Arctic Bioscience AS

ABGSC Life Science Summit

25th May 2021

Presenters:

Ole Arne Eiksund (CEO)

Runhild Gammelsæter (Medical Director)

Company highlights

1. **Significant unmet medical need in mild-to-moderate psoriasis - USD 20bn+ market for moderate psoriasis alone**
2. **Strong scientific rationale and promising clinical effect in mild-to-moderate psoriasis**
3. **Cash generating and growing nutraceutical business**
4. **Proprietary technology platform with control over value chain underpins both businesses**
5. **Robust ESG footprint**
6. **Strong management team with broad experience within the pharmaceutical and nutraceutical industries**

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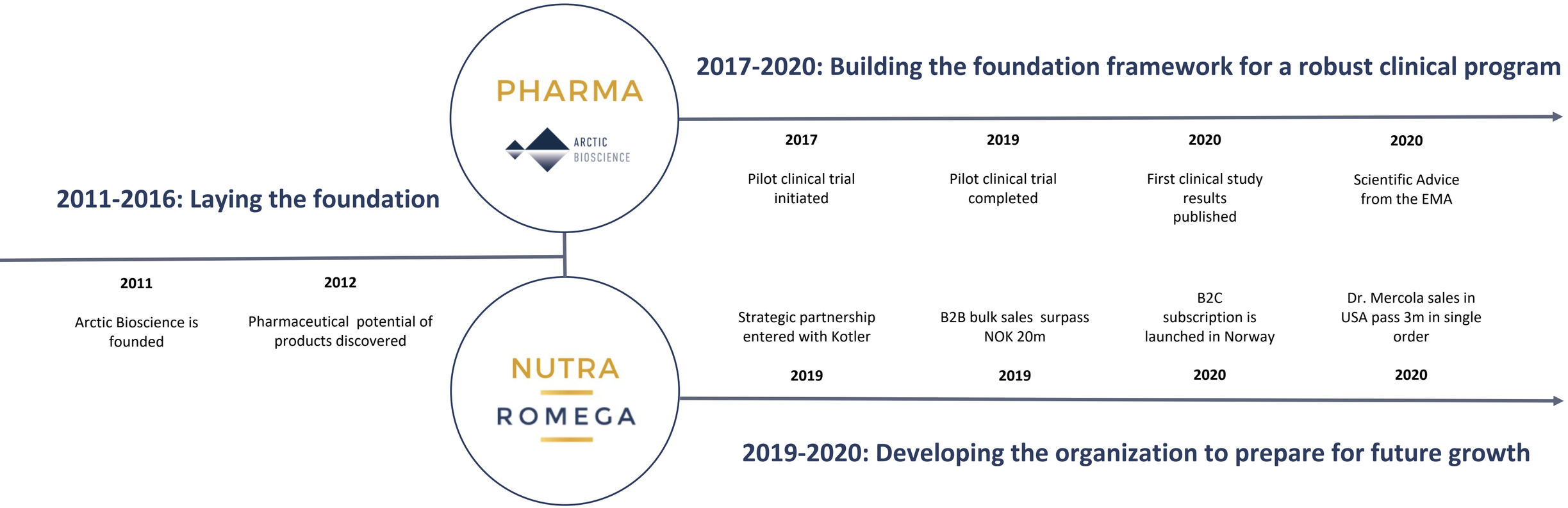
Arctic Bioscience was founded based on unique knowledge and know-how about the benefits of herring roe



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Two unique businesses shaped around a proprietary platform technology

