Q2
2020 report

Robustness in challenging times

April—June

- Total revenue of SEK 3,070 M (3,163), down 3 per cent (-4 per cent at constant exchange rates (CER))
- Adjusted EBITA[1,2] was SEK 1,018 M (1,193), with an EBITA margin[1] of 33 per cent (33)
- Earnings per share (EPS) of SEK 0.96 (1.70) and adjusted EPS[1,2,3] of 0.96 SEK (2.12)
- Net debt[1] of SEK 11,802 M at 30 June 2020 (15,404 at 31 Dec 2019)
- Sales for Elocta® were SEK 1,040 M (1,127) and sales for Alprolix® were SEK 363 M (382)
- Continued strong performance for Kineret® with sales amounting to SEK 530 M (419), an increase of 24 per cent at CER
- Sales of Gamifant® were SEK 132 M (205)
- Cash flow from operations of SEK 1,911 M (1,275)
- Strategic licensing agreement with Selecta Biosciences for the product candidate SEL-212 for the potential treatment of chronic refractory gout[4]
- Outlook 2020 unchanged, see page 8

January—June

- Total revenue of SEK 7,709 M (6,427), 20 per cent revenue growth (17 per cent at CER)
- Adjusted EBITA[1,2] was SEK 3,191 M (2,665), an increase of 20 per cent, with an EBITA margin[1] of 41 per cent (41)
- EPS of SEK 4.98 (4.82) and adjusted EPS[1,2,3] of SEK 4.98 (5.14)
- Net debt[1] of SEK 11,802 M at 30 June 2020 (15,404 at 31 Dec 2019)
- Elocta sales were SEK 2,399 M (2,118) and Alprolix sales were SEK 851 M (718)
- Kineret sales amounted to SEK 1,030 M (765)
- Gamifant sales amounted to SEK 236 M (294)
- Cash flow from operations of SEK 3,912 M (1,663)

Total revenue Q2, SEK M

3,070

EBITA margin[1] Q2, SEK M

33%

Financial summary

Amounts in SEK M	Q2 2020	Q2 2019	Change	H1 2020	H1 2019	Change	Full-year 2019
Total revenue	3,070	3,163	-3%	7,709	6,427	20%	14,248
Gross profit	2,381	2,413	-1%	5,979	4,907	22%	10,913
Gross margin[1]	78%	76%		78%	76%		77%
EBITA[1]	1,018	1,037	-2%	3,191	2,546	25%	5,933
EBITA adjusted[1,2]	1,018	1,193	-15%	3,191	2,665	20%	6,145
EBITA margin[1]	33%	33%		41%	40%		42%
EBITA margin adjusted[1,2]	33%	38%		41%	41%		43%
Profit for the period	283	499	-43%	1,465	1,402	4%	3,304
Earnings per share, SEK	0.96	1.70	-43%	4.98	4.82	3%	11.29
Earnings per share, SEK adjusted[1,2,3]	0.96	2.12	-55%	4.98	5.14	-3%	11.89

[1]Alternative Performance Measures (APMs), see page 14 for further information.

[2]EBITA Q2 and Full-year 2019 excluding non-recurring items; transaction costs related to the acquisition of Dova in Q4 of SEK 92 M, restructuring costs of SEK 157 M in Q2 2019 and gain from divestment of SOBI005 in Q1 2019 of SEK 37 M.

[3]EPS Q2 and Full-year 2019 excluding impairment of intangible assets of SEK 18 M related to restructuring in Q2 2019.

[4]The transaction is subject to clearance under the Hart-Scott Rodino Antitrust Improvements Act and other customary closing conditions.

CEO statement

During the quarter we continued to deliver on our strategy with the strategic licensing agreement with Selecta[1] for the product candidate SEL-212 for the treatment of chronic refractory gout, an important milestone as it further strengthens our Immunology portfolio and our late-stage pipeline. Total revenue for the second quarter 2020 was SEK 3,070 M and EBITA was SEK 1,018 M. The COVID-19 pandemic has continued to pose challenges for the whole world and has of course had implications for Sobi as well. However, we have made significant efforts and have made strategic progress in this difficult environment: 27 per cent QoQ growth for Gamifant, 52 per cent QoQ growth for Doptelet in the US market, close to 4 per cent patient growth for the Haemophilia portfolio and a strong Kineret performance, all despite the lack of face-to-face interactions with customers. The performance in the quarter was impacted by regional lockdowns but positive signs of a return to normality were seen in June.

Haematology – sales impacted by regional lockdowns

Elocta and Alprolix sales for the quarter were SEK 1,040 M (1,127) and SEK 363 M (382) respectively. Sales were down 8 per cent for Elocta and 5 per cent for Alprolix compared with the previous year. However, one should note that we have increased our number of patients in H1 2020 compared to H1 2019 by 29 per cent for Alprolix and 21 per cent for Elocta. We have grown the number of Haemophilia patients by close to 4 per cent in Q2. However, sales in Q2 were impacted by stock build-up in Q1 2020 and a temporary decline of consumption per patient. Due to the lockdowns, there has been a sharp decline in elective surgery and less activity which has led to lower consumption of factor.

Despite the lockdown and the COVID-19 restrictions, we have seen patient growth return particularly in June as lockdown restrictions began to be lifted in most European countries. We are also satisfied that Elocta is now available for all patients with haemophilia A in the UK after a successful bid in the United Kingdom's haemophilia A tender. Elocta is now also the number one prophylaxis treatment in Germany.

The positive trend for Doptelet in early launch phase continued during the quarter with revenue of SEK 186 M, including a milestone payment. As with other drugs, the COVID-19 pandemic has meant some challenges for Doptelet with fewer patients switching to new treatments. In the US the launch of the ITP indication continues; in Europe preparations for the launch in the CLD and ITP indications are ongoing. We have also successfully finalised recruitment in the CIT study and readout is expected in Q4 2020.

Immunology – continued strong Kineret performance

Kineret generated strong growth of 24 per cent at CER with sales reaching SEK 530 M (419), reflecting increased demand. The first part of the quarter was also positively impacted by Kineret's potential as a treatment for the complications associated with COVID-19.

Sales of Gamifant reached SEK 132 M (205) in the quarter. We continue to see underlying patient growth, but the patients have an overall lighter body weight which means lower volumes compared with Q2 2019. In addition, sales were impacted by price adjustments in the US.

Building for the future

Despite a challenging environment we hold course and continue to build the company in line with our strategy. The acquisition announced in June of the global rights to SEL-212[1] – a unique, late-stage candidate containing a novel enzyme, and a potentially groundbreaking immune tolerance platform – is another important milestone for the company. SEL-212 is a highly differentiated asset in a segment with high unmet medical needs, and could significantly improve the treatment for patients with chronic refractory gout. This is an important step for Sobi on our journey to make treatments for rare diseases available to patients. The chronic refractory gout market is estimated to be worth at least USD 1 billion in sales in the US alone and SEL-212 has the potential to become a significant product in our growing Immunology business.

