



Third Quarter 2017

November 10th, 2017

Tom Rönnlund, CEO

Agenda

- Q3 highlights and key figures
- Financials
- Pharma & Healthcare commercial update
- Medtech commercial update
- Outlook



Q3 Highlights and Key Figures

- Navamedic reported Q3 2017 revenues of NOK 44.9 million (65.2) following the planned discontinuation of the Aspen agreement per June 30, 2017.
- Excluding Aspen products, the third quarter revenues for 2017 were 43 NOK million, representing a growth of 52% compared to Q3 2016.
- EBITDA for the third quarter was positive NOK 0.6 million, reflecting cost reduction initiatives
- Entered into long-term agreement with bene-Arzneimittel GmbH (bene) for the Nordic launch and commercialisation of ELMIRON®, the only EU-approved oral medication used to treat adults with bladder pain syndrome.
- Sippi® progressing as planned with clinical testing in Sweden, successful tests with Patient Data Management Systems (PDMS), newly initiated evaluations at clinics in the UK and Italy and a number of scheduled clinical evaluations in European markets.

(NOK million)	Q3 2017	Q3 2016	YTD 2017	YTD 2016
Revenue	44.9	65.2	212.7	192.7
Gross profit	12.5	16.2	50.2	47.5
EBITDA	0.6	1.8	9.4	2.3
EBIT	-2.7	-1.3	-0.4	-17.1
Result before tax	-2.9	-0.9	-7.4	-19.6

Profit and Loss Statement

(NOK million)	Q3 2017	Q3 2016	YTD 2017	YTD 2016
Revenue	44.9	65.2	212.8	192.7
Gross profit	12.5	16.2	50.2	47.5
Gross margin	27.8%	24.8%	23.6%	24.6%
Operating costs	-11.9	-14.3	-40.7	-45.2
EBITDA	0.6	1.8	9.4	2.3
EBITDA margin	1.3%	-2.8%	4.4%	1.2%
EBIT	-2.7	-1.3	-0.4	-17.1
Net profit	-2.3	-1.2	-4.5	-18.5

Balance Sheet

(NOK million)	Q3 2017	Q3 2016	FY 2016
Non-current assets	129.4	133.9	132.8
Current assets	105.3	154.9	154.9
-of which is cash and cash equivalents	29.6	31.6	26.8
Equity	104.6	95.9	105.7
Long-term liabilities	40.3	52.1	38.6
Short-term liabilities	89.7	140.9	143.4
Total balance	234.8	288.8	287.7
Equity ratio (%)	44.6%	33.2%	36.8%

Cash flow statement

(NOK million)	Q3 2017	Q3 2016
Profit (loss) before tax	-2.9	-0.9
Net cash from operations	15.8	3.3
Net cash from investments	-0.7	-0.1
Net cash from financing	-28.7	-3.9
Net currency effects	1.4	-0.5
Net change in cash during period	-12.2	-1.3
Cash at end of period	29.6	31.6

About Navamedic

A growth-oriented, risk-balanced Norwegian medtech and pharmaceutical company, marketing and distributing healthcare and pharma products as well as innovative medtech technologies



PHARMA & HEALTHCARE

Marketing and distribution of pharmaceuticals, non-prescription drugs and healthcare products

- Well-established market position and track record, main focus on Nordic region
- Strategic partnership and distribution agreements providing cash flow and margins
- Products are sold to pharmacies, hospitals and to medical professionals



MEDTECH

Navamedic Medtech's vision is to develop innovative technology products that benefit patients and healthcare professionals

- Global potential for next generation digital urine measurement, the Sippi® product family
- Innovative, patented technology addressing a global market need
- Ongoing commercialisation with multiple future revenue streams and significant annual long-term revenue opportunity

