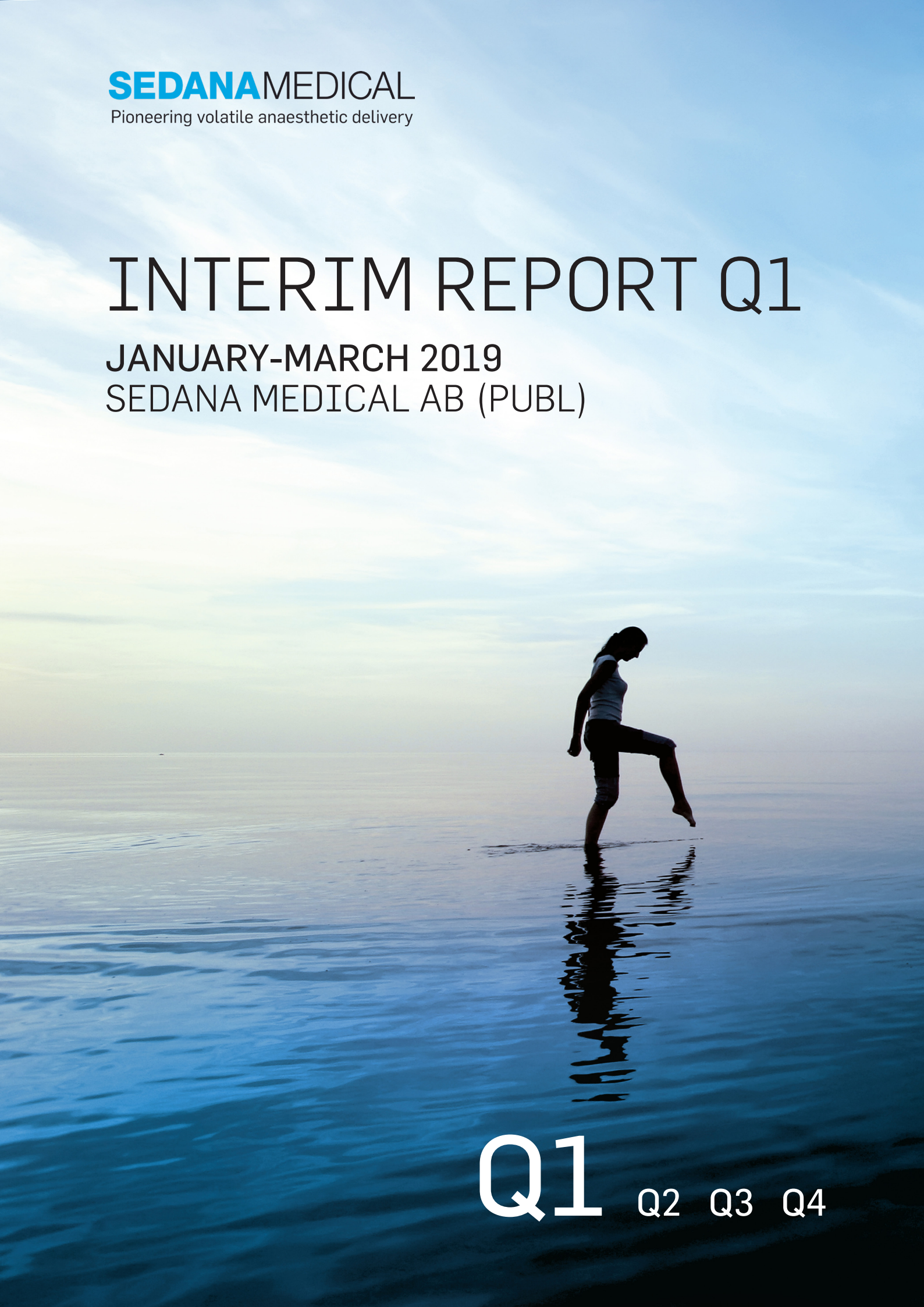
SEDANAMEDICAL
Pioneering volatile anaesthetic delivery

INTERIM REPORT Q1

JANUARY-MARCH 2019
SEDANA MEDICAL AB (PUBL)



Q1 Q2 Q3 Q4

SEDANA MEDICAL, INTERIM REPORT Q1, JANUARY – MARCH 2019

Financial Summary January–March

- Net sales during the first quarter amounted to KSEK 17,814 (15,487) corresponding to an increase of 15% compared with the same period in 2018.
- Earnings before interest, taxes, depreciation and amortisation (EBITDA) amounted to KSEK -2,641 (-788) KSEK. This corresponds to an EBITDA margin of -14,8% (-5,1%).
- Earnings before interest and taxes (EBIT) amounted to KSEK -3,660 (-1,730), which corresponds to an EBIT margin of -20,5% (-11,2%)
- Cash flow from operations before changes in working capital amounted to KSEK -1,834 (-821).
- Cash flow from investment activities amounted to KSEK -10,681 (-4,381).
- Cash flow for the period amounted KSEK -9,560 (-6,279).
- Liquid funds at the end of the period amounted to KSEK 149,849 (79,213).

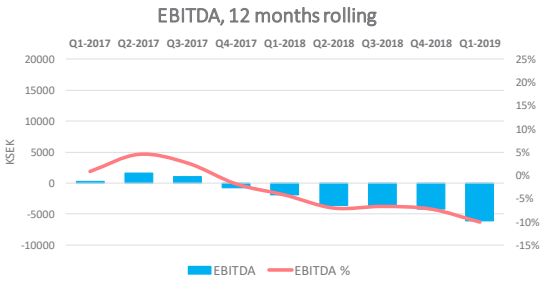
Significant events during the period

15%
sales increase Q1-19 compared with Q1-18.

