

DIGNITANA

Clinically superior scalp cooling



Q2  2018
INTERIM REPORT

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Results and financial position

Significant events during the period

- Sales for the period amounted to 9,022 TSEK, \$1,041 KUSD, an increase of 54 percent compared to the same period in 2017 and a 51 percent increase over the first quarter 2018.
- EBITDA amounted to (2,701) TSEK, (\$312 KUSD), a 69 percent improvement compared to the same period in 2017.
- Dignitana initiated its first direct-to-customer leased unit transaction outside of the U.S. for 3 locations in Spain.
- 9 units were sold to facilities in countries outside the U.S.
- Contracts for 6 locations in the U.S. were signed representing 10 machines.
- Treatment revenue from U.S. sites showed a 21 percent increase over first quarter 2018.
- Transfer of management of all European installations of DigniCap from Sysmex to Dignitana representing 70 locations in 11 countries.
- Transition of operations from Lund, Sweden to the U.S. was successfully completed in April, two months ahead of schedule. Dignitana AB headquarters remain in Lund.
- In June the company's application for a unique Current Procedural Terminology (CPT) Code for scalp cooling devices was not approved by the American Medical Association. This code would have helped U.S. patients process insurance claims more simply but does not have any material effect on sales potential at this time.
- The Annual General Meeting was held 24 April 2018 in Lund. In all the proposed cases the AGM resolved in accordance with the Board's proposals.
- Thomas Kelly, William Cronin, Ingrid Attertyd Heiman, and Mikael Wahlgren were re-elected to the Board of Directors at the Annual General Meeting 24 April 2018 with Thomas Kelly as Chairman.

Significant events after the period

- In July Dignitana AB registered a new wholly-owned subsidiary, Dignitana S.r.l (Società a responsabilità limitata), as a new Italian entity to facilitate contracting with public health facilities in Italy.
- With S.r.l. registration in Italy Dignitana can now finalize contracts for the sale of 3 machines.
- 2 additional units were sold to facilities in countries outside the U.S. since 1 July 2018.

Financial results in brief

Key Ratios

DIGNITANA GROUP	Q2 2018	Q2 2017	Q1-Q2 2018	Q1-Q2 2017	Full year 2017
Net revenues, TSEK	8 976	5 758	14 873	11 886	22 941
Total revenues TSEK	9 022	5 852	15 010	12 029	23 133
Net profit after financial items, TSEK	(5 374)	(10 813)	(14 325)	(18 922)	(42 355)
Cash and bank balances, TSEK	10 368	10 121	10 368	10 121	1 018
Earnings per share before and after dilution, SEK	(0.13)	(0.53)	(0.33)	(0.93)	(2.10)

DIGNITANA AB	Q2 2018	Q2 2017	Q1-Q2 2018	Q1-Q2 2017	Full year 2017
Net revenues, TSEK	7 283	4 636	11 727	9 948	18 300
Total revenues TSEK	7 328	4 729	11 863	10 091	18 490
Net profit after financial items, TSEK	(4 931)	(10 914)	(13 958)	(19 100)	(42 277)
Cash and bank balances, TSEK	9 518	9 157	9 518	9 157	606

CEO comments

The results we posted this quarter represent a very important milestone for Dignitana. Quarterly revenue for the company reached 9,022 TSEK. With the organizational restructuring we have implemented, the company is close to reaching a breakeven point in regards to our costs for continuing operations.

The transfer of administrative and regulatory functions from Lund to the U.S. has been successful and completed ahead of schedule. This streamlined business has created the efficiency and appropriate cost structure that we require to move this company forward. While the past year has presented a set of interesting and unique challenges, we are now well positioned to capitalize on the opportunities available to us. I am pleased with the achievements we are presenting in this report and eager to continue the important work that is well underway.