During Q2 we also continued our geographic expansion into Japan. Asia is a promising market for Sobi going forward and we are now established in two of the most important Asian markets, China and Japan, and preparations are ongoing for future growth.

Finally, I am proud of the efforts of the Sobi teams around the world who are doing everything they can to ensure that our medicines get to the people who need them. We continue to stay focused on doing what we do best – making sure patients do not go without their lifesaving medicines.

Solna, Sweden, 16 July 2020

Guido Oelkers, President & CEO

[1]The transaction is subject to clearance under the Hart-Scott Rodino Antitrust Improvements Act and other customary closing conditions.

Business Review Q2

Haematology

As a result of the COVID-19 pandemic, many activities and key events involving healthcare professionals (HCP) have been transformed into digital meetings and virtual engagement to ensure a continuing good level of interaction with our customers. However, patient mobility has been impacted by the lockdown in many countries and this in turn has affected the need for treatment.

The roll-out of the digital platform Florio commenced and the platform is now available in 17 countries.

In France, Elocta and Alprolix maintain market leadership. Both products also continued to grow in other main markets such as Germany, Italy and Spain. Alprolix was launched in Q2 in Spain.

Elocta is now included in the tender agreement with the NHS in the UK, which means that more patients get access. Treatment guidelines recently published by the British Society for Haematology (BSH) recommend that prophylactic treatment should be tailored to suit individual daily activity. With this new tender agreement, Sobi is in a strong position to help more patients achieve this target by switching to Elocta.

Over the past three months the competitive landscape in haemophilia has changed significantly with four new entrants in the haemophilia A market. These products have so far not had any material impact on the business.

Despite the challenging environment in the US, Doptelet continues to gain market share with sales ramping up. In Europe, Sobi has increased focus on commercial readiness for the pre-launch and launch activities for Doptelet in CLD and ITP. Price and reimbursement dossiers are expected to be submitted in Q3 with first sales for the CLD indication expected in 2021. Doptelet received a favourable recommendation by the National Institute of health and Care Excellence (NICE) in England and Wales for treatment of adult patients with chronic liver disease ahead of surgery.

Immunology

The Immunology business was further strengthened in the quarter by the licence agreement with Selecta for SEL-212, a unique phase 3-ready therapy, powered by the breakthrough immune tolerance platform ImmTOR™, with the potential to address a significant unmet need for the treatment of chronic refractory gout. Sobi will take on development, regulatory and commercial activities in all markets outside China while Selecta will run the phase 3 studies on behalf of Sobi.

As part of the agreement, Sobi will make initial payments of USD 100 million, including a USD 75 million up-front licence fee and USD 25 million for the purchase of Selecta common stock. Selecta is eligible to receive potential development, regulatory and commercial milestone payments of up to USD 630 million, and tiered double-digit royalties on net sales.

The transaction is subject to clearance under the Hart-Scott Rodino Antitrust Improvements Act and other customary closing conditions.

In the beginning of the quarter, there was a continued elevated interest in Kineret and cytokine storm syndrome related to severe COVID-19 which translated into increased demand particularly in April for Kineret for the treatment of severely ill patients. In recent months, significant outcomes from Investigator Sponsored Studies have been published in The Lancet Rheumatology, confirming positive impacts and clinical improvement in patients treated with Kineret.

Kineret will continue to provide additional growth with the newly approved indication in Familial Mediterranean Fever (FMF). A genetic autoimmune disorder, FMF causes recurrent episodes of fever and pain. It is mostly commonly seen in people of Mediterranean and Middle Eastern descent where it can affect up to one person in 200 but can also affect people from other backgrounds.

The Committee for Medicinal Products for Human Use (CHMP) of the European Medicines Agency has adopted a positive opinion for a type II variation submission of the final study report for the PASS study in Still's disease (Sobi.ANAKIN-302). The results of the study confirm the long-term safety profile of Kineret in SJIA patients and no new safety findings were identified.

Being a seasonal product, sales of Synagis in the quarter were low as expected. However, the Synagis team continued to work with educational activities to explain the importance of access to the medicine and of adherence for all doses in the programme up to the end, enabling more vulnerable babies to get protection from RSV.

The launch of Gamifant continues in the US and important disease awareness activities continue to raise awareness of primary haemophagocytic lymphohistiocytosis (HLH) . In the quarter there has been a continued patient growth, confirming the impact from disease awareness activities. The lower average weight of patients and a lower price impacted total sales.

R&D pipeline

The last patient was recruited into the phase 3 study with avatrombopag for the treatment of chemotherapy-induced thrombocytopenia (CIT) and initial results are expected in Q4 2020.

The licence agreement with Selecta for SEL-212 will substantially strengthen the Immunology late-stage pipeline.

Results from the pivotal phase 2/3 study evaluating the efficacy and safety of emapalumab in patients with primary HLH were published in the New England Journal of Medicine.

The first patient was enrolled in the A-MORE study at Álvaro Cunqueiro Hospital in Spain on 29 May. A-MORE is a non-interventional study designed to evaluate the long-term outcome of Elocta treatment on joint health in patients treated prophylactically with Elocta in a real-world setting.

The study assessing the effect of blocking IL-1 or IFN-γ with anakinra and emapalumab respectively in patients with hyperinflammation and respiratory complications following SARS-Cov-2 infection is ongoing. Ten out of 54 patients have been enrolled in Italy. While more sites have been added in Italy, enrolment has been affected by a lower rate of cases; therefore additional sites plans to open in the US in Q3 to add further enrolment capacity.

Sustainability

Sobi and Sanofi announced an extension of their support for the World Federation of Hemophilia (WFH) Humanitarian Aid Program

Business Review Q2 cont.

with an additional donation of up to 500 million international units (IU) of factor therapy for humanitarian use, fulfilling the unprecedented 2014 pledge to donate up to 1 billion IU over a ten-year period. More than 17,200 people with haemophilia in over 40 developing countries have been treated with medicine provided by Sobi and Sanofi since donations to the WFH Humanitarian Aid Program began in 2015.

To ensure sustainable and responsible sourcing, Sobi launched the Responsible Sourcing Programme, including the introduction of a Partner Code of Conduct and sustainability screening, in January 2020. 45 per cent of Sobi's current top 100 partners have been screened for sustainability criteria.

Sobi is participating in the Pharmaceutical Supply Chain Initiative (PSCI) annual Sustainability Survey to expand our environmental reporting and understand our contract manufacturers' environmental maturity and impact.

Financial Review

Total revenue

Total revenue for the quarter amounted to SEK 3,070 M (3,163), down 3 per cent compared with the second quarter 2019 (-4 per cent at CER).

Half-year revenue was SEK 7,709 M (6,427), an increase of 20 per cent (17 per cent at CER). Organic growth amounted to 13 per cent at CER compared with the first half of 2019.

Revenue by business area

Haematology

Haematology revenue reached SEK 2,037 M (1,950) for the quarter, an increase of 4 per cent (3 per cent at CER). Half-year revenue amounted to SEK 4,431 M (3,681), up 20 per cent (18 per cent at CER).