- Sedana Medical AB (publ) has been approved for its planned pediatric study from the Pediatric Committee of EMA, European Medicines Agency, (PDCO).
- Sedana Medical AB (publ) announced on the 8th of March 2019 the results of the interim analysis for the company's pivotal phase III study which shows smaller variations in efficacy than anticipated and the study will therefore only need to cover a total of 300 patients instead of initially estimated 550 patients.

Significant events after the period

- During the pre-IND meeting the US Food and Drug Administration (FDA) was positive about the combination registration of IsoConDa and AnaConDa in the US. Sedana Medical now has a clear view of measures that have to be taken in order to reach marketing authorization approval of both IsoConDa and AnaConDa in the US. The meeting also confirmed Sedana Medical's estimate of the time and cost of a US approval that is expected to occur in 2024.



CEO COMMENTS

THE FIRST QUARTER OF 2019 has been our most successful so far regarding our clinical and regulatory development. It is above all three crucial milestones that we have achieved; interim analysis of our registration study, the approval of our planned pediatric study and the implementation and outcome of the pre-IND meeting held with the FDA in the US in March 2019.

The interim analysis for our registration-based Phase III study (which aims to get IsoConDa approved for inhaled sedation in intensive care in Europe) showed smaller variations in effect than expected. It was the best possible outcome since this meant the study will only need a total of 300 patients instead of initially estimated 550 patients.

The interim analysis sets out our way forward in Europe and we believe that with 223 patients included by the end of April and with the current inclusion rate, we can include the last patient in the study around the turn of the year 2019/2020. This means that we expect to apply for a market approval in the summer of 2020 in 16 European countries in a first round of registration. If all goes well, we can have a European market approval in the second half of 2021.

> **”The first quarter of 2019 has been our most successful so far** regarding our clinical and regulatory development.”

In February we were approved for our study plan on children (PIP, Paediatric Investigation Plan) from the European Medicines Agency’s pediatric committee, PDCO. The approval is important because it is one of the prerequisites for a European market approval for our therapy. Since the filed registration documentation will now include children and in that sense be complete, the market approval will give Sedana Medical ten years of market exclusivity in Europe for the use of isoflurane in sedation in intensive care.

After the end of the quarter, we were able to announce the result of the pre-IND meeting that we had with the FDA in March. Overall, the FDA was positive about the registration of IsoConDa and AnaConDa as a combination product in the US and we now have a very clear picture of what needs to be

done. The meeting confirmed our appreciation of the time and cost of a registration that is expected to occur in 2024. It is really gratifying that the FDA is behind a combination registration and that we now have a clear way forward for how we will get our therapy registered in the US.

Together these three important milestones show that it is possible to achieve our goals and that the path is now clearly set out to make inhaled sedation in intensive care a new global standard using our products AnaConDa and IsoConDa.

During the quarter, we also started a research foundation, the Sedana Medical Research Foundation, which constitutes a unique opportunity for the scientific community to increase knowledge about sedation of critically ill patients. Through the foundation, one to three individual academic researchers will be granted between € 10-30,000 per year, for up to two years, which promotes the conditions for investigator-initiated studies in our area.

During the quarter, we also significantly strengthened links with key opinion leaders, mainly in Spain and France, where we hosted Advisory Boards to better understand regional differences and gain a deeper understanding of the clinical processes in each country.

In the quarter, we have made two successful investments in the market. We were the gold sponsor of the world's largest intensive care conference ISECEM in Brussels, where we organized eight very well-attended scientific symposia in the field of inhalation sedation. We also participated in Germany's largest symposium in intensive care in Bremen, where interest in Sedana Medical was very large. During our lectures, we had 250 attendees in the audience, consisting of both existing and potential customers.

The first quarter of 2019 was not only the best ever clinically, but also sales-wise, where quarterly sales were the best ever in the company's history. It is also important to see that our second largest market, France, is now growing significantly, more than 40% growth in the quarter. The total sales increase for Sedana Medical over the past twelve months was 31 percent, well in line with our goal of growing 20 percent annually until the registration of IsoConDa in Europe. The fact that growth in the individual quarter is not quite as strong is explained by the fact that the first quarter of 2018 was extraordinary with many cases of influenza in large parts of Europe and, above all, in our main market Germany.

In conclusion, the first quarter provides a solid foundation for our continued journey. After an intensive quarter, we have a new clear picture of what we need to do to achieve our goal of becoming a global standard method for sedation of mechanically ventilated patients in intensive care. I look forward to the continued journey with you all.

Christer Ahlberg, President and CEO

SEDANA MEDICAL IN BRIEF

SEDANA MEDICAL is a Swedish medical technology Group on its way of also becoming a pharma company. Sedana Medical develops, manufactures and sells the medical device AnaConDa and its associated accessories. AnaConDa is based on patented technology involving the vaporisation and reflection of anaesthetic gases. The device is sold to intensive care clinics in several countries for use in conjunction with inhalation sedation of patients, which has many medical benefits compared to intravenous sedation.

A major clinical registration study is currently under way with the aim of having the pharmaceutical candidate IsoConDa® (isoflurane) approved for inhalation sedation within intensive care in Europe, together with AnaConDa. The company has initiated a registration work for AnaConDa and IsoConDa in the United States. In Japan, AnaConDa is approved.