ARCTIC BIOSCIENCE

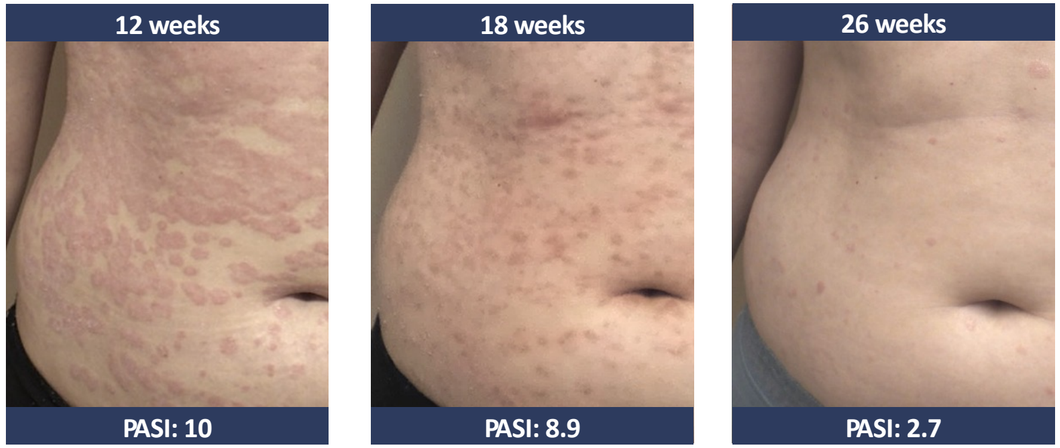
Knowledge platform and specialized know-how of bioactive herring roe compounds with unique properties

PHARMA

ARCTIC BIOSCIENCE

Effect on mild to moderate psoriasis demonstrated in pilot clinical trial[1]

Large unmet medical need for oral, safe, cost effective drug



NUTRA ROMEGA

Premium Omega-3 products produced and distributed B2C and B2B

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Proprietary technology platform and value chain integration provide sustainable competitive advantage

Arctic Bioscience's comprehensive value chain

Sustainable raw material + **State-of-the-art manufacturing**

Herring capture

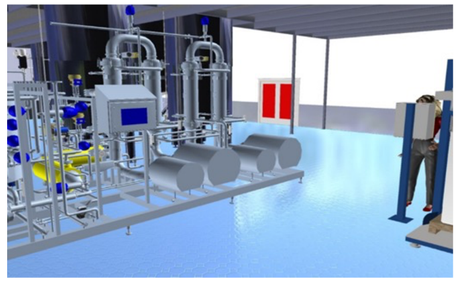
Geographical proximity to Norwegian herring fisheries

By-product: Immature roe

Valuable source of marine lipids

Extraction

Patented technology and advanced know how



Production

Building state-of-the-art GMP manufacturing facility, enabling company to retain proprietary product know-how, IP and control of the value chain[1]

Sustainable low carbon footprint

High barriers to entry and unique competitive position

Significant gross margin improvement

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Cash generating nutraceutical business with clear growth strategy

Key highlights

- Cash generating business with significant revenue traction
- Vast global omega-3 market set for further growth
- International go-to-market strategy, with key partnerships already secured
- B2C and B2B channels as well as distribution partners
- Model partnership with Kotler in China validates market potential and strategy

Successful launch in China through Kotler partnership

- China – an ideal target market for Romega
- Developed strong relationship with Kotler for efficient market entry and sales growth
- Foundation for long-term export success story set – strategic partnership model to be replicated

Key performance indicators (2020)

Total revenue	Subscription revenues	Gross margin
NOK 20.6m	NOK 3.4m	~30%

Philip Kotler & Ole Arne Eiksund (CEO)