Elocta sales was SEK 1,040 M (1,127) for the quarter, down 8 per cent (-8 per cent at CER) for the quarter. Alprolix sales was SEK 363 M (382) for the quarter, down 5 per cent (-5 per cent at CER). Patient growth were seen for both products while sales declined mainly driven by inventory de-stocking at wholesalers following extraordinary stocking in Q1 and lower consumption per patient and a lower demand due to less surgeries and emergency procedures, all related to COVID-19.

Half-year sales amounted to SEK 2,399 M (2,118) for Elocta and SEK 851 M (718) for Alprolix. A growth of 13 per cent (11 per cent at CER) for Elocta and 18 per cent (17 per cent at CER) for Alprolix.

Doptelet revenue reached SEK 186 M (–) for the quarter. The quarter includes a milestone revenue related to the approval of the CLD indication in China of SEK 87 M. Half-year revenue amounted to SEK 251 M (–).

Estimated royalty revenue were SEK 336 M (345) for the quarter. Half-year revenue amounted to SEK 671 M (679).

ReFacto manufacturing revenue totalled SEK 112 M (97) for the quarter, up 16 per cent driven by ordering patterns. Half-year manufacturing revenue totalled SEK 260 M (166), up 57 per cent.

Immunology

Immunology revenue for the quarter was SEK 714 M (773) a decrease of 8 percent (-10 per cent at CER). Half-year revenue was SEK 2,514 M (1,873), up 34 per cent (30 per cent at CER).

Kineret sales for the quarter were SEK 530 M (419), an increase of 26 per cent (24 per cent at CER). Kineret continues to perform well, with double-digit growth. Growth is mainly driven by increased underlying demand across all regions but also as a consequence of the COVID-19 pandemic. Half-year sales were SEK 1,030 M (765), an increase of 35 per cent (31 per cent at CER) driven by higher demand.

Gamifant sales for the quarter amounted to SEK 132 M (205) a decrease by 36 per cent (-38 per cent at CER). The average lower weight of patients and a lower price impacted total sales. Half-year sales of Gamifant were SEK 236 M (294) a decrease of 20 per cent (-23 per cent at CER).

Synagis sales for the quarter were SEK 52 M (148), a decrease by 65 per cent (-65 per cent at CER). The decrease is explained mainly by remaining late season sales in Q2 2019. Half-year sales of Synagis

Revenue by business area

Amounts in SEK M	Q2 2020	Q2 2019	Change	Change at CER[1]	H1 2020	H1 2019	Change	Change at CER[1]	Full-year 2019
Haematology									
Elocta	1,040	1,127	-8%	-8%	2,399	2,118	13%	11%	4,508
Alprolix	363	382	-5%	-5%	851	718	18%	17%	1,463
Royalty	336	345	-3%	-6%	671	679	-1%	-5%	1,373
Doptelet	186	–	N/A	N/A	251	–	N/A	N/A	34
Manufacturing revenue	112	97	16%	16%	260	166	57%	57%	376
Total	**2,037**	**1,950**	**4%**	**3%**	**4,431**	**3,681**	**20%**	**18%**	**7,755**
Immunology									
Kineret	530	419	26%	24%	1,030	765	35%	31%	1,571
Synagis	52	148	-65%	-65%	1,248	813	53%	47%	2,594
Gamifant	132	205	-36%	-38%	236	294	-20%	-23%	542
Total	**714**	**773**	**-8%**	**-10%**	**2,514**	**1,873**	**34%**	**30%**	**4,706**
Specialty Care									
Speciality Care	319	440	-27%	-28%	764	873	-13%	-15%	1,787
Total	**319**	**440**	**-27%**	**-28%**	**764**	**873**	**-12%**	**-15%**	**1,787**
Total revenue	**3,070**	**3,163**	**-3%**	**-4%**	**7,709**	**6,427**	**20%**	**17%**	**14,248**

[1]Constant exchange rates.

were SEK 1,248 M (SEK 813 M for period 23 January-30 June 2019).

Specialty Care

Specialty Care revenue for the quarter was SEK 319 M (440), a decrease of 27 per cent (-28 per cent at CER). Half-year sales were SEK 764 M (873), a decrease of 12 per cent (-15 per cent at CER).

Orfadin sales for the quarter were SEK 167 M (215), a decrease of 22 per cent (-23 per cent at CER). The decrease is mainly explained by the introduction of generic competition and associated price erosion. Half-year sales were SEK 364 M (404), a decrease of 10 per cent (-12 per cent at CER).

Q2 sales for the other Specialty Care products amounted to SEK 152 M (225), a decrease of 32 per cent (-32 per cent at CER) related to discontinuation of products. Half-year sales were SEK 401 M (469), a decrease of 15 per cent (-17 per cent at CER).

Gross profit

Gross profit for the quarter was SEK 2,381 M (2,413), representing a gross margin of 78 per cent (76). Half-year gross profit was SEK 5,979 M (4,907) representing a gross margin of 78 per cent (76).

The increase in gross margin for the quarter and half-year is driven by a favourable product mix, termination fees for two partner products and a milestone income related to Doptelet.

Operating expenses

Sales and administrative expenses excluding amortisation and write-downs amounted to SEK 1,000 (860) for the quarter and SEK 2,061 M (1,564) for the half year. The increase is mainly driven by launch preparations for Doptelet and Gamifant in Europe and geographic expansion in Japan and China. This was partially offset by lower activity within Immunology and Haemophilia due to COVID-19.

Research and development expenses amounted to SEK 345 M (513) for the quarter and to SEK 703 M (845) for the half year. The decrease for the quarter and half year is explained by higher expenses in Q2 2019 due to restructuring costs of SEK 157 M. Apart from that, costs increased due to activities related to emapalumab and avatrombopag partially offset by lower activity due to COVID-19.

Operating profit

EBITA for the quarter was SEK 1,018 M (1,037) corresponding to a margin of 33 per cent (33). Half-year EBITA amounted to SEK 3,191 M (2,546). Adjusted EBITA was SEK 1,018 M (1,193) and for the half year was SEK 3,191 M (2,665).

Amortisation and write-downs of intangible assets for the quarter amounted to SEK 477 M (359) and SEK 953 M (641) for the half year. The increase relates mainly to the acquired product rights during 2019.

EBIT for the quarter decreased to SEK 541 M (677). EBIT for the half year increased to SEK 2,238 M (1,905).

Net financial items and tax

Net financial items amounted to SEK -182 M (-45) for the quarter, including exchange rate gains/losses of SEK -49 M (5). The increase in costs are mainly attributable to the additional borrowings and liabilities from the acquisitions made in 2019. The stronger Swedish Krona impacted exchange gains/losses unfavourably in the quarter.

Net financial items for the half year amounted to SEK -324 M (-118), including exchange rate gains/losses of SEK -39 M (-21).

Income tax amounted to SEK -75 M (-133) for the quarter, corresponding to an effective tax rate of 20.9 per cent (21.1).

Income tax amounted to SEK -450 M (-385) for the half year, corresponding to an effective tax rate of 23.5 per cent (21.5).

