

Company presentation

May 2016

Svein W. F. Lien – CEO



Agenda

- **This is Biotec Pharmacon**
- **Q1 Financials**
- **BetaGlucans**
 - Advanced wound care
- **Enzymes**
 - Molecular testing
- **Outlook**

This is Biotec Pharmacon

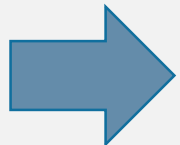
A corporation of two independent versatile technology platforms

Beta-Glucans:

- Proprietary Beta-Glucans
- Immuno-modulatory substance activating the immune system
- Building up international sales organization in wound care
- Bulk sales of products for Animal Health and Nutrition
- Strong and experienced scientific team with in-house production

Enzymes - ArcticZymes:

- Unique Cold-adapted Enzymes for the life science industry based on species from the Barents Sea
- International marketing and sales team
- Established relation with core industrial companies (B2B)
- Strong and experienced scientific team with in-house production



Biotec is emerging into a commercially driven company

Financial highlights Q1

| NOK million | Q1 2016 | Q1 2015 | 12M 2015 |
|-----------------------|-------------|-------------|--------------|
| Enzymes | 8.1 | 7.6 | 23.5 |
| BetaGlucans | 9.2 | 4.7 | 29.7 |
| Sales revenues | 17.3 | 12.3 | 53.3 |
| EBITDA | -3.5 | -2.8 | -14.4 |
| EBIT | -4.0 | -3.5 | -17.3 |

| NOK million | Q1 2016 | Q1 2015 | 12M 2015 |
|---|-------------|-------------|-------------|
| Changes in cash and cash equivalent | -10.6 | -9.2 | -9.9 |
| Cash and cash equivalents at the beginning of period | 78.3 | 88.3 | 88.3 |
| Cash and cash equivalents at the end of period | 67.7 | 79.1 | 78.3 |



Beta-Glucans

Advanced wound care

Beta-Glucan product portfolio



M-Glucan®
Feed ingredient

- Animal Health: Deliver feed ingredients to improve animal health in e.g. fish farming

Beta_Glucan Particulate
Nutrition



- Nutrition: Deliver bulk ingredients for food supplements



Beta-Glucan Cos
Cosmetics

- Cosmetic: Deliver bulk ingredients for cosmetic products

SBG®
Soluble Beta-Glucan
(Medicinal product)



- Medicinal: Produces SBG for use in advanced wound care and for clinical trials as adjuvant in cancer treatment

Vision: "Building a >USD100M Wound Care Company"

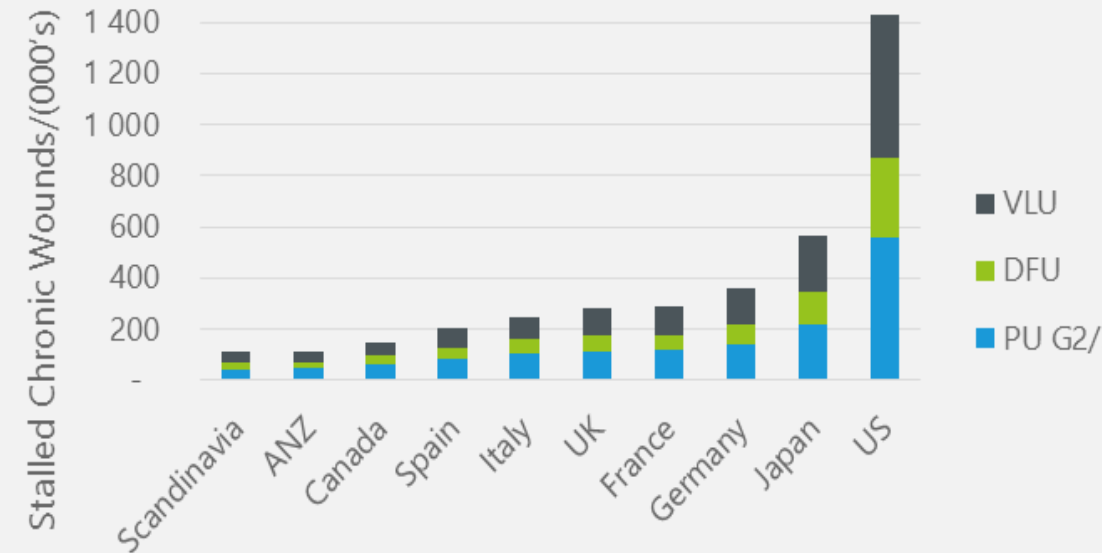
Bioactive Beta-Glucan technology demonstrated ability to kick-start "stalled wounds" where healing slowed or stopped:

Positioning for stalled wounds allows Woulgan to show more healing benefit versus standard of care

- Globally >5M stalled wounds
(>60% of all chronic wounds):



Stalled Wounds by Market



UK / Nordic commercial update



UK:

| | |
|-------------------|---|
| Clinical Practice | <ul style="list-style-type: none">• X20 clinicians trained• X10 active evaluation sites• 30 patients being treated with Woulgan |
| Market Access | <ul style="list-style-type: none">• NHS Prescription Services reviewing Drug Tariff (DT) application |
| Go-to-Market | <ul style="list-style-type: none">• Recruited additional clinical sales specialist• Poster at Congress Wound Healing 2016 |

Nordic:

| |
|--|
| <ul style="list-style-type: none">• >70 clinical meetings• About 50 patients being treated with Woulgan® |
| <ul style="list-style-type: none">• Submitted first tender bid Finland• Engaging tender co-ordinators• Mapping patient flow to guide focus |
| <ul style="list-style-type: none">• 8 Sellers trained January-March• Attended NIFs & Finnish Wound congresses |