In the U.S., our key metric is the treatment revenue attributable to our pay-per-treatment business model. Treatment revenue at U.S. sites showed a 21 percent increase over first quarter 2018 – this represents a 71 percent increase over the same period last year. We have now seen quarter-over-quarter growth for 9 consecutive quarters following our FDA clearance in late 2015. We continue to add sites in the U.S. at a consistent pace, with an ongoing focus of increasing utilization at existing DigniCap locations to optimize revenue.

The second quarter of 2018 has been a tremendous step forward for Dignitana with growth seen particularly in

the United States and Europe with sales to additional markets (Australia, the Middle East and the Caribbean region) contributing to our revenue performance. Our business has evolved substantially over the past year and our financial foundation is broader now – strengthened through the diversity of revenue streams from machine sales, service contracts, lease agreements, and pay-per-treatment fees. This quarter we were also able to bring a revenue stream on line from the customer base we assumed from Sysmex at the end of the first quarter in the form of lease and service/maintenance fees. We anticipate that revenue from Europe will continue to increase as we add sales to the service and leasing revenue stream we are now beginning to realize.

As the market leader in clinically superior scalp cooling, we are committed to innovation and excellence in both our product and service offerings. We have assembled a team of talented and experienced professionals, and the work that we do makes a difference in the lives of cancer patients every day. The evolution of Dignitana from a developmental and regulatory approval stage to its commercialization and revenue generation phase has been, at times, a difficult one. The steps we have and are now undertaking are, we believe, the correct and necessary ones. We have made solid progress and have a much clearer path forward as we work to realize the tremendous potential this company has in front of it. This is all made possible through the support of our shareholders, and for that I thank you. 2018 is already setting new records, and we look forward to continued growth and opportunity as we progress through the year.



William Cronin, CEO
Dignitana AB





The company

Dignitana is a medical technology company based in Lund, Sweden and publicly traded on Nasdaq First North. The company develops, produces and markets **The DigniCap® Scalp Cooling System**. It is a patented medical cooling device that offers cancer patients the ability to minimize hair loss during chemotherapy to improve well-being and quality of life. FDA cleared since 2015, DigniCap provides continuous cooling with high efficacy, safety and acceptable patient comfort. In 2017, Dignitana received an expanded clearance from the FDA, allowing DigniCap to be used by patients receiving chemotherapy to treat solid tumors from breast cancer as well as those from prostate, ovary, uterus, lungs and other tissues.





The market

Cancer is a leading cause of death worldwide and the number of people who develop cancer is continuing to increase. According to the World Health Organization (WHO), 14.1 million people are annually diagnosed with cancer. One of the most common therapies for cancer is chemotherapy. Globally an estimated 20,000 clinics offer chemotherapy, providing a total of over ten million chemotherapy treatments per year.

Chemotherapy has several unpleasant side effects, with hair loss being the most visible and often identified as the most distressing side effect. Physicians estimate that approximately ten percent of patients decline the prescribed chemotherapy out of fear of losing their hair.

Dignitana's DigniCap Scalp Cooling System is primarily used today during the treatment of breast cancer, the most common type of cancer in women worldwide with the World Cancer Research Fund reporting over 1.7 million diagnosed cases annually. Dignitana estimates that 60 percent of breast cancer patients can be treated with DigniCap. In the U.S. alone there are approximately 800,000 patients with solid tumor cancers diagnosed each year.

The DigniCap Scalp Cooling System was invented in Sweden and has been marketed since 2001. It is available in Australia, Belgium, Canada, Colombia, France, Germany, Dubai, Italy, Iraq, Mexico, Qatar, Romania, Switzerland, The United Kingdom and many other countries.

The largest market for Dignitana is the United States which posted a 21 percent increase in treatment revenue over first quarter 2018. In the second quarter new contracts for 6 locations were signed representing ten machines, with a total of 102 clinics and 136 machines as of June 30. Several significant developments in sales occurred in the period: Florida Cancer Specialists, the largest independent medical oncology practice in the United States, agreed to expand locations of DigniCap. In the northeast, Dignitana contracted with Atlantic Health System, one of the largest healthcare providers in New Jersey, to begin providing services at their primary location.