Sedana Medical operates from several countries in Europe via subsidiaries and branch offices of the parent company, Sedana Medical AB (publ). Germany is comfortably the Group's largest market, with more than 85% of total sales.

The company conducts research and development in Ireland and has its head office in Stockholm, Sweden. In June 2017, the company's share was listed on the Nasdaq First North stock exchange.

LARGEST SHAREHOLDERS AT THE END OF THE PERIOD

Shareholders in the company at the end of the period:

	Number of shares	Share (%)
Linc AB	1 916 901	9,94%
Sten Gibeck	1 605 744	8,33%
Magiola Consulting	1 340 867	6,96%
Anders Walldov direct and indirect (Brohuvudet AB)	1 200 000	6,23%
Anades Ltd.	1 068 083	5,54%
Ron Farrell	851 062	4,42%
SEB Luxemburg	716 430	3,72%
State Street Bank & Trust	712 731	3,70%
Handelsbanken Microcap	548 711	2,85%
Bjässbodarna Invest	517 083	2,68%
Eklund Konsulting AB	474 156	2,46%
BNP Paribas	463 085	2,40%
Handelsbanken småbolagsfond	450 000	2,33%
Swedbank Robur Microcap	450 000	2,33%
Nordnet pensionsförsäkrings AB	445 638	2,31%
Fifteen largest shareholders	12 760 491	66,20%
*Others **	6 516 100	*33,80%*
Totalt	19 276 591	100,00%

* CEO's ownership is 230 000 shares.

BUSINESS DEVELOPMENTS DURING THE PERIOD

Registration Development

REGISTRATION OF THE PHARMACEUTICAL ISOCONDA® (ISOFLURAN) IN EUROPE

To gain significant market share for inhalation sedation administered using the AnaConDa technology and including the pharmaceuticals the process of registering the drug candidate IsoConDa in Europe is ongoing. To succeed, the company has initiated a clinical registration study in Germany which is currently under way and which will form the basis of the marketing authorization.

The company plans to submit the application for market approval of IsoConDa in 16 European countries in a first round in the summer of 2020 and expects a registration approval of IsoConDa in Europe in the second half of 2021.

REGISTRATION STUDY ISOCONDA

The clinical registration study required for a complete dossier is ongoing in Germany. The study is also necessary to allow us to market inhaled sedation without restrictions in Europe.

The interim analysis for our registration-based Phase III study (which aims to get IsoConDa approved for inhaled sedation in intensive care in Europe) showed smaller variations in effect than expected. The study only needs a total of 300 patients instead of initially estimated 550 patients.

Until the end of April 2019, the company has recruited 223 patients in the study. The company expects to include the last patient in the study around the turn of the year 2019/2020.

In February, Sedana Medical was approved for the study plan on children (PIP, Paediatric Investigation Plan) from the European Medicines Agency's pediatric committee, PDCO. The approval is important because it is one of the prerequisites for a European market approval for IsoConDa. Since the filed registration documentation will now include children and in that sense be complete, the market approval will give Sedana Medical ten years of market exclusivity in Europe for the use of isoflurane in sedation in intensive care.

REGISTRATION WORK OF ANACONDA AND ISOCONDA IN US

The market potential for inhalation sedation in intensive care in the United States is SEK 6-15 billion annually. Work on the registration of inhalation sedation including both AnaConDa and IsoConDa has begun.

After the end of the quarter, the company was able to announce the result of the pre-IND meeting conducted at the FDA in March. Overall, the FDA was positive in respect to the registration of IsoConDa and AnaConDa as a combination product in the United States. The meeting confirmed the company's estimate of the time and cost of a registration that is expected to occur in 2024.

Since the drug substance isoflurane has been around for decades, the FDA has accepted that Sedana Medical is taking a path to registration, 505 (b) (2), which somewhat simplifies the use of previously collected data. Since registration requirements have been tightened over the years since isoflurane was first registered, Sedana Medical needs to complete current documentation and add more data to be approved by the FDA; including toxicological animal studies and a human factors validation. Sedana Medical will also need to do two clinical, randomized and double-blinded studies to confirm and ensure efficacy and safety. The number of patients needed for both studies together is the same as Sedana Medical initially had as a requirement in the European study, i.e. 300-550 patients. These patients will also be included in a safety database of 500 isoflurane patients.

REGISTRATION OF ANACONDA AND ISOCONDA IN JAPAN

In November 2018, the company received approval of AnaConDa in Japan. The approval means that AnaConDa may be marketed, sold and used for the administration of volatile anesthetics for mechanically ventilated patients in Japan. In order to have access to the full potential of the Japanese market of over 1 million ventilated days a year in the field of intensive care, reimbursement of the price of therapy and registration of the drug candidate IsoConDa must be ensured. We are now investigating the various IsoConDa registration options available to us in Japan and expect to launch AnaConDa during 2019 using our local distributor.

> "The interim analysis for our registration-based Phase III study showed smaller variations in effect than expected. **The study only needs a total of 300 patients instead of initially estimated 550 patients."**

Workshop in Spain, March 2019

Building of the market

The work to increase awareness and use of AnaConDa technology and to establish in several countries in Europe is continuing. The plan is to be represented in several European markets with established networks and reference clinics when the approval of IsoConDa comes to quickly be able to penetrate the market.

Thanks to clarification in the registration process in the US and time planning for Europe, we can now work on the fast track according to the established plan for both Europe and the USA.

We intend to set up a company in the USA to be able to carry out the work on studies, registration and market access on our own. Around 2022 we will decide whether we intend to launch the products ourselves or together with a local partner.