Operating profit/loss

Amounts in SEK M	Q2 2020	Q2 2019	H1 2020	H1 2019	Full-year 2019
Total revenue	3,070	3,163	7,709	6,427	14,248
Total cost of goods sold	-689	-750	-1,730	-1,521	-3,335
Gross profit	**2,381**	**2,413**	**5,979**	**4,907**	**10,913**
Gross margin	*78%*	*76%*	*78%*	*76%*	*77%*
Sales and administrative expenses before amortisation and write-downs	-1,000	-860	-2,061	-1,564	-3,535
Research and development expenses	-345	-513	-703	-845	-1,495
Total opex less amortisation and write-downs	**-1,344**	**-1,373**	**-2,764**	**-2,410**	**-5,029**
Other operating income/expenses	-19	-3	-24	49	50
EBITA	**1,018**	**1,037**	**3,191**	**2,546**	**5,933**
Non-recurring items	–	157	–	119	211
EBITA adjusted[1]	***1,018***	***1,193***	***3,191***	***2,665***	***6,145***
Amortisation and write-downs related to Sales and administrative expenses	-477	-359	-953	-641	-1,401
EBIT	**541**	**677**	**2,238**	**1,905**	**4,533**

This is non-IFRS financial information. For an IFRS income statement, please refer to the Consolidated statement of comprehensive income.

[1]EBITA Q2 and Full-year 2019 excluding non-recurring items; transaction costs related to the acquisition of Dova in Q4 of SEK 92 M, restructuring costs of SEK 157 M in Q2 2019 and gain from divestment of SOBI005 in Q1 2019 of SEK 37 M.

Lowered tax rates for 2020 in foreign jurisdictions had a one-time unfavourable impact on deferred tax assets, being the main driver for the higher effective tax rate in 2020.

Profit

Profit totalled SEK 283 M (499) for the quarter and SEK 1,465 M (1,402) for the half year.

Cash flow and investments

Cash flow from operations before change in working capital amounted to SEK 530 M (1,091) for the quarter and to SEK 2,548 M (2,398) for the half year.

Working capital affected cash flow by SEK 1,381 M (184) for the quarter and by SEK 1,365 M (-735) for the half year. The positive cash flow effect was primarily attributable to a reduction of receivables following the high sales during the first quarter partially offset by increased inventories.

Cash flow from investing activities was SEK -124 M (-29) for the quarter and SEK -147 M (-8,901) for the half year. 2019 reflects the investment in Synagis.

Cash flow from financing activities amounted to SEK -2 409 M (-523) for the quarter and SEK -4 297 M (5,421) for the half year. Sobi mainly used its operating cash flow and excess cash to repay revolving credit facilities during the year.

Cash

At the end of the quarter, cash and cash equivalents amounted to SEK 213 M, compared with SEK 737 M at 31 December 2019.

Net debt

Sobi ended the half year with a net debt of SEK 11,802 M compared with SEK 15,404 M at 31 December 2019. Net debt decreased mainly due to net repayments of revolving credit facilities of SEK 4,238 M during the first half of 2020.

Equity

At 30 June 2020, consolidated shareholders' equity was SEK 18,622 M compared with SEK 16,930 M at 31 December 2019.

Personnel

At 30 June 2020, the number of full-time equivalents was 1,422 (1,335 at 31 December 2019).

Parent Company

In the second quarter of 2020, net sales for the Parent Company, Swedish Orphan Biovitrum AB (publ), amounted to SEK 3,251 M (2,938), of which Group companies accounted for SEK 2,157 M (1,716). Half-year sales amounted to SEK 7,452 M (6,039) of which SEK 3,814 M (3,197) referred to sales to Group companies.

Profit after financial items amounted to SEK 1,736 M (1,035) for the quarter and to SEK 3,208 M (2,516) for the half year.

Investments in tangible and intangible assets affecting cash flow amounted to SEK 20 M (48) for the quarter and SEK 34 M (56) for the half year.

Other information

Significant events after the reporting period

None

Financial outlook 2020[1,2]—unchanged

Revenue for the full-year 2020 is expected to be in the range of SEK 15,000—16,000 M reflecting double-digit growth in each of the two core businesses, **Haematology** and **Immunology**.

EBITA is expected to be in the range of SEK 5,500—6,300 M, including the development and launch of Doptelet which will affect EBITA negatively by around SEK 500 M in 2020.

[1]At exchange rates as of 13 February 2020.
[2]Financial outlook excludes any impact from the potential acquisition of Selecta Biosciences, Inc. announced on 11 June 2020; in the event of completion of the transaction, R&D expenses are expected to increase by up to SEK 150 M in H2 2020.

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

Solna, Sweden, 16 July 2020

Guido Oelkers, CEO and President

Financial calendar

Q3 2020	22 October 2020
Q4 2020	18 February 2021

Forward-looking statements

This report includes forward-looking statements. Actual results may differ from those stated. Internal factors such as the successful management of research programmes and intellectual property rights may affect future results. There are also external conditions such as the economic climate, political changes and competing research programmes that may affect Sobi's results.

This information is information that Swedish Orphan Biovitrum AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of Linda Holmström, Corporate Communication and Investor Relations, at 08:00 CET on 16 July 2020.

The Board of Directors and the CEO of Swedish Orphan Biovitrum AB (publ) provide their assurance that the interim report provides a fair and true overview of the Parent Company's and the Group's operations, financial position and results, and describes material risks and uncertainties faced by the Parent Company and the companies in the Group.

Stockholm, 16 July 2020

Håkan Björklund
Chairman

Annette Clancy
Board Member

Matthew Gantz
Board Member

Lennart Johansson
Board Member

Helena Saxon
Board Member

Staffan Schüberg
Board Member

Elisabeth Svanberg
Board Member

Pia Axelson
Employee Representative

Kristin Strandberg
Employee Representative

Guido Oelkers
CEO and President

Financial statements – Group

Consolidated Statement of comprehensive income

Amounts in SEK M	Q2 2020	Q2 2019	H1 2020	H1 2019	Full-Year 2019
Total revenue[1]	3,070	3,163	7,709	6,427	14,248
Total cost of goods sold	-689	-750	-1,730	-1,521	-3,335
Gross profit	**2,381**	**2,413**	**5,979**	**4,907**	**10,913**
Sales and administrative expenses[2]	-1,477	-1,219	-3,013	-2,205	-4,935
Research and development expenses	-345	-513	-703	-845	-1,495
Other operating income/expenses	-19	-3	-24	49	50
Operating profit	**541**	**677**	**2,238**	**1,905**	**4,533**
Financial income/expenses[3]	-182	-45	-324	-118	-286
Profit before tax	**358**	**632**	**1,915**	**1,787**	**4,247**
Income tax expenses	-75	-133	-450	-385	-942
Profit for the period	**283**	**499**	**1,465**	**1,402**	**3,304**
All earnings are attributable to Parent Company shareholders					
Other comprehensive income					
Items that will not be reclassified to profit/loss					
Remeasurements of post-employment benefit obligations	6	3	6	3	-4
Items that may be reclassified subsequently to profit/loss					
Translation difference	-644	8	150	29	-97
Hedge of net investment (net of tax)	78	–	38	–	–
Cash flow hedges (net of tax)	213	-34	-28	-46	44
Comprehensive income for the period	**-64**	**476**	**1,631**	**1,387**	**3,247**
Earnings per share, SEK	0.96	1.70	4.98	4.82	11.29
Earnings per share, SEK, adjusted[4]	0.96	2.12	4.98	5.14	11.89
Earnings per share after dilution, SEK	0.95	1.69	4.94	4.80	11.22
Earnings per share after dilution, SEK, adjusted[4]	0.95	2.11	4.94	5.12	11.81

[1]See page 5 for split by business area.