Outside the United States Dignitana continues to sell units to medical facilities around the globe with 9 units sold in the second quarter to The Cayman Islands, Australia via distributor Aurora BioScience and The Middle East via distributor Tesla. In the first quarter 2 units were sold in Romania, bringing the year-to-date total number of units sold globally to 11.

Europe presents significant growth potential to the company, with sales to new facilities as well as management of the 70 medical facilities in 11 countries acquired from Sysmex in April. Of these 70 locations, 16 have leased equipment while the remaining units were purchased by the treatment facility. Dignitana is working with those sites that have purchased devices to ensure prompt and reliable service and maintenance continues to be provided under service agreements. In terms of new sales in Europe, in the second quarter Dignitana initiated its first direct-to-customer lease transaction with the leading oncology practice in Spain for 3 locations in Madrid and Barcelona.

Our Middle East Distributor, Tesla Medical Solutions, is actively marketing DigniCap and making progress toward documentation for sales in Saudi Arabia, Oman, Kuwait, Armenia and Egypt. Tesla has, to date, placed DigniCap devices in Iraq, Qatar and Dubai.

Conversations with Konica Minolta Medical are ongoing regarding plans to seek approval from the Japan Pharmaceuticals and Medical Devices Agency (PMDA) to begin marketing DigniCap there.

As we work to build awareness of DigniCap and scalp cooling among both patients and clinicians, medical conferences provide an excellent opportunity to personally connect with our prospects and customers. We attended two conference this quarter, each reaching by over 3,000 clinicians. The Oncology Nursing Society Congress in Washington DC in May brought together many of our existing customers with new prospects. In June the Multinational Association of Supportive Care in Cancer Conference in Vienna included a popular workshop on scalp cooling which provided a valuable platform to discuss increasing awareness and availability of the technology.





Business model

The company has four primary revenue streams: treatment fees to patients (pay-per-treatment using leased machines); machine sales; service and maintenance contracts; and leasing fees.

In the United States the largest opportunity for growth is through our pay-per-treatment model. Our machine utilization increased to provide a 21 percent increase in

treatment revenue over first quarter 2018.

The pace of new system sales globally is accelerating. For those markets that have not yet adopted a pay-per-treatment model we are focusing on creating a more sustainable recurring revenue model in the form of leases and service/maintenance contracts.

The product and product development

Cancer is the most common malignancy worldwide and treatment often includes chemotherapy. Hair loss remains a frequent side effect of chemotherapy and is rated by patients as one of the most distressing impacts from treatment, affecting quality of life, ability to return to work, and self-image. The DigniCap Scalp Cooling System has been clinically proven to reduce hair loss in cancer patients undergoing chemotherapy for solid tumor cancers.

The current generation DigniCap has been on the market since 2009. In addition to occasional software upgrades, recent enhancements to the system include the DigniTherm Click Cap, a product extension engineered to improve ease of use and enhance cap

fit to improve patient outcomes. The U.S. launch of the Click Cap was completed in March 2018, and in the second quarter we saw a steady increase in utilization as facilities used the new cap and became familiar with the improvements.

The company is currently engaged in a significant product development initiative to launch the next generation scalp cooling device. This system will be a smaller single-patient device providing improved ease of use for both the patient and clinician. Development of the machine is progressing on schedule and at a rapid pace and we anticipate introducing the new system to the market at the end of 2018 or early 2019.



Financial information

Group revenues are generated by direct sales of systems, pay-per-treatment fees, leased machines, maintenance/ service contracts and other revenue such as spare parts sales. Group revenues in second quarter 2018 increased 54 percent to 9,022 TSEK, compared to 5,852 TSEK for the same period last year. Group revenues in second quarter 2018 increased 51 percent from first quarter 2018.