During the quarter, we started a research foundation, the Sedana Medical Research Foundation, which constitutes a unique opportunity for the scientific community to increase knowledge about sedation of critically ill patients. Through the foundation, one to three individual academic researchers will be granted between € 10–30,000 per year, for up to two years, which promotes the prerequisites for investigator-initiated studies in our area.

During the quarter, we also tied the ties more closely to Key Opinion Leaders, among others in Spain and France, where we hosted Advisory Boards to better understand regional differences and gain a deeper understanding of the clinical processes in each country.

In the quarter, we have made two successful investments in the market. We were the gold sponsor of the world's largest intensive care conference ISECEM in Brussels, where we organized eight very well-attended scientific symposia in the field of inhalation sedation. We also participated in Germany's largest symposium in intensive care in Bremen, where interest in Sedana Medical was very large. During our lectures, we had 250 persons in the audience, which consisted of both existing and potential customers.

In the first quarter of 2019, sales were the best ever in the company's history. Our second largest market France is now also growing significantly, more than 40% growth in the quarter. The total sales increase for the past twelve months was 31 percent, well in line with our goal of growing 20 percent annually until the registration of IsoConDa in Europe.

In addition to our growth ambition of 20% per year, we will also deliver an EBITDA result that is not significantly negative, in parallel with the build-up of a larger sales and marketing organization. Three years after the registration of IsoConDa in Europe, our ambition is that annual sales should exceed SEK 500 million and the EBITDA margin be around 40%.

Financial Summary, January – March 2019

Financial summary - Consolidated (SEK)	Q1 2 019	Q1 2018	Year 2018
Net sales	17 813 621	15 486 658	57 896 208
Gross Profit	12 402 909	10 789 212	42 896 532
Gross Margin (%)	69,6%	69,7%	74,1%
Earnings before interest, taxes, depreciation and amortization (EBITDA)	-2 641 097	-788 272	-4 232 301
Earnings Before Interest and Taxes (EBIT)	-3 660 017	-1 729 911	-8 238 213
Income after financial items	-2 525 028	10 885	-6 519 628
Net income	-2 970 608	-87 026	-6 869 062
EBITDA %	-14,8%	-5,1%	-7,3%
EBIT %	-20,5%	-11,2%	-14,2%
Net income % of net sales	-16,7%	-0,6%	-11,9%
Total assets	230 092 054	129 459 841	231 549 760
Equity	215 034 379	116 603 916	217 811 282
Equity ratio	93,5%	90,1%	94,1%
Quick ratio	1048,5%	678,4%	1219,6%
Average number of employees	37	24	26
Average number of shares before dilution	19 216 591	17 176 538	18 114 565
Average number of shares after dilution	20 150 740	18 422 687	19 286 714
Number of shares at the end of the period before dilution	19 276 591	17 280 538	19 156 591
Number of shares at the end of the period after dilution	20 150 740	18 422 687	20 150 740
Earnings per share before dilution [1)]	-0,15	-0,01	-0,38
Earnings per share after dilution [1)]	-0,15	0,00	-0,36

[1)] Based on average number of shares for the period.

REVENUES

During the first quarter, the Group's revenues amounted to KSEK 18,619 (15,842), corresponding to an increase of KSEK 2,777 or 18 percent. The increase is mainly attributable to an increase in net sales of KSEK 2,327 (15%). The Group's sales are almost exclusively in EUR and the corresponding sales increase, adjusted for currency fluctuations, was 8%. In addition, revenues for the fourth quarter contain other operating income of KSEK 805 (355) and consist mainly of positive exchange rate differences.

COST OF GOODS SOLD

The cost of goods sold during the first quarter amounted to KSEK 5,411 (4,697), which corresponds to an increase of KSEK 713 or 15%. The increase in of goods sold is mainly due to increased sales.

OTHER EXTERNAL EXPENSES

Other external expenses during the quarter amounted to KSEK 6,782 (5,794), which corresponds to an increase of KSEK 988 or 17 percent. Other external expenses include consulting fees, sales and marketing expenses, expenses for accounting services and auditing, travel expenses, patent costs and certain material costs for research. The increase in the item Other external expenses during the first quarter is mainly due to an increase in expenses for sales and market. Generally, there is also an increase in other types of external expenses as the company is growing and preparing for the launch of IsoConDa

PERSONNEL EXPENSES

Personnel expenses in the Group amounted to KSEK 8,622 (6,056) during the first quarter, corresponding to an increase of KSEK 2,656 or 42%. During the first quarter, the Group had an average of 37 employees, which was an increase of 13 employees compared to the same period in 2017. The main reason for the increase in personnel costs is the build-up of the marketing and sales organization prior to the registration and subsequent launch of IsoConDa.

DEPRECIATION AND AMORTISATION

Depreciation amounted to KSEK 1,019 (941) during the first quarter, which corresponds to an increase of KSEK 77 or 8%. Depreciation relates to property, plant and equipment and depreciation of in house build intangible asset AnaConDa-S.

OPERATING INCOME

The Group's operating profit for the first quarter amounted to KSEK -3,660 (-1,730), which corresponds to a decreased result of KSEK 1,930 or 112%. The decreased result is mainly due to an increase in expenses for building up the sales and marketing organization within the Group and preparations for the IsoConDa launch.

FINANCIAL ITEMS

Net financial items amounted to KSEK 1,135 (1,741) during the first quarter. Net financial items are mainly explained by positive exchange rate fluctuations.