US / German update



US:

- Finalizing the “510K application” for Woulgan®
 - Expect application to be submitted to the FDA during Q2 2016
- Prepare for partner process

Germany:

Clinical Practice

- Enthusiastic clinicians requesting to treat more patients

Market Access

- Engaged reimbursement & clinical specialists kicking off reimbursement activities

Go-to-Market

- Discussions progressing well with shortlisted companies



Enzymes

Molecular testing

Commercialising the Arctic's Uniqueness

Leveraging Uniqueness



ArcticZymes
Enzyme innovations
from the Arctic

your OEM partner to deliver novel solutions

HEAT LABILE

COLD ACTIVE

SALT TOLERANT

UNIQUE SPECIFICITY

Biotech Pharmacon AS



Arctic Bioprospecting

- Driven by University of Tromsø (UiT)
- Large biobank of novel enzymes

Discovery

- Identifying commercially attractive & novel enzymes
- Engineering & formulation to enhance desired features

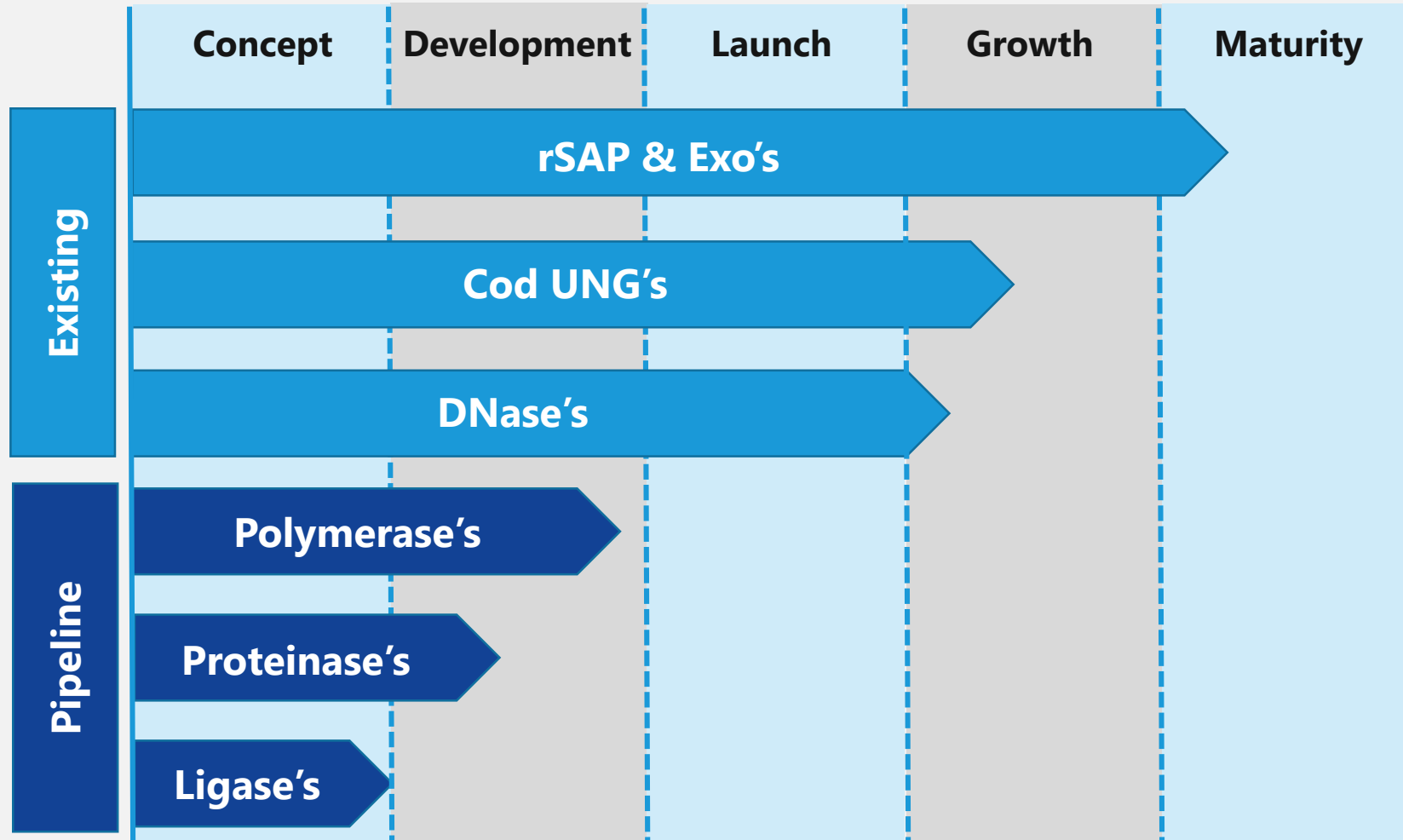
Product Development & Manufacturing

- Cost efficient manufacturing
- Scalability & customisation

Commercialisation

- B2B product offering => Early access
- Support for application development (integration into customer workflows)

Product Portfolio's & Pipeline



Key Elements

- **Market Relevance:** Focus on most commercial relevant enzymes
- **Existing:** Extracting maximum value from existing enzymes – new uses in workflows & new formulations
- **Pipeline:** Regular introduction of new enzymes
- **Synergistic Fit:** Develop enzymes that can be combined together into customers kits and workflows



Outlook



OUTLOOK 2016

- Enter into distribution agreement(s) for Woulgan® in Germany
- Finalize the UK reimbursement process in the high-end category of the market
- Full launch and growing revenues in UK and Scandinavia
- Grow business further in Animal Health and Nutrition
- Achieve important milestones in the development of the ArcticZymes business and in the new enzyme development projects

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