Dignitana, Inc. continues to show quarterly revenue increases. On average the quarterly growth for the past four quarters was 15 percent. In that time Dignitana, Inc. increased revenue from the second quarter 2017 to second quarter 2018 by 71 percent.

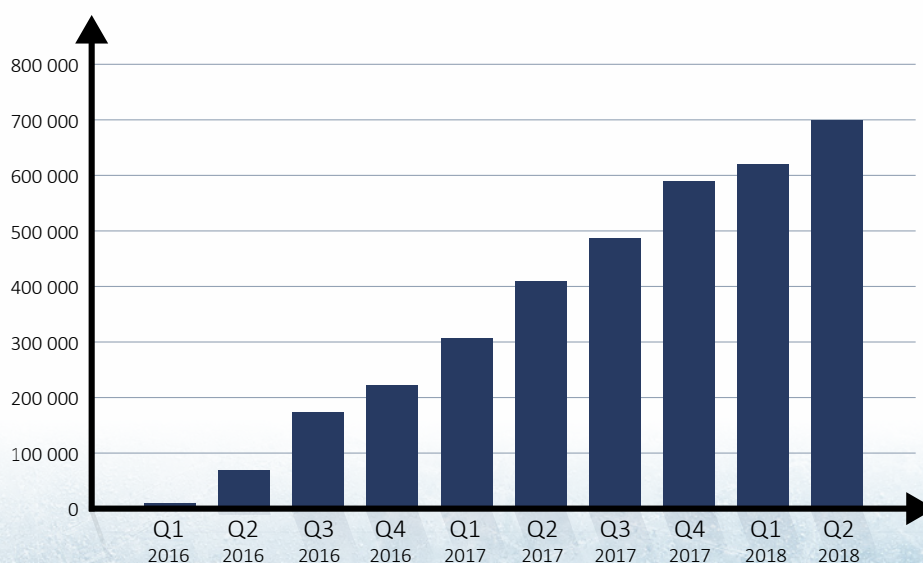
Group operating expenses as compared to the same quarter last year decreased by 1,582 TSEK. Dignitana AB experienced a decrease in personnel costs as the result of moving operations from Sweden to the U.S., this resulted in a savings of 2,896 TSEK for the first two quarters of 2018 over the same period of 2017. The company currently employs 22 people with 2 in Sweden and 20 in the U.S. as of 30 June 2018, as compared to 30 June 2017 when the company employed 20 people with 9 in Sweden and 11 in the U.S. Dignitana AB is

expected to recognize these reduced personnel costs for the remainder of the year. We will also see a reduction in office-related expenditures in Lund. Dignitana had an increase in travel, legal and other costs due to the acquisition of European facilities from Sysmex beginning 1 April 2018 and the creation of the new legal entity in Italy for Dignitana S.r.l. These costs were outside our normal business expenses.

Cost of goods sold include the cost of the finished goods sold during the period. Income arising from the sale of goods is recognized when the goods have been delivered and ownership has been transferred to the buyer. In the U.S. Dignitana, Inc. does not sell the device directly to the end customer as various lease models are used instead.

Results from foreign exchange translation adjustments are shown in the section of financial investments on the income statement and in owner's equity on the balance sheet. Dignitana revenues and costs are comprised of different currencies such as U.S. Dollars, Euros, and other currencies. Foreign exchange translation differences are found on the income statement under results from financial investments.

Revenues Per Quarter – Dignitana, Inc. (USD)



Forward-looking statements

This report may contain statements, estimates or projections that constitute “forward-looking statements”. Generally, the words “believe,” “expect,” “intend,” “estimate,” “anticipate,” “project,” “will” and similar expressions identify forward-looking statements, which

generally are not historical in nature. Forward looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from the Dignitana historical experience or future projects.