TAXES
The Group reported a tax expense of KSEK 446 (98) during the first quarter. The tax expense for the quarter is explained in its entirety by changes in deferred tax.

NET INCOME
The Group reported a net income of KSEK -2,970 (-87) for the quarter. The decline in earnings compared with the previous year is mainly explained by a lower operating profit and a lower financial net and higher tax.

EQUITY AND LIABILITIES
Equity in the Group at March 31, 2019 amounted to KSEK 215,034 (116,604), corresponding to an increase of KSEK 98,631. The increase is mainly due to the targeted new share issue that the company carried out in early June 2018. Current liabilities in the Group amounted to KSEK 15,129 (12,856) at the end of the period and mainly comprised accrued expenses of KSEK 7,599 (6,438) and accounts payable of KSEK 4,400 (5,364).

LIQUID FUNDS AND CASH FLOW
Cash and cash equivalents at the end of the period amounted to KSEK 149,849 (79,213).

Cash flow from operating activities before changes in working capital was KSEK -1,834 (-821) the first quarter.

Cash flow from operating activities, including the change in working capital, amounted to KSEK 837 (-2 372). The working capital's positive change compared with the same period last year is mainly due to a decrease in inventories and an increase in operating liabilities.

Cash flow from investments amounted to KSEK -10,681 (-4,381) and consists mainly of intangible fixed assets, the major part of which relates to capitalized development costs where the costs for the clinical study IsoConDa EU SED001 constitute the main part.

Cash flow from financing activities was KSEK 285 (474) during the quarter. The outcome during the quarter, as well as the same period last year, relates to new issues due to the conversion of warrants in program 2014/2019.

Total cash flow for the quarter amounted to KSEK -9,560 (-6,279).

PARENT COMPANY
Sedana Medical AB (publ), corporate identity number 556670–2519, is the parent company in the Group. Its operations consist of clinical development, sales and administrative and management functions. The parent company has branch offices in Germany and Spain, where operations consist of sales and warehousing of products.

The Parent Company's total revenue amounted to KSEK 20,534 (15,635) for the first quarter. Operating profit amounted to KSEK -4,430 (-2,992), which corresponds to a decrease of 1 438 KSEK. Net financial items during the quarter amounted to KSEK 1,359 (1,947). Net income for the period amounted to KSEK -3,136 (-1,053).

Equity in the Parent Company, Sedana Medical AB (publ), as of March 31, 2019 amounted to KSEK 225,802 (123,234), corresponding to an increase of KSEK 102,568. The share capital amounted to KSEK 1,929 (1,728), an increase of KSEK 201. Of the increase, KSEK 48 is attributable to the conversion of warrants into shares in the option program 2014/2019 and the remaining part attributable to the targeted new share issue, which was carried out in early June 2018.

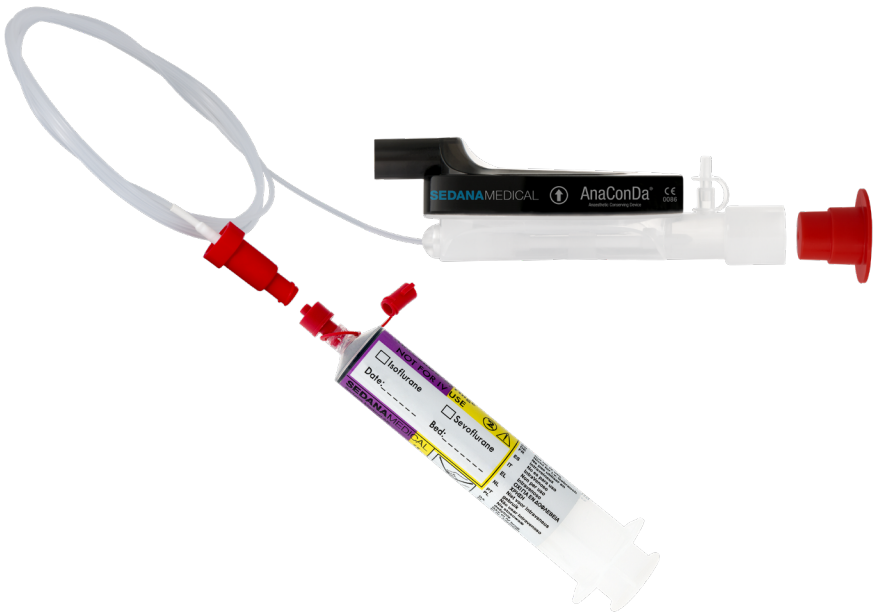
Cash and cash equivalents amounted to KSEK 148,865 (77,793), an increase of KSEK 71,072, which is mainly due to the new share issue in early June 2018.

Other information

TRANSACTIONS WITH RELATED PARTIES
Transactions with related parties take place on market terms. During the first quarter, the subsidiary Sedana Medical Ltd purchased goods worth KSEK 383 from Lismed Ltd., a related company R&D and owner Ron Farrell. Furthermore, the subsidiary Sedana Medical Ltd has purchased services worth KSEK 202 by Tecscan Ltd., a company related to the board member Michael Ryan.