[2]Amortisation and write-downs of intangible assets included in Sales and administrative expenses. -477 -359 -953 -641 -1,401

[3]Including financing costs -7 -4 -14 -7 -18

[4]Alternative Performance Measures (APMs), see page 14 for further information.

Consolidated Balance sheet

Amounts in SEK M	Jun 2020	Dec 2019	Jun 2019
ASSETS			
Non-current assets			
Intangible assets[1]	36,361	37,412	23,611
Tangible assets	594	518	488
Financial assets	584	404	447
Total non-current assets	37,540	38,335	24,546
Current assets			
Inventories	2,146	1,772	1,482
Accounts receivable	2,119	3,736	2,267
Other receivables, non-interest bearing	624	1,078	686
Cash and cash equivalents	213	737	1,189
Total current assets	5,102	7,323	5,624
Total assets	42,642	45,658	30,170
EQUITY AND LIABILITIES			
Shareholders´ equity	18,622	16,930	14,972
Non-current liabilities			
Borrowings	12,015	16,141	5,592
Lease liabilities	365	320	297
Other liabilities, non-interest bearing	6,357	6,526	1,792
Total non-current liabilities	18,737	22,987	7,681
Current liabilities			
Accounts payable	456	681	419
Lease liabilities	111	99	84
Other liabilities, non-interest bearing	4,715	4,961	7,014
Total current liabilities	5,283	5,741	7,517
Total equity and liabilities	42,642	45,658	30,170

[1]Including goodwill of SEK 6,413 M (6,678 at 31 Dec 2019).

Changes in equity

Amounts in SEK M	Jan-Jun 2020	Full-year 2019	Jan-Jun 2019
Opening balance	16,930	9,040	9,040
Share-based compensation to employees	52	80	32
Share-based compensation to employees tax effect	10	50	–
Issue of shares	–	4,513	4,513
Comprehensive income for the period[1]	1,631	3,247	1,387
Equity at end of period	18,622	16,930	14,972

[1]Whereof changes in cash flow hedges (net of tax) amounted to SEK -28 M (2 at 31 Dec 2019) and net investment hedge (net of tax) amounted to SEK 38 M (42 at 31 Dec 2019).

Consolidated Cash flow statement

Amounts in SEK M	Q2 2020	Q2 2019	H1 2020	H1 2019	Full-year 2019
Profit for the period	283	499	1,465	1,402	3,304
Adjustment for non-cash items[1]	247	592	1,083	996	1,995
Cash flow from operations before change in working capital	**530**	**1,091**	**2,548**	**2,398**	**5,300**
Change in working capital	1,381	184	1,365	-735	-1,666
Cash flow from operations	**1,911**	**1,275**	**3,912**	**1,663**	**3,634**
Acquisition of business, net of cash[2]	–	–	–	–	-12,880
Investment in intangible assets[3]	-110	-46	-124	-8,910	-9,709
Investment in tangible assets	-14	-9	-23	-18	-37
Divestment of intangible assets[4]	–	28	–	28	941
Investment in financial assets	–	-1	–	-1	–
Cash flow from investing activities	**-124**	**-29**	**-147**	**-8,901**	**-21,686**
Loans - Raising/Amortisation	-2,376	-501	-4,238	5,464	15,875
Lease payments	-33	-22	-59	-43	-94
Cash flow from financing activities	**-2,409**	**-523**	**-4,297**	**5,421**	**15,780**
Change in cash and cash equivalents	**-621**	**724**	**-531**	**-1,817**	**-2,271**
Cash and cash equivalents at the beginning of the period	842	463	737	2,999	2,999
Translation difference in cash flow and cash and cash equivalents	-8	2	7	7	9
Cash and cash equivalents at the end of the period	**213**	**1,189**	**213**	**1,189**	**737**
[1] Adjustment for non-cash items:					
Depreciation of tangible assets	40	67	72	97	188
Amortisation and write-downs of intangible assets	477	359	953	641	1,401
Restructuring reserve	–	120	–	120	–
Deferred tax	-155	79	-132	217	411
Other, whereof mainly non-cash transactions including revaluation of loans	-115	-34	191	-79	-4
Non-cash items	247	592	1,083	996	1,995

[2]Relates to the acquisitions of Dova and emapalumab in 2019.

[3]Relates mainly to the acquisition of Synagis and BIV001 in 2019.

[4]2019 relates to the divestments of Priority Review Voucher (PRV).

Key ratios and other information

Amounts in SEK M	Q2 2020	Q2 2019	H1 2020	H1 2019	Full-year 2019
Profit measures					
Gross profit	2,381	2,413	5,979	4,907	10,913
EBITDA[1]	1,051	1,104	3,257	2,643	6,121
EBITA[1]	1,018	1,037	3,191	2,546	5,933
EBITA adjusted[1,2]	1,018	1,193	3,191	2,665	6,145
EBIT (operating profit)	541	677	2,238	1,905	4,533
Profit/loss	283	499	1,465	1,402	3,304
Per share data (SEK)					
Earnings per share	0.96	1.70	4.98	4.82	11.29
Earnings per share, adjusted[2,3]	0.96	2.12	4.98	5.14	11.89
Earnings per share after dilution	0.95	1.69	4.94	4.80	11.22
Earnings per share after dilution, adjusted[2,3]	0.95	2.11	4.94	5.12	11.81
Shareholders' equity per share[1]	62.1	50.3	62.1	50.3	56.4
Shareholders' equity per share after dilution[1]	61.6	50.1	61.6	50.1	56.1
Other information					
Gross margin[1]	78%	76%	78%	76%	77%
EBITA margin[1]	33%	33%	41%	40%	42%
EBITA margin adjusted[1,2]	33%	38%	41%	41%	43%
Equity ratio[1]	44%	50%	44%	50%	37%
Net cash (-)/debt (+)[1]	11,802	4,403	11,802	4,403	15,404
Number of ordinary shares	299,977,839	297,515,209	299,977,839	297,515,209	299,977,839
Number of ordinary shares (in treasury)	5,081,000	3,423,726	5,081,000	3,423,726	5,678,099
Number of ordinary shares (excluding shares in treasury)	294,896,839	294,091,483	294,896,839	294,091,483	294,299,740
Number of ordinary shares after dilution	302,233,434	298,912,075	302,233,434	298,912,075	301,857,247
Average number of ordinary shares (excluding shares in treasury)	294,744,579	294,091,483	294,416,809	291,017,223	292,649,020
Average number of ordinary shares after dilution (excluding shares in treasury)	297,000,174	295,488,349	296,672,404	292,414,088	294,528,428

[1]Alternative performance measures (APMs), see next page for further information.