Risk factors

An investment in securities is associated with risk. Dignitana’s activities are affected, and may be affected, by a number of factors which cannot be completely controlled by the Company. There are risks both in terms of circumstances attributable to Dignitana and such which has no specific connection with the Company. Below, without any particular order and without claim to be exhaustive, some of the risk factors and circumstances which are considered essential for Dignitana’s operations and future development. The risks described below are not a conclusive list of the risks which the Company and its shareholders may be exposed to. Additional risks that are not currently known to the Company or as the Company currently not consider is essential, may also be of significant importance to Dignitana’s business, financial position and results. Such risks may also cause the Company’s share price to fall sharply and investors

may lose all or part of their investment. In addition to this section, investors should also consider the other information contained in the Prospectus as a whole and implement one general environmental assessment.

The non-conclusive list of the Company’s risks concerns (but are not limited to): Patents, Key Personnel, Growth Management, Restructuring, Development Costs, Competitors, Capital Bonds, Depending on Individual Customers, Customers, Authorization and Registration, Chemotherapy Without Side Effects, Distributors and Manufacturers, Profitability and Future Capital Needs, Political Risk, Regulatory or Change of Laws, Disputes and Currency Risks.

For a detailed explanation of these risk factors view the December 2017 Company Prospectus posted at <http://dignitana.se/investor-relations/nyemissioner/>

The share

The total number of outstanding shares at the close of the period was 40,548,224.

The share has been listed on the Nasdaq First North since 30 November 2011 after having been listed at Aktietorget since June 2009. It is traded under the DIGN ticker.

There are 265,000 warrants in the company. The warrants carry the right to purchase 165,000 shares in the period June 1 to 30, 2019 and 100,000 shares in the period June 1 to 30 June 2020 and will, on full exercise, increase the company share capital by SEK 265,000.

Erik Penser Bank is the company's Certified Adviser.



Board assurance

The Board of Directors and Chief Executive Officer declare that this Interim Report provides a fair view of the Company's operations, financial position and results, and describes material risks and uncertainties facing the company.

Dignitana AB

Corporate Registration Number: 556730-5346

Lund, 21 August 2018

Dignitana AB (publ) Board of Directors

Thomas Kelly
Chairman

William Cronin
Director and CEO

Mikael Wahlgren
Director and
Deputy Managing Director

Ingrid Atteryd Heiman
Director

This interim report has not
been audited by the company auditors.

Income Statement – Dignitana Group

SEK

DIGNITANA GROUP	Q2 2018	Q2 2017	Q1-Q2 2018	Q1-Q2 2017	Full year 2017
Operating Income					
Revenue	8 976 113	5 758 847	14 872 844	11 885 776	22 940 627
Own work capitalized	-			14 975	14 975
Other income	45 623	92 987	136 584	128 579	177 763
Total Operating Income	9 021 736	5 851 834	15 009 428	12 029 330	23 133 365
Cost of Goods Sold					
Goods for Resale	930 848	941 266	1 435 424	2 605 247	3 724 858
Gross Profit	8 090 888	4 910 568	13 574 004	9 424 083	19 408 507
Operating expenses					
Other external expenses	5 911 704	7 165 201	12 559 927	13 495 063	28 419 237
Personnel expenses	4 862 982	6 466 888	10 507 162	11 143 425	24 687 021
Other Operating expense	17 270	7 672	27 607	39 087	54 808
Total operating expenses	10 791 957	13 639 761	23 094 696	24 677 575	53 161 066
Operating profit (loss) - EBITDA	(2 701 069)	(8 729 193)	(9 520 692)	(15 253 492)	(33 752 559)
Depreciation of tangible and intangible assets	1 982 603	1 572 128	3 947 573	2 975 345	6 761 746
Operating profit (loss) after depreciation - EBIT	(4 683 672)	(10 301 321)	(13 468 264)	(18 228 837)	(40 514 305)
Result from financial investments					
Interest income and similar items	204 189	1 666	590 922	1 666	1 896
Interest expenses and similar items	(894 666)	(513 165)	(1 447 263)	(695 008)	(1 842 255)
Total income (loss) from financial investments	(690 477)	(511 499)	(856 341)	(693 342)	(1 840 359)
Net profit (loss) after financial items	(5 374 149)	(10 812 820)	(14 324 605)	(18 922 179)	(42 354 664)
Corporate Taxes			1 907		245 244
Results for the Period	(5 374 149)	(10 812 820)	(14 324 605)	(18 922 179)	(42 599 908)
Total shares at the period-end before and after dilution ¹	40 548 224	20 274 112	40 548 224	20 274 112	20 274 112
Average number of shares before and after dilution ¹	40 548 224	20 274 112	40 548 224	20 274 112	20 274 112
Earnings per share before and after dilution ¹	(0.13)	(0.53)	(0.35)	(0.93)	(2.1)