Consolidated Income Statement

(SEK)	Note	Q1 2019	Q1 2018	Year 2018
Revenues				
Net sales		17 813 621	15 486 658	57 896 208
Other operating income		805 344	355 491	1 474 482
		18 618 965	15 842 149	59 370 690
Operating cost and expenses				
Cost of goods sold		-5 410 712	-4 697 446	-14 999 676
External expenses		-6 781 760	-5 794 100	-21 651 097
Personnel expenses		-8 621 596	-6 055 606	-25 760 221
Depreciation and amortisation		-1 018 920	-941 639	-4 005 912
Other operating expenses		-445 994	-83 269	-1 191 997
Operating income		**-3 660 017**	**-1 729 911**	**-8 238 213**
Income from financial items				
Financial income		1 376 006	2 107 691	5 450 451
Financial expenses		-241 017	-366 895	-3 731 866
Income after financial items		**-2 525 028**	**10 885**	**-6 519 628**
Income before taxes		**-2 525 028**	**10 885**	**-6 519 628**
Taxes		-445 580	-97 911	-349 434
Net Income		**-2 970 608**	**-87 026**	**-6 869 062**



Consolidated balance sheet

(SEK)	Note	31 March 2019	31 March 2018	31 December 2018
ASSETS				
Fixed assets				
Intangible assets				
Capitalized development expenses		55 968 043	25 527 172	46 161 490
Concessions, patents, licenses and similar		5 127 351	5 839 872	5 243 054
		61 095 394	31 367 044	51 404 544
Tangible assets				
Building and land		44 502	122 388	54 819
Machinery and equipment		4 527 440	3 693 261	4 128 515
Fixtures and tools		484 645	464 645	525 092
		5 056 587	4 280 294	4 708 426
Financial assets		0		
Deferred taxes		1 138 956	1 388 929	1 590 930
		0		
Total fixed assets		**67 290 937**	**37 036 267**	**57 703 900**
Current assets				
Inventory				
Finished goods		4 167 208	5 203 840	6 294 672
Advances to suppliers		3 085	0	0
		4 170 293	5 203 840	6 294 672
Receivables				
Trade receivables		6 131 537	4 869 450	4 984 691
Tax receivables		21 669	910 731	349 052
Other current receivables		1 377 983	953 476	1 294 296
Prepaid expenses and accrued income		1 250 734	1 273 409	1 572 472
		8 781 923	8 007 066	8 200 511
Cash and cash equivalents		149 848 901	79 212 668	159 350 677
Total current assets		**162 801 117**	**92 423 574**	**173 845 860**
TOTAL ASSETS		**230 092 054**	**129 459 841**	**231 549 760**

(SEK)	Note	31 March 2019	31 March 2018	31 December 2018
EQUITY AND LIABILITIES				
Equity				
Share capital		1 929 127	1 728 055	1 915 659
Other equity including net income for the period		213 105 252	114 875 861	215 895 623
Equity attributable to shareholders in parent company		215 034 379	116 603 916	217 811 282
Total equity		**215 034 379**	**116 603 916**	**217 811 282**
Current liabilities				
Liabilities to credit institutions		0	57 456	0
Accounts payables		4 399 634	5 363 593	4 429 892
Tax liabilities		566 107	71 218	486 769
Other current liabilites		2 564 606	925 730	1 864 189
Accrued expenses and prepaid income		7 598 716	6 437 928	6 957 628
		15 129 063	12 855 925	13 738 478
TOTAL EQUITY AND LIABILITIES		**230 092 054**	**129 459 841**	**231 549 760**

Consolidated statement of changes in equity

		Q1		Year
(SEK)	Note	2019	2018	2018
Opening balance according to balance sheet		217 811 282	116 403 288	116 403 288
Changes in the carrying amounts recognised directly in equity				
Translation differences		-91 295	-186 346	-496 967
Transactions with the group's owners				
New issue of shares		300 000	520 000	113 213 445
Issue expenses	3	-15 000	-46 000	-4 439 422
Net income		-2 970 608	-87 026	-6 869 062
Total Equity		**215 034 379**	**116 603 916**	**217 811 282**

Consolidated statement of cash flow

		Q1		Year
(SEK)	Note	2019	2018	2018
Operations				
Operating income		-3 660 017	-1 729 911	-8 238 213
Adjustment of non cash flow items				
Depreciations, amortisations and gains and losses on sale of fixed assets		1 519 919	941 639	5 661 282
Currency exchange rates differences		-37 087	-30 625	-385 362
Provisions		0	0	0
Other non cash flow items		0	0	97 018
		-2 177 185	-818 897	-2 865 275
Received interest		0	0	2 708
Paid interest		-2 298	-2 033	-4 080
Paid taxes		345 498	0	105 517
Cash flow from operations before change in working capital		**-1 833 985**	**-820 930**	**-2 761 130**
Cash flow from change in working capital				
Increase (-)/Decrease (+) of inventory		2 084 470	-1 998 428	-3 078 972
Increase (-)/Decrease (+) of operating receivables		-811 030	2 564 902	2 320 243
Increase (+)/Decrease (-) of operating liabilities		1 397 253	-2 117 111	-2 259 071
Cash flow from operations		**836 708**	**-2 371 567**	**-5 778 930**
Investment activities				
Investment in intangible fixed assets		-9 826 526	-3 857 894	-25 101 463
Investments in tangible fixed assets		-854 776	-523 575	-4 025 073
Investments of financial assets		0	0	0
Cash flow from investment activities		**-10 681 303**	**-4 381 469**	**-29 126 536**
Financing activities				
New issue of shares		300 000	520 001	113 213 445
Issue expenses	3	-15 000	-46 000	-4 439 422
Cash flow from financing activities		**285 000**	**474 001**	**108 774 023**
Cash flow for the period		**-9 559 595**	**-6 279 035**	**73 868 557**
Liquid funds at the beginning of the period		**159 350 677**	**85 321 647**	**85 321 647**
Effects of exchange rate changes on cash		57 819	170 057	160 474
Liquid funds at the end of the period		**149 848 901**	**79 212 668**	**159 350 677**