[2]EBITA Q2 and Full-year 2019 excluding non-recurring items; transaction costs related to the acquisition of Dova in Q4 of SEK 92 M, restructuring costs of SEK 157 M in Q2 2019 and gain from divestment of SOBI005 in Q1 2019 of SEK 37 M.

[3]EPS Q2 and Full-year 2019 excluding impairment of intangible assets of SEK 18 M related to restructuring in Q2 2019.

Financial measures not defined according to IFRS

Sobi uses certain financial measures (alternative performance measures, APM) in the interim report that are not defined according to IFRS. The company considers these measures to provide valuable supplementary information for investors and company management, as they enable an assessment and benchmarking of the company's reporting. Since not all companies calculate financial measures in the same way, these are not always comparable to measures used by other companies. These financial measures should not, therefore, be regarded as substitutes for measures defined according to IFRS. The following metrics are not defined according to IFRS:

All amounts in SEK M unless otherwise stated

	Q2 2020	Q2 2019	H1 2020	H1 2019	Full-year 2019
Total revenue	3,070	3,163	7,709	6,427	14,248
Total cost of goods sold	-689	-750	-1,730	-1,521	-3,335
Gross profit	**2,381**	**2,413**	**5,979**	**4,907**	**10,913**
Gross margin	**78%**	**76%**	**78%**	**76%**	**77%**

Gross profit - Total revenue less cost of goods sold
Gross margin - Gross profit as a percentage of total revenue

Total revenue	3,070	3,163	7,709	6,427	14,248
Total revenue adjusted for Synagis[1]	3,070	3,163	7,455	6,427	14,248
Organic growth	-3%	32%	16%	32%	27%
Organic growth, CER	**-4%**	**25%**	**13%**	**25%**	**21%**

[1]Q1 2020 excluding sales of SEK 254 M for Synagis period 1-22 January 2020. Synagis was acquired on 23 January 2019.

Organic growth, % CER - Total revenues adjusted for Synagis measured at CER compared to previous period.

EBIT (operating profit)	541	677	2,238	1,905	4,533
Plus amortisation and write-downs of intangible assets	477	359	953	641	1,401
EBITA	**1,018**	**1,036**	**3,191**	**2,546**	**5,933**
Plus depreciations of tangible assets	33	67	66	97	188
EBITDA	**1,051**	**1,104**	**3,257**	**2,643**	**6,121**
EBITA margin	**33%**	**33%**	**41%**	**40%**	**42%**
Non-recurring items	–	157	–	119	211
EBITA adjusted	**1,018**	**1,194**	**3,191**	**2,665**	**6,145**
EBITA margin adjusted	**33%**	**38%**	**41%**	**41%**	**43%**

EBITA - Earnings before interest, tax and amortisation
EBITDA - Earnings before interest, tax, depreciation and amortisation
EBITA margin, % - EBITA as a percentage of total revenue
Non-recurring items Q2 and Full-year 2019 - impact from divestment of SOBI005 in Q1 2019, restructuring costs in Q2 2019 and transaction costs related to the acquisition of Dova Pharmaceuticals in Q4 2019.
EBITA adjusted - EBITA less non-recurring items
EBITA margin adjusted, % - EBITA adjusted as a percentage of total revenue

Financial measures not defined according to IFRS, cont.

Profit for the period	283	499	1,465	1,402	3,304
Impact of divestment of SOBI005, restructuring costs and transaction costs related to the acquisition of Dova Pharmaceuticals in 2019, after tax	–	123	–	94	174
Profit for the period, adjusted	283	623	1,465	1,496	3,479
Average number of ordinary shares (excluding shares in treasury)	294,744 579	294,091,483	294,416,809	291,017,223	292,649,020
Average number of ordinary shares after dilution (excluding shares in treasury)	297,000 174	295,488,349	296,672,404	292,414,088	294,528,428
EPS, SEK adjusted	**0.96**	**2.12**	**4.98**	**5.14**	**11.89**
EPS after dilution, SEK adjusted	**0.95**	**2.11**	**4.94**	**5.12**	**11.81**

EPS, SEK adjusted - Profit for the period, adjusted, divided by average number of ordinary shares

EPS after dilution, SEK adjusted - Profit for the period, adjusted, divided by average number of ordinary shares after dilution

Borrowings	12,015	5,592	12,015	5,592	16,141
Cash and cash equivalents	213	1,189	213	1,189	737
Net debt (+)/Net cash (-)	**11,802**	**4,403**	**11,802**	**4,403**	**15,404**

Net debt (+)/Net cash (-) - Borrowings less Cash and cash equivalents

Shareholders' equity	18,622	14,972	18,622	14,972	16,930
Total assets	42,642	30,170	42,642	30,170	45,658
Equity ratio	**44%**	**50%**	**44%**	**50%**	**37%**
Number of ordinary shares	299,977,839	297,515,209	299,977,839	297,515,209	299,977,839
Number of ordinary shares after dilution	302 233 434	298 912 075	302 233 434	298 912 075	301 857 247
Equity per share, SEK	**62.1**	**50.3**	**62.1**	**50.3**	**56.4**
Equity per share after dilution, SEK	**61.6**	**50.1**	**61.6**	**50.1**	**56.1**

Equity ratio - Shareholders' equity as a proportion of total assets

Equity per share - Equity divided by the number of ordinary shares

Equity per share after dilution - Equity divided by number of shares after dilution

Financial statements – Parent Company

Income statement

Amounts in SEK M	Q2 2020	Q2 2019	H1 2020	H1 2019	Full-year 2019
Total revenue	3,251	2,938	7,452	6,039	12,991
Total cost of goods sold	-739	-673	-1,745	-1,459	-3,177
Gross profit	**2,512**	**2,265**	**5,707**	**4,580**	**9,814**
Sales and administrative expenses[1]	-652	-909	-2,100	-1,467	-4,220
Research and development expenses	-198	-417	-408	-660	-1,110
Other operating income/expenses	17	3	7	53	52
Operating profit	**1,679**	**942**	**3,206**	**2,506**	**4,536**
Financial income/expenses	57	93	2	10	61
Profit after financial items	**1,736**	**1,035**	**3,208**	**2,516**	**4,597**
Appropriations	–	–	–	–	-3,166
Profit/loss before tax	**1,736**	**1,035**	**3,208**	**2,516**	**1,431**
Income tax expenses	-199	-16	-508	-96	-313
Profit for the period	**1,537**	**1,019**	**2,700**	**2,420**	**1,118**
[1]Amortisation and write-downs of intangible assets included in Sales and administrative expenses.	-80	-93	-160	-168	-323

Statement of other comprehensive income

Amounts in SEK M	Q2 2020	Q2 2019	H1 2020	H1 2019	Full-year 2019
Profit for the period	1,537	1,019	2,700	2,420	1,118
Items that may be subsequently reclassified to profit/loss					
Cash flow hedge (net of tax)	208	-22	-33	-35	44
Comprehensive income for the period	**1,744**	**997**	**2,667**	**2,385**	**1,161**