1) no dilution

Balance Sheet – Dignitana Group

SEK

STATEMENT OF FINANCIAL POSITION	2018-06-30	2017-06-30	2017-12-31
Fixed Assets			
<u>Intangible assets</u>			
Capitalized expenses for development, net	11 705 836	12 908 719	11 399 905
<u>Tangible assets</u>			
Equipment, tools and installations, net	17 285 073	14 685 176	19 355 859
Total Fixed Assets	28 990 909	27 593 895	30 755 764
Current Assets			
<u>Inventories and similar</u>			
Finished goods and goods for resale	4 792 917	4 863 367	2 567 773
Advance payment to suppliers	0	12 036	276 062
	4 792 917	4 875 403	2 843 835
<u>Current Receivables</u>			
Accounts Receivable	7 358 784	2 539 449	2 974 624
Current Tax Assets	9 686	352 257	219 880
Other current receivables	0	2 126 465	43 927 775
Prepaid expenses and accrued income	846 886	1 518 702	557 422
	8 215 356	6 536 873	47 679 701
<u>Cash and Bank Balances</u>	10 368 236	10 120 878	1 017 957
Total Current Assets	23 376 509	21 533 154	51 541 493
Total Assets	52 367 418	49 127 049	82 297 257

Balance Sheet – Dignitana Group, continued

SEK

STATEMENT OF FINANCIAL POSITION	2018-06-30	2017-06-30	2017-12-31
Equity and Liabilities			
Equity			
<u>Restricted equity</u>			
Share Capital (40,528,224 shares par value SEK 1, previous year 20,274,112)	40 548 224	20 274 112	20 274 112
Unregistered share capital			20 274 112
Fund for development expenses	2 635 796	2 635 796	2 635 796
	43 184 020	22 909 908	43 184 020
<u>Non-restricted equity</u>			
Other paid-in capital	7 866 366	32 906 284	50 561 848
Results for the period	(14 324 605)	(18 922 179)	(42 599 908)
	(6 458 240)	13 984 105	7 961 940
Total Equity	36 725 780	36 894 013	51 145 960
Current Liabilities			
Accounts payable	1 497 818	4 134 077	5 090 671
Other current liabilities	6 830 822	367 442	431 425
Liabilities to credit institutions	0		5 000 000
Accrued expenses and deferred income	2 694 058	2 731 517	9 751 101
Total current liabilities	11 022 698	7 233 036	20 273 197
Long Term Liabilities			
Liabilities to Credit Institutions	4 618 939	5 000 000	10 878 100
Total Equity and Liabilities	52 367 418	49 127 049	82 297 257

Changes in Equity – Dignitana Group

SEK

	Q1-Q2 2018	Q1-Q2 2017	Full Year 2017
Opening balance	51 145 960	55 870 277	55 870 277
New Share Issue			
Unregistered Share Issue			42 575 635
Issue expenses			(4 772 032)
Subscribed warrants			124 000
Translation difference on consolidation Results for the period	(95 575)	(54 085)	(52 012)
Results through the end of the period	(14 324 605)	(18 922 179)	(42 599 908)
Closing balance	36 725 780	36 894 013	51 145 960