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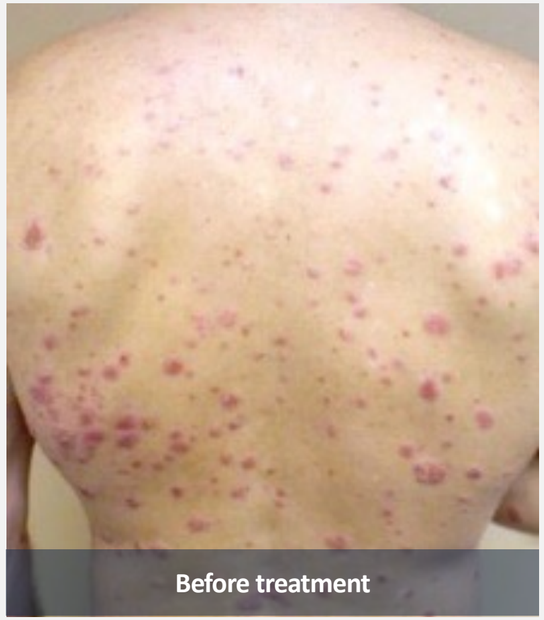
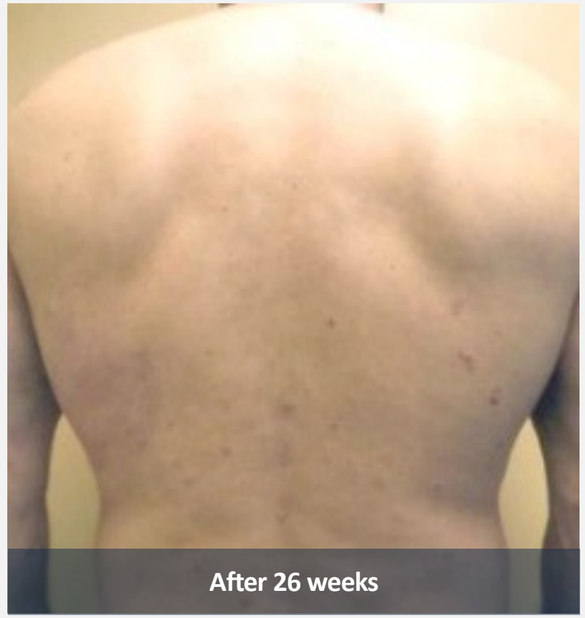
Unique pharma opportunity in mild-to-moderate psoriasis

Randomized, double-blind placebo controlled clinical trial showed statistically significant improvement in mild to moderate psoriasis compared to placebo

Clinical trial in 64 patients with mild to moderate psoriasis (PASI<10)

PASI <10	6g HRO (n=32)	Placebo (n=32)
Week 26 Placebo-controlled phase	**-38%** PASI reduction	**-7%** in placebo group
Week 65 15 months Open Label Extension from week 26	**-54%** PASI reduction	Placebo group received HRO from week 26





- **Trial:** Randomized, placebo-controlled pilot clinical trial in patients with mild to moderate psoriasis (Psoriasis Area Severity Index, PASI <10)
- **Results:** Clinical signals of efficacy combined with beneficial safety profile

- The drug candidate HRO350 will be produced according to GMP
- Potential for a first-in-class therapeutic treatment for a global population with few existing treatment alternatives