Balance sheet

Amounts in SEK M	Jun 2020	Dec 2019	Jun 2019
ASSETS			
Non-current assets			
Intangible assets	5,437	5,572	3,673
Tangible assets	72	65	98
Financial assets	25,298	26,135	3,541
Total non-current assets	30,807	31,772	7,312
Current assets			
Inventories	1,738	1,533	1,241
Accounts receivable	716	2,402	838
Receivables Group companies	2,051	1,286	15,948
Other receivables, non-interest bearing	489	949	651
Cash and cash equivalents	85	431	1,000
Total current assets	5,078	6,601	19,678
Total assets	35,885	38,373	26,989
EQUITY AND LIABILITIES			
Shareholders´ equity	16,263	13,534	14,660
Untaxed reserves	2,984	2,984	2,584
Non-current liabilities			
Borrowings	12,015	16,141	5,649
Other liabilities, non-interest bearing	1,562	1,357	395
Total non-current liabilities	13,577	17,499	6,044
Current liabilities			
Accounts payable	296	574	314
Other liabilities, non-interest bearing	2,765	3,782	3,387
Total current liabilities	3,061	4,356	3,701
Total equity and liabilities	35,885	38,373	26,989

Change in shareholders' equity

Amounts in SEK M	Jan-Jun 2020	Full-year 2019	Jan-Jun 2019
Opening balance	13,534	7,731	7,731
Share-based compensation to employees	52	80	32
Share-based compensation to employees tax effect	10	50	–
Issue of shares	–	4,513	4,513
Comprehensive income for the period[1]	2,667	1,161	2,385
Equity at end of period	16,263	13,534	14,660

[1]Whereof changes in cash flow hedges (net of tax) amounted to SEK -33 M (SEK 44 M at Dec 2019).

Financial notes

Note 1 – Accounting policies and measurement bases and other information

Accounting policies

This report has been prepared in accordance with IAS 34 and the Swedish Annual Accounts Act. The consolidated financial statements for the period January-June 2020 have been prepared in accordance with International Financial Reporting Standards (IFRS) and the International Financial Reporting Interpretations Committee (IFRIC) as adopted by the EU and the Swedish Annual Accounts Act.

The Parent Company applies the Annual Accounts Act and the Swedish Financial Reporting Board's Recommendation RFR 2 Accounting for Legal Entities.

The accounting policies apply with those described in the 2019 Annual and Sustainability Report. More detailed information about the Group's accounting policies and measurement bases can be found in the 2019 Annual and Sustainability Report, available at www.sobi.com. There are no amendments to IFRS during 2020 that have any material effect on the consolidated financial statements.

COVID-19 impact on the consolidated financial statements

Due to the COVID-19 pandemic Sobi has performed an assessment of its assets and liabilities where estimates and assumptions about the future and judgements form the basis for the carrying amounts in the consolidated financial statements. The assessment has not had any impact on the consolidated financial statements for the period.

Risks and uncertainties

Sobi is exposed to a number of risks in its operations which have been divided into three main categories:

- Operational risks, e.g. due to the capital-intensive and risky nature of new drug development, dependence on external partners in various collaborations, product liability claims, and laws and rules on the treatment of hazardous materials.
- External risks, such as patent infringements, competition within product concepts and decisions by authorities regarding product use and prices.
- Financial risks, such as currency risk, interest-rate risk, credit risk and liquidity risk.

More information about risk exposure and risk management is included in Sobi´s 2019 Annual and Sustainability Report. An update to these risks has been assessed by management during 2020 to also include pandemics, such as the COVID-19 pandemic. Sobi has put actions in place to mitigate the effects of a pandemic, however the pandemic may have material adverse effects on Sobi's business and financial position.

Note 2 – Segment reporting

Segment information

Sobi´s operations are organised into three business areas - Haematology, Immunology and Specialty Care. As from 1 January 2020 these business areas form the basis for the Group´s segment

Revenue and EBITA by segment

Amounts in SEK M

Q2 2020	Haematology	Immunology	Specialty Care	Group - other	Total
Revenue	2,037	714	319	–	3,070
EBITA[1]	1,046	-90	184	-122	1,018
Adjusted EBITA[1,2]	1,046	-90	184	-122	1,018

Q2 2019	Haematology	Immunology	Specialty Care	Group - other	Total
Revenue	1,950	773	440	–	3,163
EBITA[1]	1,163	-2	127	-250	1,037
Adjusted EBITA[1,2]	1,163	-2	127	-94	1,194

H1 2020	Haematology	Immunology	Specialty Care	Group - other	Total
Revenue	4,431	2,514	764	–	7,709
EBITA[1]	2,243	775	424	-251	3,191
Adjusted EBITA[1,2]	2,243	775	424	-251	3,191

H1 2019	Haematology	Immunology	Specialty Care	Group - other	Total
Revenue	3,681	1,873	874	–	6,427
EBITA[1]	2,201	386	261	-302	2,546
Adjusted EBITA[1,2]	2,201	386	261	-183	2,665

Full-year 2019	Haematology	Immunology	Specialty Care	Group - other	Total
Revenue	7,755	4,706	1,787	–	14,248
EBITA[1]	4,451	1,529	563	-610	5,933
Adjusted EBITA[1,2]	4,451	1,529	563	-398	6,145

[1]Alternative Performance Measures (APMs), see page 14 for further information.

[2]EBITA Q2 and Full-year 2019 excluding non-recurring items; transaction costs related to the acquisition of Dova in Q4 of SEK 92 M, restructuring costs of SEK 157 M in Q2 2019 and gain from divestment of SOBI005 in Q1 2019 of SEK 37 M.

reporting.

A new strategy together with integration of acquisitions and implementation of organisational changes in 2019 led to a clearer division and refinement of the business into the three business areas. Sobi has three independent business areas, which naturally entails the introduction of business reporting in the three segments. These operating segments are regularly reviewed by the Group's chief operating decision maker and strategic decisions are made on the basis of adjusted segment reporting results.

Segment Haematology: Revenue are generated from the sale of the products Elocta, Alprolix and Doptelet. Revenue are also derived from manufacturing of the drug substance for ReFacto AF®/ Xyntha® for Pfizer and royalty of Sanofi's sales of Eloctate® and Alprolix.

Segment Immunology: Revenue are generated from the sale of the products Kineret, Synagis and Gamifant.

Segment Specialty Care: Revenue are generated from the sale of Orfadin, Kepivance® and partner products in the Specialty Care portfolio.

The category Group-other mainly refers to costs for central functions such as finance, legal, communication, human resources and other items that can not be allocated by segment.

Comparative figures for 2019 is presented by segment. The same accounting principles are applied in the segment reporting as for the Group. Revenue, EBITA and adjusted EBITA for each segment represent their contribution to the groups revenue, EBITA and adjusted EBITA. There are no intersegment transactions.