Parent company income statement

(SEK)	Note	Q1 2019	Q1 2018	Year 2018
Revenues				
Net sales		19 884 934	15 279 513	65 155 222
Other operating income		649 084	355 491	1 323 924
		20 534 018	15 635 004	66 479 146
Operating cost and expenses		0	0	0
Cost of goods sold		-11 347 687	-9 775 668	-34 729 212
External expenses		-6 434 618	-4 810 951	-16 828 870
Personnel expenses		-6 387 523	-3 596 038	-18 676 093
Depreciation and amortisation		-386 694	-362 386	-1 543 114
Other operating expenses		-407 533	-82 452	-1 133 298
Operating income		**-4 430 037**	**-2 992 491**	**-6 431 441**
Income from financial items				
Financial income		1 376 006	2 312 827	6 445 723
Financial income, group internal		223 029	0	0
Financial expenses		-239 877	-365 549	-3 721 356
Income after financial items		**-3 070 879**	**-1 045 213**	**-3 707 074**
Group contribution		0	0	0
Income before taxes		**-3 070 879**	**-1 045 213**	**-3 707 074**
Taxes		-64 994	-7 523	-48 083
Net Income		**-3 135 873**	**-1 052 736**	**-3 755 157**

Parent company balance sheet

(SEK)	Note	31 March 2019	31 March 2018	31 December 2018
ASSETS				
Fixed assets				
Intangible assets				
Capitalized development expenses		51 726 238	9 067 221	42 297 443
Tangible assets				
Building and land		0	29 750	0
Machinery and equipment		2 808 325	2 609 573	2 413 629
Fixtures and tools		234 838	62 576	278 803
		3 043 163	2 701 899	2 692 432
Financial fixed assets				
Shares in group companies		82 535	50 009	50 009
Long term receivables in group companies		25 265 615	33 516 701	24 019 262
		25 348 150	33 566 710	24 069 271
Total fixed assets		**80 117 551**	**45 335 830**	**69 059 146**
Current assets				
Inventory				
Finished goods		9 106 755	7 173 313	9 227 249
Receivables				
Trade receivables		5 318 947	4 483 016	4 380 462
Receivables in group companies		16 218 099	8 943 237	12 648 231
Tax receivables		21 669	826 513	349 052
Other current receivables		1 327 957	154 677	1 239 426
Prepaid expenses and accrued income		1 228 981	1 081 494	1 350 629
		24 115 653	15 488 937	19 967 800
Cash and cash equivalents		148 864 663	77 792 889	158 805 490
Total current assets		**182 087 071**	**100 455 139**	**188 000 539**
TOTAL ASSETS		**262 204 622**	**145 790 969**	**257 059 685**

(SEK)	Note	31 March 2019	31 March 2018	31 December 2018
EQUITY AND LIABILITIES				
Equity				
Restricted equity				
Share capital		1 929 127	1 728 054	1 915 659
Fund for capitalized development expenses		51 726 238	18 081 189	42 297 443
Non restricted equity				
Share premium fund		237 984 855	129 533 524	237 690 860
Retained earnings		-58 947 061	-17 782 662	-49 438 748
Profit or loss previous year		-3 755 157	-7 273 721	0
Profit or loss for the period		-3 135 873	-1 052 736	-3 755 157
Total Equity		**225 802 129**	**123 233 648**	**228 710 057**
Current liabilities				
Accounts payables		2 648 106	2 986 852	2 281 214
Liabilities to group companies		25 537 319	15 390 279	20 130 621
Tax liabilities		113 882	0	0
Other current liabilites		1 740 198	560 075	1 340 845
Accrued expenses and prepaid income		6 362 988	3 620 115	4 596 948
		36 402 493	22 557 321	28 349 628
TOTAL EQUITY AND LIABILITIES		**262 204 622**	**145 790 969**	**257 059 685**

Parent company statement of changes in equity

(SEK)	Note	Q1 2019	Q1 2018	Year 2018
Opening balance according to balance sheet		228 710 057	123 946 488	123 946 488
Changes in the carrying amounts recognised directly in equity				
Translation differences		-57 055	-134 104	-255 297
Transactions with the group's owners				
New issue of shares		300 000	520 000	113 213 445
Issue expenses	3	-15 000	-46 000	-4 439 422
Reallocation between items in equity				
Allocations to funds for capitalized development expenses		9 428 795	11 678 420	42 297 443
Retained earnings		-9 428 795	-11 678 420	-42 297 443
		0	0	0
Net income		-3 135 873	-1 052 736	-3 755 157
Total Equity		**225 802 129**	**123 233 648**	**228 710 057**