PASI: Psoriasis Area and Severity Index. GMP: Good Manufacturing Practice

References: Tveit KS, Brokstad KA, Berge RK, Sæbø PC, Hallaråker H, Brekke S, Meland N, Bjørndal B. A Randomized, Double-blind, Placebo-controlled Clinical Study to Investigate the efficacy of Herring Roe Oil for treatment of Psoriasis. Acta Derm Venereol. 2020 May 28;100(10):adv00154. doi: 10.2340/00015555-3507. PMID: 32378724; Tveit KS et al. Long Term Efficacy and Safety of Herring Roe Oil in the Treatment of Psoriasis, a 39-week Open-label Extension Study. International Journal of Clinical and Experimental Medical Sciences. Vol. 7, No. 1, 2021, pp. 13-20. doi: 10.11648/j.ijcems.20210701.13. 1) Data on file (PASI>5.5 week 26-15 months).
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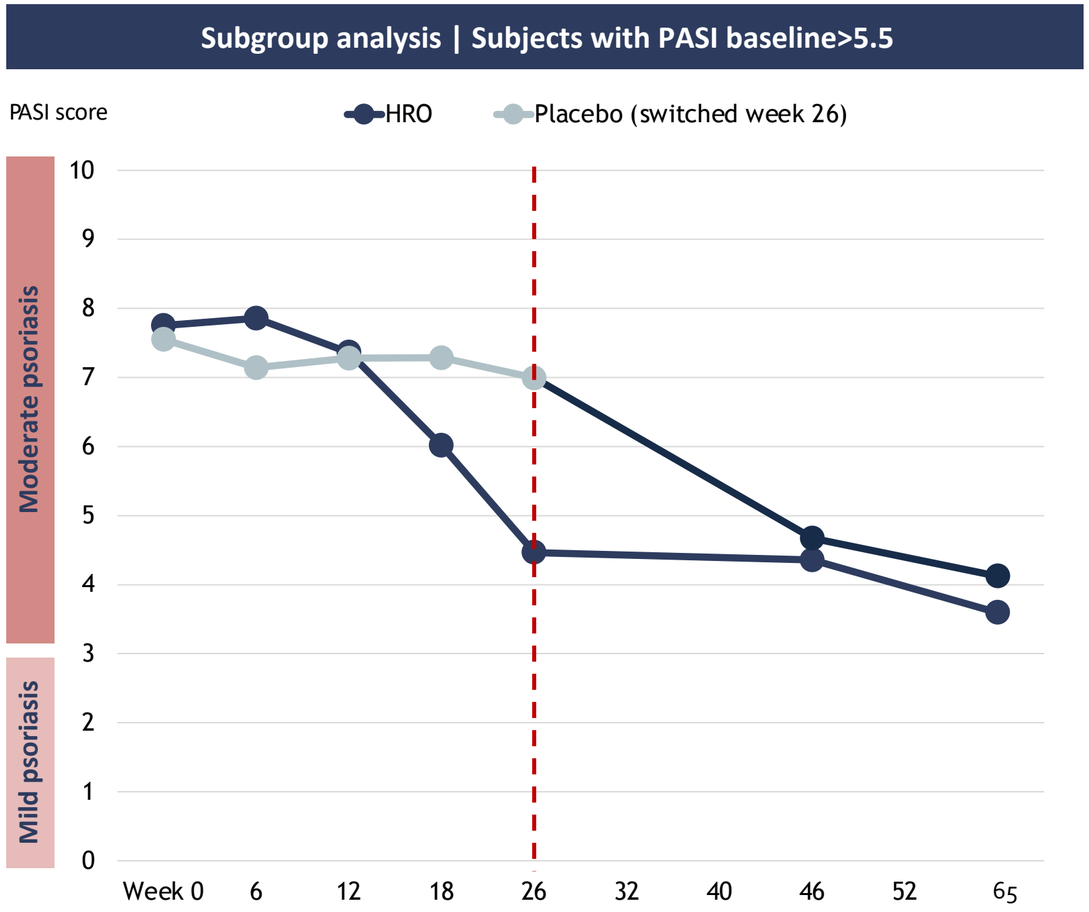
Greatest efficacy seen in subjects with moderate psoriasis

Statistically significant improvement in PASI versus placebo

- Randomized, placebo-controlled pilot clinical trial in mild to moderate psoriasis (PASI<10, n=64)
- Primary end-point: Change in mean Psoriasis Area Severity Index (PASI) at week 26
- Statistically significant improvement in mean PASI with HRO versus placebo at week 26
  - Overall PASI reduction of 38% at week 26
- Greatest PASI reduction at week 26 observed in subjects with moderate psoriasis
  - Subjects with baseline PASI >5.5 showed average reduction of -2.4 PASI score
- Well tolerated, no serious adverse events were related to the administration of active treatment or placebo at week 26



Mean change in PASI score at week 26 estimated to -2.4 with a 95% confidence interval <-4.3, - 0.5>, p = 0.0157 (n=31 with PASI>5.5). Week 26 – 60 was an open label extension with no placebo-control (n=28 with PASI>5.5)