Note 3 – Fair value of financial instruments

The group carries financial instruments that are measured at fair value. See the 2019 Annual and Sustainability Report for more information and a narrative description of the purposes of the holdings.

Currency derivatives forward contracts are categorised within Level 2 of the fair value hierarchy in the IFRS 13 standard. Fair value measurement is based on published forward prices. At 30 June 2020, the net reported value on the balance sheet was SEK -32 M (-4 at 31 Dec 2019).

Liabilities measured at fair value are categorized within Level 3. These consist of a contingent purchase price related to the Dova acquisition and a liability to Sanofi for BIVV001. At 30 June 2020 the reported value on the balance sheet was SEK 400 M (388 at Dec 2019) and SEK 1,303 M (1,273 at Dec 31 2019) respectively.

At 30 June 2020, all other financial instruments on the balance sheet had reported values that are in all material aspects equivalent to fair value.

Note 4 – Restructuring reserve

Restructuring costs of SEK 175 M were charged in Q2 2019 relating to the reorganisation of R&D and redundancies corresponding to approximately 90 positions. In the Statement of comprehensive income this was mainly recognised as research and development expenses. At 30 June the remaining provision on the balance sheet recognised under Other liabilities, non-interest bearing was SEK 39 M and the remaining part as impairment of assets.

During the second quarter 2020 Sobi signed an agreement to sell assets for which an impairment was done in connection with the reorganisation in 2019. The sales price amounted to SEK 7 M which was recognised as a reduction of research and development expenses in the Statement of comprehensive income.

Note 5 – Acquisition Dova

During the fourth quarter 2019 Sobi completed the acquisition of Dova. The PPA for Dova was adjusted in the first quarter 2020, where the change, SEK 320 M, was recognised as a deferred tax asset (related to the liability to Eisai), SEK -7 M on other liabilities and SEK -313 M on goodwill.

Definitions and Glossary

Alprolix (eftrenonacog alfa)	A recombinant, extended half-life (EHL) clotting factor IX therapy approved in the EU, Iceland, Kuwait, Liechtenstein, Norway, Saudi Arabia and Switzerland, as well as in Australia, Brazil, Canada, Japan, New Zealand, the United States and other countries, for the treatment of haemophilia B.
BIVV001	A novel, investigational factor VIII therapy designed to extend protection from bleeds with prophylaxis dosing of once weekly or longer for people with haemophilia A. Builds on the Fc fusion technology by adding a region of von Willebrand factor and XTEN polypeptides to potentially extend its time in circulation.
CER	Constant exchange rates.
Chemotherapy-induced thrombocytopenia (CIT)	A common side effect of chemotherapy that results in a low number of platelets.
CHMP	Committee for Medicinal Products for Human Use .
Chronic immune thrombocytopenia (ITP)	A rare autoimmune bleeding disorder characterised by a low number of platelets, affecting approximately 60,000 adults in the United States.
Chronic liver disease (CLD)	Liver disease becomes chronic when it has been present for more than 6-12 months without signs of resolution. Chronic liver disease can be inherited (genetic) or caused by a variety of factors such as viruses, auto-immunity, obesity and alcohol use.
COVID-19	The infectious disease caused by the most recently discovered coronavirus. This new virus and disease were unknown before the outbreak began in Wuhan, China, in December 2019.
Doptelet (avatrombopag)	A second-generation small-molecule thrombopoietin receptor (TPO) agonist used in the treatment of thrombocytopenia by increasing platelet count.
Earnings per share	The portion of a company's profit allocated to each outstanding share of common stock.
EHL	Extended half-life, which means that the circulation in the body is prolonged. Sobi's haemophilia treatments, Elocta and Alprolix, are EHL products.
Elocta (efmoroctocog alfa)	A recombinant, EHL clotting factor VIII therapy approved in the EU, Iceland, Kuwait, Liechtenstein, Norway, Saudi Arabia and Switzerland for the treatment of haemophilia A. It is also approved in Australia, Brazil, Canada, Japan, New Zealand, the United States and other countries, where it is known as ELOCTATE®.
EMA	European Medicines Agency.
EMENAR	Abbreviation for business region including Europe, Middle East, North Africa and Russia.
FDA	The US Food & Drug Administration.
Familial Mediterranean Fever (FMF)	An inherited disorder manifested by episodic fevers, often with pain in the abdomen, joints or chest, and rash in the lower extremities.
Full-time equivalents	Unit that indicates the workload of an employed person in a way that makes workloads comparable.
Gamifant (emapalumab)	An anti-interferon-gamma (IFN-γ) monoclonal antibody (mAb), approved by the FDA and currently under EMA review for the treatment of primary haemophagocytic lymphohistiocytosis (pHLH), a life-threatening syndrome of immune activation.
Gout	An autoinflammatory disease that causes intensely painful flares and debilitating inflammatory arthritis due to deposition of pro-inflammatory monosodium urate (MSU) crystals in synovial fluid and other tissues.
Haemophagocytic lymphohistiocytosis (HLH)	A rare and life-threatening syndrome of extreme immune activation. The primary form of the disease (pHLH, inherited) mainly occurs in infants and young children while the secondary form of the disease (sHLH, acquired) is acquired from or associated with infection, autoimmune diseases or malignancy.

Definitions and Glossary

Haemophilia	A rare, genetic disorder in which the ability of a person's blood to clot is impaired. Haemophilia A occurs in about one in 5,000 male births annually, and haemophilia B occurs in about one in 25,000 male births annually. Both occur more rarely in females. People with haemophilia can experience bleeding episodes that may cause pain, limited mobility,
IFRS	International Financial Reporting Standards.
Kineret (anakinra)	A recombinant protein drug that blocks the biological activity of interleukin-1 α and β (IL-1α and IL -1β) by binding to IL-1 type 1 receptors (IL-R 1), expressed in a variety of tissues and organs, thereby blocking the IL-1 signalling. IL-1 is a key mediator of inflammation and a significant contributor to autoinflammatory diseases.
Orfadin (nitisinone)	A drug used to treat hereditary tyrosinaemia type 1 (HT-1). It blocks the breakdown of tyrosine, thereby reducing the amount of toxic tyrosine by-products in the body. Patients must maintain a special diet in combination with Orfadin treatment as tyrosine is not adequately broken down.
PPA	Purchase Price Allocation.
RSV	Respiratory syncytial virus. A common virus and the most common cause of lower respiratory tract infections (LRTI) in young children.
Synagis (palivizumab)	Indicated for the prevention of serious lower respiratory tract infection (LRTI) caused by RSV in infants and young children at high risk of RSV disease. RSV is the most prevalent cause of LRTI among infants and young children. Synagis is a RSV F protein inhibitor monoclonal antibody that acts as a prophylaxis against serious RSV disease.

Sobi is a specialised international biopharmaceutical company transforming the lives of people with rare diseases. Sobi is providing sustainable access to innovative therapies in the areas of haematology, immunology and specialty indications. Today, Sobi employs approximately 1,400 people across Europe, North America, the Middle East, Russia and North Africa. In 2019, Sobi's revenues amounted to SEK 14.2 billion.

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You can find more information about Sobi at sobi.com

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