Statement of Cash Flows – Dignitana Group

SEK

	Q2 2018	Q2 2017	Q1-Q2 2018	Q1-Q2 2017	Full year 2017
Operating Activities					
Operating income before financial items	(4 683 672)	(10 301 321)	(13 468 264)	(18 228 837)	(40 514 305)
Adjustments for items not affecting cash flows	1 982 603	1 572 128	3 947 573	2 960 370	7 210 315
Interest received	204 189	1 666	590 922	1 666	1 896
Interest paid	(894 666)	(60 667)	(614 583)	(60 700)	(622 412)
Income tax paid	0	0	0	0	(105 478)
	(3 391 546)	(8 788 194)	(9 544 352)	(15 327 501)	(34 029 984)
Changes in inventories	(2 594 402)	(4 569 580)	(1 949 082)	(8 475 067)	(363 242)
Changes in other current receivables	(3 815 910)	1 462 252	39 370 768	(2 235 583)	(704 973)
Changes in other current liabilities	(68 242)	(622 951)	(9 250 499)	(731 808)	1 631 606
Cash flows from operating activities	(9 870 100)	(12 518 473)	18 626 835	(26 769 959)	(33 466 593)
Investing Activities					
Acquisition of fixed assets	(1 515 455)	(313 153)	(2 182 718)	(919 450)	(14 411 521)
Cash flows from investing activities	(1 515 455)	(313 153)	(2 182 718)	(919 450)	(14 411 521)
Financing Activities					
New share issue	0	0	0	0	
Issuance costs	0	0	0	0	(290 574)
Subscribed warrants	0	0	0	0	124 000
Long Term Liabilities	(405 164)	5 000 000	(6 259 161)	5 000 000	16 282 187
Cash flows from financial activities	(405 164)	5 000 000	(6 259 161)	5 000 000	16 115 613
Cash flows in the period	(11 790 720)	(7 831 626)	10 184 956	(22 689 409)	(31 762 501)
Cash and cash equivalents at start of the period	22 185 170	17 994 652	1 017 957	32 864 372	32 864 372
Translation difference on cash and cash equivalents	(26 215)	(42 148)	(834 678)	(54 085)	(83 914)
Cash and cash equivalents Period End	10 368 235	10 120 878	10 368 235	10 120 878	1 017 957

Income Statement – Dignitana AB, Parent Company

SEK

DIGNITANA AB, PARENT COMPANY	Q2 2018	Q2 2017	Q1-Q2 2018	Q1-Q2 2017	Full year 2017
Operating Income					
Revenue	7 282 529	4 636 191	11 726 347	9 948 117	18 300 358
Own work capitalized	-	-		14 975	14 975
Other income	45 451	92 880	136 413	127 693	174 783
Total Operating Income	7 327 980	4 729 071	11 862 759	10 090 785	18 490 116
Cost of Goods Sold					
Goods for Resale	930 848	941 266	1 435 424	2 605 247	3 724 858
Gross Profit	6 397 132	3 787 805	10 427 335	7 485 538	14 765 258
Operating expenses					
Other external expenses	8 607 266	9 728 717	18 063 722	17 625 187	36 998 667
Personnel expenses	607 693	2 908 890	2 407 036	5 303 712	11 949 482
Other Operating expense	17 270	7 672	27 607	39 087	54 808
Total operating expenses	9 232 229	12 645 279	20 498 365	22 967 986	49 002 957
Operating profit (loss) - EBITDA	(2 835 097)	(8 857 474)	(10 071 030)	(15 482 448)	(34 237 699)
Depreciation and amortization	1 941 880	1 543 115	3 877 155	2 922 565	6 652 242
Operating profit (loss) after depreciation - EBIT	(4 776 978)	(10 400 589)	(13 948 185)	(18 405 013)	(40 889 941)
Result from financial investments					
Interest income and similar items	204 189	26	590 922	26	-
Interest expenses and similar items	(358 290)	(513 165)	(600 436)	(695 008)	(1 387 321)
Total income from financial investments	(154 101)	(513 139)	(9 514)	(694 982)	(1 387 321)
Net profit (loss) after financial items	(4 931 079)	(10 913 728)	(13 957 699)	(19 099 995)	(42 277 262)
Corporate Taxes	-	-	-	-	-
Results for the Period	(4 931 079)	(10 913 728)	(13 957 699)	(19 099 995)	(42 277 262)