References: Tveit KS, Brokstad KA, Berge RK, Sæbø PC, Hallaråker H, Brekke S, Meland N, Bjørndal B. A Randomized, Double-blind, Placebo-controlled Clinical Study to Investigate the efficacy of Herring Roe Oil for treatment of Psoriasis. Acta Derm Venereol. 2020 May 28;100(10):adv00154. doi: 10.2340/00015555-3507. PMID: 32378724; Tveit KS et al. Long Term Efficacy and Safety of Herring Roe Oil in the Treatment of Psoriasis, a 39-week Open-label Extension Study. International Journal of Clinical and Experimental Medical Sciences. Vol. 7, No. 1, 2021, pp. 13-20. doi: 10.11648/j.ijcems.20210701.13. 1) Data on file (PASI>5.5 week 26-15 months).
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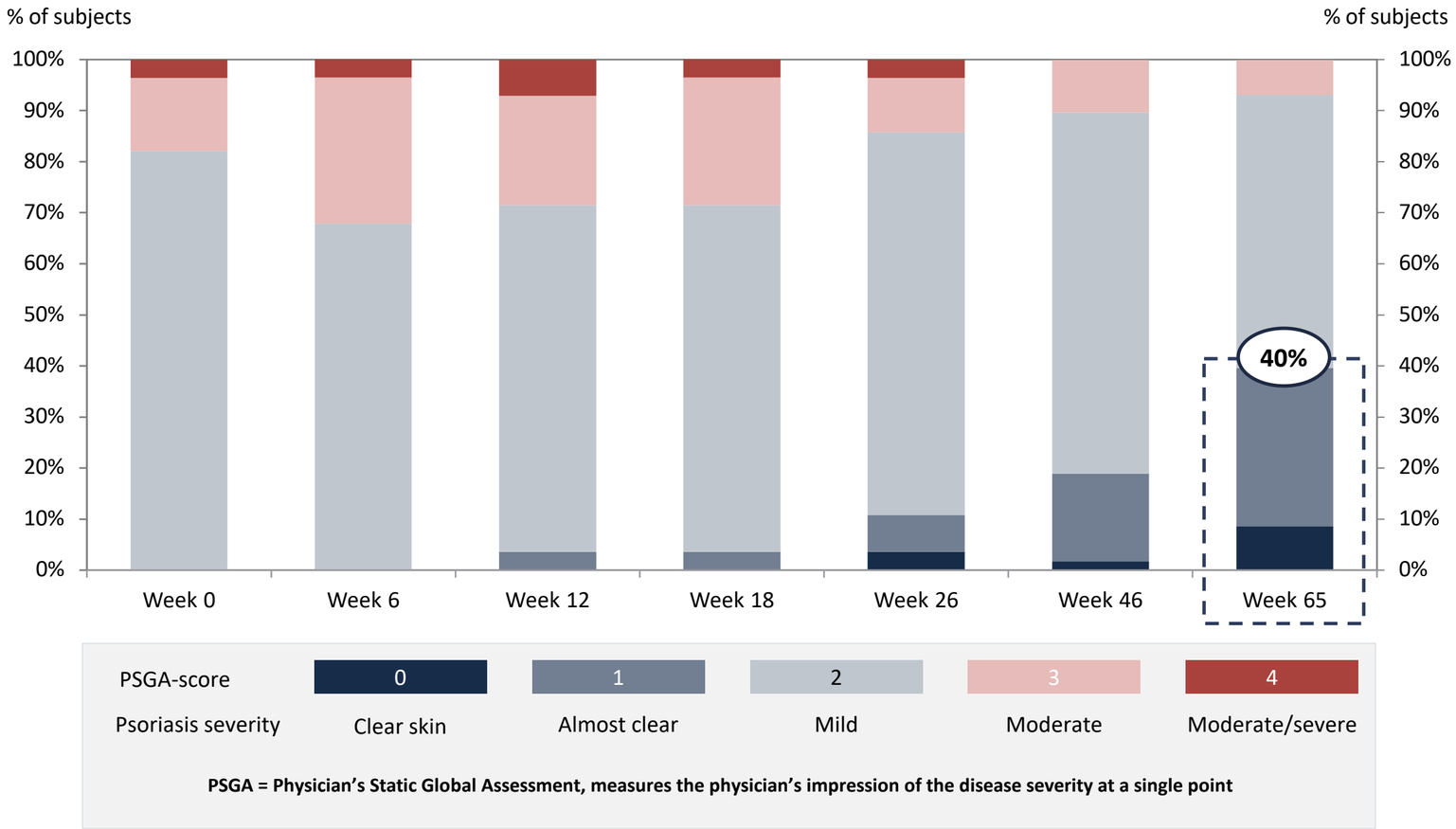
Efficacy is sustained and increases over time