Parent company statement of cash flow

(SEK)	Note	Q1 2019	Q1 2018	Year 2018
Operations				
Operating income		-4 430 037	-2 992 491	-6 431 441
Adjustment of non cash flow items				
Depreciations, amortisations and gains and losses on sale of fixed assets		887 693	362 386	3 198 484
Currency exchange rates differences		143 409	-165 638	164 582
Other non cash flow items		0	0	97 018
		-3 398 935	**-2 795 743**	**-2 971 357**
Received interest		223 029	204 831	995 272
Paid interest		-1 269	-687	-3 977
Paid taxes		336 872	0	0
Cash flow from operations before change in working capital		**-2 840 303**	**-2 591 599**	**-1 980 062**
Cash flow from change in working capital				
Increase (-)/Decrease (+) of inventory		107 317	-1 064 739	-3 113 712
Increase (-)/Decrease (+) of operating receivables		-4 440 181	-1 193 054	-5 641 113
Increase (+)/Decrease (-) of operating liabilities		8 046 876	2 620 332	8 328 001
Cash flow from operations		**3 714 012**	**-2 229 060**	**-2 406 886**
Investment activities				
Investment in intangible fixed assets		-9 428 795	-2 664 453	-35 754 690
Investments in tangible fixed assets		-710 252	-313 161	-3 007 850
Investments of financial assets		-1 011 038	-919 261	7 784 889
Cash flow from investment activities		**-11 150 085**	**-3 896 875**	**-30 977 651**
Finansieringsverksamheten				
New issue of shares		300 000	520 000	113 213 445
Issue expenses	3	-15 000	-46 000	-4 439 422
Cash flow from financing activities		**285 000**	**474 000**	**108 774 023**
Cash flow for the period		**-9 991 377**	**-5 651 935**	**75 389 485**
Liquid funds at the beginning of the period		**158 805 490**	**83 282 895**	**83 282 895**
Effects of exchange rate changes on cash		50 549	161 929	133 110
Liquid funds at the end of the period		**148 864 663**	**77 792 889**	**158 805 490**

Share information

	Q1		Year
	2019	2018	2018
Net income, SEK	-2 970 608	-87 026	-6 869 062
Cash flow, SEK	-9 559 595	-6 279 035	73 868 557
Number of shares at the beginning of the period	19 156 591	17 072 538	17 072 538
Number of shares at the end of the period	19 276 591	17 280 538	19 156 591
Average number of shares	19 216 591	17 176 538	18 114 565
Outstanding warrants at the beginning of the period	994 149	1 350 149	1 350 149
Outstanding warrants at the end of the period	874 149	1 142 149	994 149
Genomsnittligt antal teckningsoptioner	934 149	1 246 149	1 172 149
Share capital at the end of the period, SEK	1 929 127	1 728 055	1 915 659
Equity at the end of the period, SEK	215 034 379	116 603 916	217 811 282
Earnings per share, SEK	0	0	0
- Earnings per share before dilution	-0,15	-0,01	-0,38
- Earnings per share after dilution	-0,15	0,00	-0,36
Equity per share, SEK	11,16	6,75	11,37
Cash flow per share, SEK	-0,50	-0,37	4,08

Sedana Medical share – facts

Listing	Nasdaq First North Stockholm
Number of shares *	19 276 591
Market capitalization MSEK *	2053
Ticker	SEDANA
ISIN	SE0009947534

* Per 31 March 2019

Notes to the financial information

NOTE 1 ACCOUNTING PRINCIPLES

Sedana Medical AB (publ) and the Group applies the Swedish Accounting Standard Board's (BFN's) general guidelines BFNAR 2012:1 Annual report and consolidated accounts (K3). Significant accounting and valuation principles are set out on pages 13-17 of the Group annual report 2016.

A departure from the K3 regulation has occurred in the third quarter when it comes to the gross reporting of capitalized development expenses. As of Q3 2017, Sedana Medical reports development costs on a net basis under personnel expenses and other operating expenses.

NOTE 2 DEFINITION OF RATIOS

EBITDA margin:
Operating income before depreciation and amortisation/net sales
EBIT margin:
Operating income/net sales
Net profit in % of net sales:
Net profit/net sales
Balance sheet total:
Total assets
Equity ratio:
(Total equity + 78% of untaxed reserves)/Total assets
Quick ratio:
Current assets excluding inventory/Current liabilities
Quick ratio:
Current assets excluding inventory/Current liabilities

NOTE 3 TRANSACTIONS EXPENSES

Transaction expenses for new share issue and conversion of options in program 2014/2019 during quarter 1 amounted to 15 KSEK.

Other information

AUDITOR'S REVIEW

The Group's auditor has not reviewed the accounts in this interim report.

CERTIFIED ADVISER

Erik Penser Bank, +46 8 463 83 00, certifiedadviser@penser.se, is the certified adviser for Sedana Medical AB (Publ).

FOR FURTHER INFORMATION PLEASE CONTACT

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+46 (0)8-124 05 200
Maria Engström, CFO
+46 (0)8-124 05 200

DATES FOR UPCOMING INFORMATION

28 May 2019	Annual General Meeting 2019
22 Aug 2019	Interim report Q2 2019
13 Nov 2019	Interim report Q3 2019

ANNUAL GENERAL MEETING

The Annual General Meeting will be held on 28th of May 2018 at 4 p.m. (registration from 3:30 p.m.), at the premises of Erik Penser Bank, Apelbergsgatan 27, Stockholm, Sweden. More information about the Annual General Meeting can be found at www.sedanamedical.com under investors/corporate goveranance/AGM 2019.

Certification from the Board of Directors and the CEO

The Board of Directors certifies that this interim report provides a true and fair view of the Group's operations, financial position and results. For a description of Sedana Medical's risks, please refer to the Group's prospectus that was prepared for the listing on Nasdaq First North as well as the annual report for 2018.

Danderyd 08 May 2019

Thomas Eklund
Chairman of the Board

Sten Gibeck
Board member

Bengt Julander
Board member

Ola Magnusson
Board member

Michael Ryan
Board member

Eva Walde
Board member

Christer Ahlberg
President and CEO

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