Balance Sheet – Dignitana AB, Parent Company

SEK

STATEMENT OF FINANCIAL POSITION	2018-06-30	2017-06-30	2017-12-31
Fixed Assets			
<u>Intangible assets</u>			
Capitalized expenses for development, net	11 687 992	12 908 719	11 399 905
<u>Tangible assets</u>			
Equipment, tools and installations, net	16 948 178	14 412 595	19 153 383
<u>Financial assets</u>			
Participations in group companies	420 010	420 010	420 010
Total Fixed Assets	29 056 180	27 741 324	30 973 298
Current Assets			
<u>Inventories and similar</u>			
Finished goods and goods for resale	4 792 917	4 863 367	2 567 773
Advance payment to suppliers		12 036	276 062
	4 792 917	4 875 403	2 843 835
<u>Current Receivables</u>			
Accounts Receivable	3 358 421	867 052	460 788
Current Receivables from group companies	447 995	2 679 583	-
Current Tax Assets	0	352 257	219 880
Other current receivables	0	2 052 514	43 927 775
Prepaid expenses and accrued income	452 980	631 486	311 218
	4 259 396	6 582 892	44 919 661
<u>Cash and Bank Balances</u>	9 518 149	9 156 670	606 356
Total Current Assets	18 570 463	20 614 965	48 369 852
Total Assets	47 626 643	48 356 289	79 343 150

Balance Sheet – Dignitana AB, Parent Company, continued

SEK

STATEMENT OF FINANCIAL POSITION	2018-06-30	2017-06-30	2017-12-31
Equity and Liabilities			
Equity			
<u>Restricted equity</u>			
Share Capital (40,528,224 shares par value SEK 1, previous year 20,274,112)	40 548 224	20 274 112	20 274 112
Unregistered share capital			20 274 112
Fund for development expenses	2 635 796	2 635 796	2 635 796
	43 184 020	22 909 908	43 184 020
<u>Non-restricted equity</u>			
Other paid-in capital	7 994 421	32 711 766	32 835 766
Share premium reserves			22 301 523
Issue expense			(4 772 032)
Results for the period	(13 957 699)	(19 099 995)	(42 277 262)
	(5 963 278)	13 611 771	8 087 995
Total Equity	37 220 742	36 521 679	51 272 015
Current Liabilities			
Accounts payable	1 086 152	4 134 077	4 409 253
Other current liabilities	1 347 127	367 442	9 485 220
Liabilities to credit institutions			5 000 000
Current payable to group company	4 584 539		431 425
Accrued expenses and deferred income	2 353 623	2 333 091	8 745 237
Total current liabilities	9 371 441	6 834 610	28 071 135
Long Term Liabilities			
Liabilities to Credit Institutions	1 034 460	5 000 000	-
Total Equity and Liabilities	47 626 643	48 356 289	79 343 150

Policies for preparation of the financial report

Swedish Annual Accounts Act (1995:1554) and Swedish Accounting Standards Board General Recommendations BFNAR 2012:1 Annual reporting and consolidated financial statements

Financial calendar

27 November 2018	Q3 Interim Report through 30 September 2018
26 February 2019	2018 Year End Report

Past Annual Reports and Interim Reports are available at **www.dignitana.se**

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