Supported by secondary variable (PSGA) at week 65 (n=58)

Relative change in PSGA score from baseline



PSGA = Physician's Static Global Assessment, measures the physician's impression of the disease severity at a single point

Improvement in disease severity

- All patients had PSGA scores ≥2 and ≤4 at inclusion
- 40% of patients achieved clear-or-almost clear skin after 65 weeks
- After 65 weeks no patient had a PSGA score higher than 3
- In total, 46.6% of patients had a reduction in their PSGA score

PSGA: Physicians Static Global Assessment

Reference: Tveit KS et al. Long Term Efficacy and Safety of Herring Roe Oil in the Treatment of Psoriasis, a 39-week Open-label Extension Study. International Journal of Clinical and Experimental Medical Sciences. Vol. 7, No. 1, 2021, pp. 13-20. doi: 10.11648/j.ijcems.20210701.13.

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Unmet medical need in mild-to-moderate psoriasis

	Mild (PASI<3)	Moderate (PASI>3)	Severe (PASI>10)
Oral	ARCTIC BIOSCIENCE	almirall, Bristol-Myers Squibb	
Parenteral (injections)			abbvie, Lilly, janssen, NOVARTIS
Topical	LEO, mayne pharma		
Price point	<10K NOK/year	30-50k NOK/Year	50-300 NOK/year (Europe & USA)

HRO350 scores well against competitors	
Administration	Oral
Active substance	No other product with active product ingredient
Psoriasis indication	Mild to moderate disease
Severity at inclusion	Few treatment options for non-severe disease
Efficacy level	Efficacy in mild to moderate disease demonstrated in pilot clinical trial
Quality of life	Improvement in quality of life demonstrated in pilot clinical trial
Safety profile	Well tolerated in pilot clinical trial
Monitoring	50% of competitive products require monitoring – unlikely needed for HRO350

PASI: Psoriasis Area and Severity Index

Large-scale Phase IIb study to drive pharma forward

To investigate efficacy, safety and dose of drug candidate HRO350 versus placebo

Phase IIb study design

Patients: 519

Duration: 60 Weeks
Primary endpoint: 26 weeks

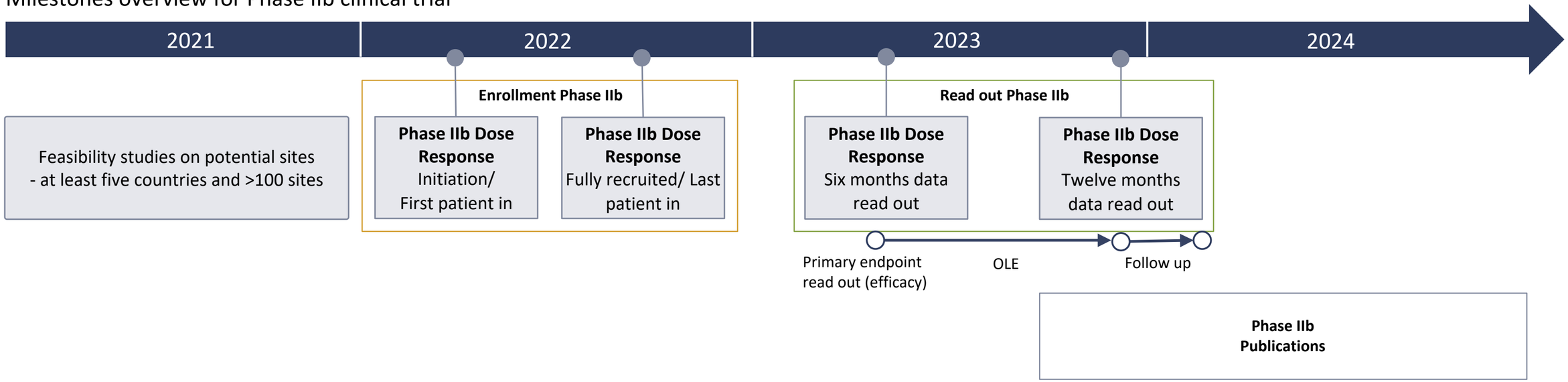
173 patients
6g HRO350

173 patients
3g HRO350

173 patients
Placebo

- Initiating large randomized Phase IIb study in 1Q 2022 in patients with mild-to-moderate psoriasis
- Smerud Medical Research as CRO
- Feasibility ongoing, focus on Norwegian sites
- Given successful Phase IIb study the company plans to initiate a Phase III study, submit MMA and prepare for commercialization through partnerships

