**-**	**-**
FINANCING ACTIVITIES					
New share/Warrants issue	655	194	655	1,518	2,083
Cash flow from financing activities	**655**	**194**	**655**	**1,518**	**2,083**
Cash flow for the period					
Balance at beginning of period	267,053	363,748	309,531	393,998	393,998
Change in cash	-16,785	-9,406	-59,263	-39,656	-84,468
CASH BALANCE AT THE END OF THE PERIOD	**250,267**	**354,342**	**250,267**	**354,342**	**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	-	1,518	-	1,518
Comprehensive income for period	-	-	-55,807	-55,807
Closing balance 20170930	**2,561**	**617,378**	**-284,667**	**335,273**
Opening balance 20180101	**2,561**	**617,944**	**-316,794**	**303,711**
Incentive program	-	655	0	655
Comprehensive income for period	-	-	-62,866	-62,866
Closing balance 20180930	**2,561**	**618,598**	**-379,661**	**241,499**
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 Jul-Sep	2017 Jul-Sep	2018 Jan-Sep	2017 Jan-Sep	2017 Jan-Dec
Equity	241,499	335,273	241,499	335,273	303,711
Equity ratio %	95%	94%	95%	94%	96%
Return on equity %	neg.	neg.	neg.	neg.	neg.
Number of shares at the end of the period	48,666,657	48,666,656	48,666,656	48,666,656	48,666,656
Number of shares at the end of the period after dilution	48,666,657	48,666,656	48,666,656	48,666,656	48,666,656
Average number of shares under the period	48,666,657	48,666,656	48,666,656	48,666,656	48,666,656
Average number of shares under the period after dilution	48,666,657	48,666,656	48,666,656	48,666,656	48,666,656
Share Data					
Result per share	-0.4	-0.6	-1.3	-1.1	-1.8
Result per share after dilution*	-0.4	-0.6	-1.3	-1.1	-1.8
Cash flow from operating activities	-0.4	-0.2	-1.2	-0.8	-1.8
Equity per share	5.0	6.9	5.0	6.9	6.2
Equity per share after dilution	5.0	6.9	5.0	6.9	6.2
Dividend	-	-	-	-	-
Average number of employees	8	6	8	5	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 Jul-Sep	2017 Jul-Sep	2018 Jan-Sep	2017 Jan-Sep	2017 Jan-Dec
Revenue					
Sales	6,715	-	17,113	-	13,585
Other operating income	-	77	2	278	302
	6,715	**77**	**17,114**	**278**	**13,886**
Operating expenses					
Project costs	-17,991	-20,854	-59,607	-39,952	-76,974
Other external costs	-2,460	-3,326	-8,733	-8,865	-12,849
Employee benefit costs	-4,355	-3,253	-13,846	-7,252	-10,895
Depreciation and impairment	-	-	-	-	-
Other operating expenses	-2,510	-23	-4,404	-138	-1,266
Operating result	**-20,601**	**-27,379**	**-69,476**	**-55,929**	**-88,097**
Financial items					
Interest income and similar items	1,757	41	6,611	122	163
Interest expense and similar items	-	-	0	-	0
Result after financial net	**-18,844**	**-27,338**	**-62,865**	**-55,807**	**-87,935**
Result before tax					
Tax	-	-	-	-	-
Result after tax	**-18,844**	**-27,338**	**-62,865**	**-55,807**	**-85,851**
Statement of comprehensive income					
Other comprehensive income	-	-	-	-	-
Comprehensive income for the period	**-18,844**	**-27,338**	**-62,865**	**-55,807**	**-85,851**

PARENT COMPANY - BALANCE SHEET

SEKk	9/30/2018	9/30/2017	12/31/2017
ASSETS			
Non-current assets			
Tangible 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	374	-	2,566
Other receivables	733	411	1,436
Prepaid expenses and accrued income	2,866	2,477	1,836
	6,057	2,888	7,921
Cash and bank balance	247,531	352,824	307,447
Total current assets	**253,587**	**355,713**	**315,368**
Total assets	**253,637**	**355,763**	**315,418**

SEKk	9/30/2018	9/30/2017	12/31/2017
Equity			
Restricted Equity			
Share capital	2,561	2,561	2,561
Non-restricted equity			
Share premium reserve	618,598	617,378	615,860
Retained earnings	-317,449	-230,378	-228,860
Net profit for the year	-62,865	-55,807	-85,851
Total equity	**240,845**	**333,754**	**303,710**
Current liabilities			
Liabilities to group company	50	50	50
Accounts payable	6,814	19,023	5,972
Other liabilities	1,089	691	733
Accrued expenses and deferred income	4,840	2,244	4,953
Total current liabilities	**12,792**	**22,008**	**11,708**
Total equity and liabilities	**253,637**	**355,763**	**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 September 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	-	-	-	-
Cash	250,267	-	250,267	250,267
Total assets	**250,267**	-	**250,267**	**250,267**
Accounts payable	-	6,814	6,814	6,814
Other liabilities	-	-	-	-
Total liabilities	**-**	**6,814**	**6,814**	**6,814**

Group 30 September 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	354,342	-	354,342	354,342
Total assets	**354,342**	-	**354,342**	**354,342**
Accounts payable	-	19,023	19,023	19,023
Other liabilities	-	-	**-**	**-**
Total liabilities	**-**	**19,023**	**19,023**	**19,023**

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 1,855 and SEKK 2,777 for Jan-Sep 2018, Jan-Sep 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 – Dec 2018, Feb 21, 2019
Interim report Jan – Mar 2019, May 6, 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 23 October 2018 at 8.00 am (CET).

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Analysts who follow PledPharma

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Carnegie, Ulrik Trattner.

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, October 23, 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