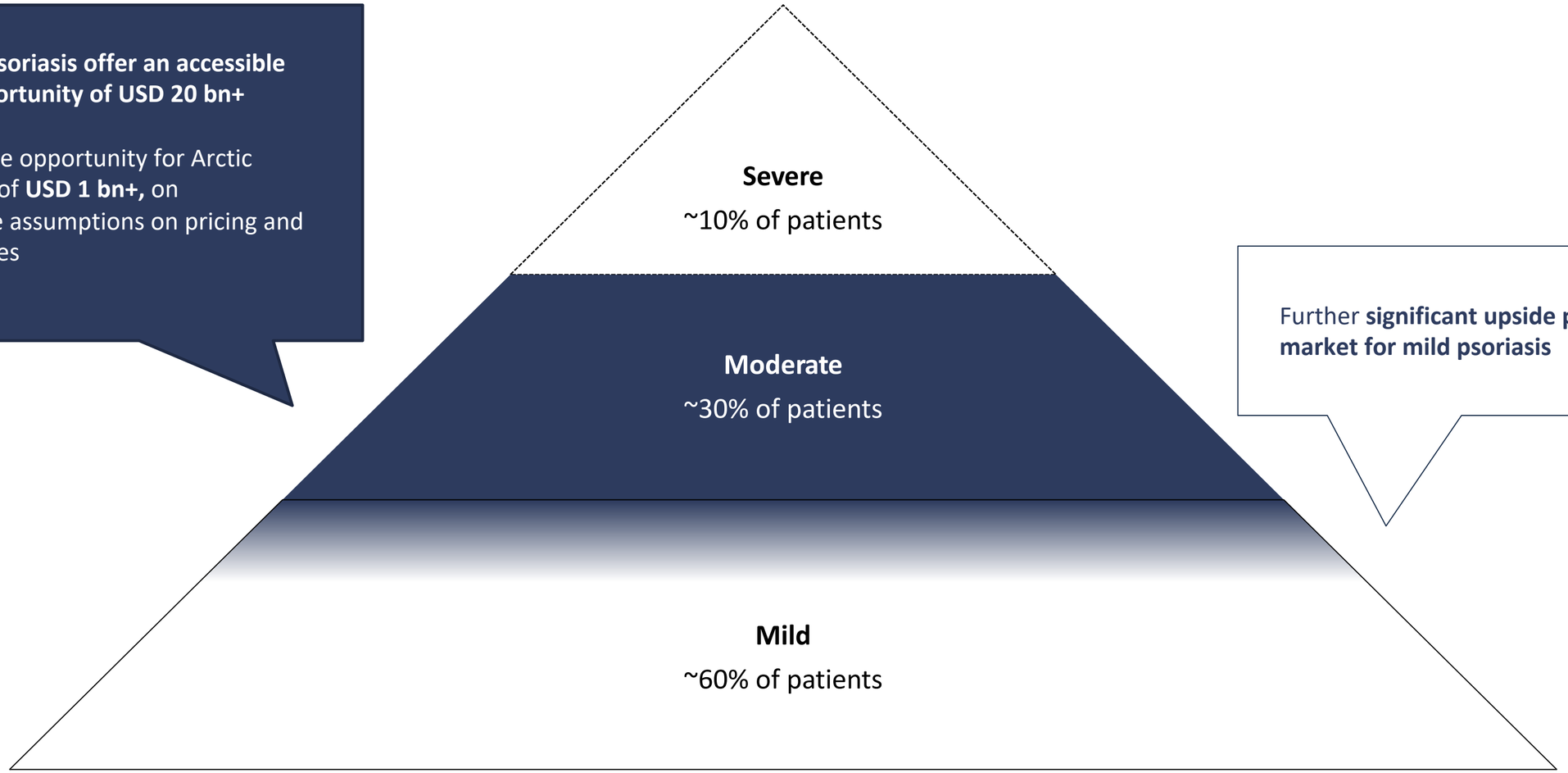
Milestones overview for Phase IIb clinical trial



USD 20bn+ market opportunity in moderate psoriasis alone

Moderate psoriasis offer an accessible market opportunity of USD 20 bn+

Peak revenue opportunity for Arctic Biosciences of **USD 1 bn+,** on conservative assumptions on pricing and market shares



Further **significant upside potential in the market for mild psoriasis**

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New drug candidate for normal brain development in extremely premature infants

New drug candidate for normal brain development in extremely premature infants

20 MAY 2021 08:01 CEST

COMPANY NAME

ARCTIC BIOSCIENCE AS

MARKET

Euronext Growth

ISN

NO0010859580

SYMBOL

ABS

Arctic Bioscience and Smerud Medical Research International AS (SMERUD) are initiating a research collaboration to develop a new drug candidate based on phospholipid esters from herring roe for extremely premature infants.

More than 30 000 babies in USA and Europe are born before 28 weeks of pregnancy.

Babies born this early do not have fully developed brains, and therefore a high risk of disability and complications.

The company plans to apply for orphan designation for the drug candidate.

Strong management team with broad experience within the pharmaceutical and nutraceutical industries

Management team with top expertise and experience

Ole Arne Eiksund, *MSc, MBA*

CEO

+30 years experience

Former positions include Commercial Director in GSK and VP Global Sales in Hofseth Biocare and EVP Rimfrost.

Danielle Glenn, *BA*

CFO

+20 years experience

Harvard educated, former hedge fund manager at Goldman Sachs and Caxton, CEO, CFO and CSO of multiple startups in US, UK and Norway

Runhild Gammelsæter, *PhD*

Global Medical Director

+15 years experience

Former positions include medical leadership roles in GSK, Abbvie and Abbott, as well as experience from start-up biotech

Hogne Hallaråker, *MSc*

CSO

+15 years experience

Founder of Arctic Bioscience and more than 15 years of experience from nutra industries

Per Christian Sæbø, *MSc*

COO

+20 years experience

Former positions include Lipid Development Director in Natural ASA and Site Manager at EPAX, Hovdebygda

Daniele Mancinelli, *MSc*

CTO

+20 years experience

R&D specialist in omega -3 fatty acids and responsible for concept testing, verification and up-scaling

Yuming Feng, *PhD*

EVP Global Business Dev

+30 years experience

Former positions include Procurement Manager at Campbell's, EVP at Zoneco and CEO at Holley Int.

Lauren Jensen, *MBA*

SVP Sales and Marketing

+15 years experience

Former positions within global marketing, branding and communications for mid-size and large enterprises

Advisors with long experience in pharmaceutical development

Åge Nærdal *Cand. Pharm.* Former positions include CEO GlaxoSmithKline AS, 30 years experience from pharmaceutical industry. Advises on pharmaceutical business development

Kari Grønås, *Cand. Pharm.* Broad experience from the pharmaceutical/biotech industry and securing regulatory approvals. Advises on regulatory processes and CMC development of GMP product

Knut Smerud, *MSc, biochemistry.* Owner of the CRO Smerud Medical Research. Advises on clinical development program, clinical trial design and regulatory processes

Kåre Steinar Tveit, *MD*. Dermatologist at the Haukeland University Hospital, Norway. Advises on clinical treatment of psoriasis

Company highlights

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2. **Strong scientific rationale and promising clinical effect in mild-to-moderate psoriasis[1,2]**
3. **Cash generating and growing nutraceutical business**
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Contact

CEO Ole Arne Eiksund: olearne@arctic-bioscience.com
CFO and Investor Relations Danielle Glenn: danielle@arctic-bioscience.com

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