Leveraging our Value Creation Platform

The Sippi® opportunity

**Cost-effective
distribution platform**

**Well-established market
position & track record**



**Solid position for new
product launches**

**Partnership with
TopRidge Pharma**

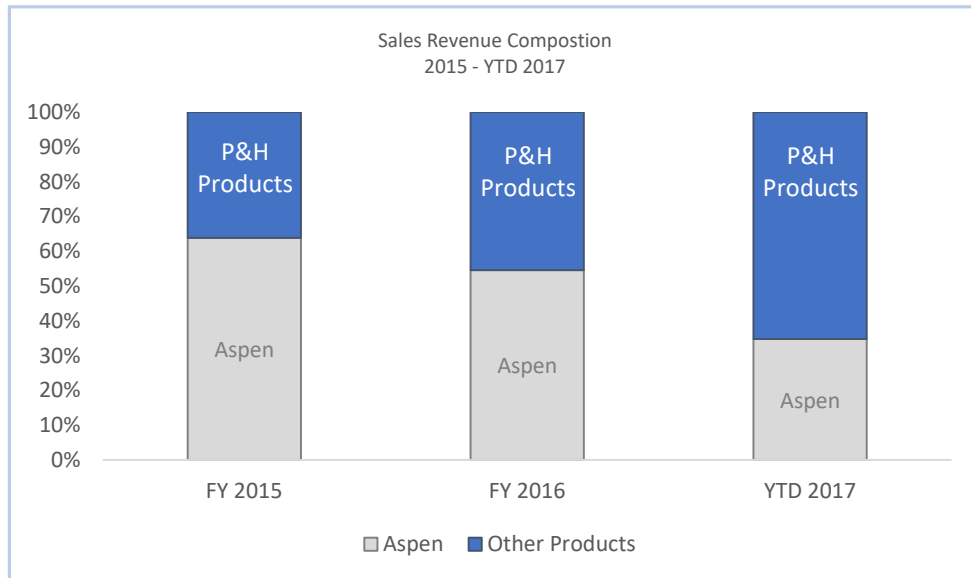
**Experienced board and
management**

Recognized Pharma & Healthcare Distribution Platform

- In 2016, entered into strategic partnership and long-term agreement with Top Ridge Pharma representing significant opportunities for Navamedic's continued development
- Potential future products from Top Ridge in Europe will be offered Navamedic on a first right basis
- First Top Ridge collaboration on angina prevention therapy Imdur® (isosorbide mononitrate), mature brand with established sales in multiple European markets
- Strategy to distribute Imdur® to multiple European market
 - Thirteen markets initiated during 2016 and first half of 2017
 - Greece distribution under initiation, adding additional potential
- In 2017, new agreements for Mysimba®, from Orxigen Therapeutics and Elmiron®, from bene-Arzneimittel GmbH signed, both products in pre-launch phase
- Additional exciting partnerships in pipeline

Pharma & Healthcare Commercial Update – Q3 Update

(NOK million)	Q3 2017	Q3 2016	YTD 2017	YTD 2016
Revenue	44.9	65.1	212.6	192.3
Gross profit	12.5	16.1	50.3	47.3
EBITDA	2.0	3.9	15.1	9.1
EBITDA margin	4.4%	5.9%	7.1%	4.7%



First period following the discontinuation of the Aspen agreement.

- Excluding Aspen products, third quarter revenues 2017 was NOK 43 million compared to NOK 29 million in third quarter 2016, representing a growth of 52%.

Navamedic has undergone a significant transformation over the past two years.

- In 2015, approx. 65% of sales revenue was related to Aspen agreement.
- In 2017, the company has built a base portfolio of license and distribution agreements in attractive segments with longer contractual periods, better gross margins and strong growth potential.
- Streamlined operations and lowered operational expenses, reflected in growing YTD EBITDA .

Pharma & Healthcare Product Portfolio – Q3 Update

- The **Medical Nutrition** portfolio continued strong revenue growth in the third quarter, 7.2% higher revenues, compared to Q3 2016
- **Uracyst**[®], treatment for painful bladder syndrome, 9.4% revenue decrease, compared to Q3 2016. New sales and marketing actions in Denmark under deployment
- **Nitrolingual**[®] – one of top five Navamedic products in terms of revenue in Q3 2017, grew by 38.4% compared to Q3 2016
- **Woulgan**[®] - focus on ensuring inclusion in regional tenders
- **Mysimba**[®] - pre-launch preparations across the Nordic region, strong interest for new treatment option. Available in Nordic markets during Q4 2017

Active growth strategy: driving organic growth in existing portfolio coupled with strategic inflow of new products and partnerships



Platform For New High Potential Launches

Recently entered into long-term license and distribution agreements on innovative pharmaceutical products addressing unmet medical needs

- Mysimba® (naltrexone HCl/bupropion HCl prolonged release), the first oral treatment for obesity approved in more than 10 years
- Elmiron®, (pentosan polysulfate sodium), the only EU-approved oral medication used to treat adults with bladder pain syndrome

Market introductions in Nordic markets planned for late 2017 and first half of 2018

Pricing, reimbursement applications and market access first steps in launch planning

- Mysimba - price applications submitted in all Nordic markets in Q3. Public reimbursement application submitted in Sweden, response expected during first half of 2018
- Elmiron – public reimbursement dossiers under preparation, submissions planned for early 2018

Mysimba® and ELMIRON ® represent important opportunities for the company to return to sales growth and profitability improvement



Mysimba®

- What is Mysimba ®
Naltrexone and Bupropion extended release



Indication:

Mysimba is indicated, as an adjunct to a reduced-calorie diet and increased physical activity, for the management of weight in adult patients (≥ 18 years) with an initial Body Mass Index (BMI) of

- ≥ 30 kg/m² (obese), or
 - ≥ 27 kg/m² to < 30 kg/m² (overweight) in the presence of one or more weight-related co morbidities (e.g., type 2 diabetes, dyslipidemia, or controlled hypertension)
- The first new oral prescription medication treating Obesity in the EU and the Nordics in the last 10 years
 - Acts on the Central Nervous System with a unique dual mechanism of action affecting the areas of the brain involved in the regulation of food intake

Mysimba® Targets Significant Unmet Medical Needs

World Health Organisation: 10-30% of adults overweight in the EU

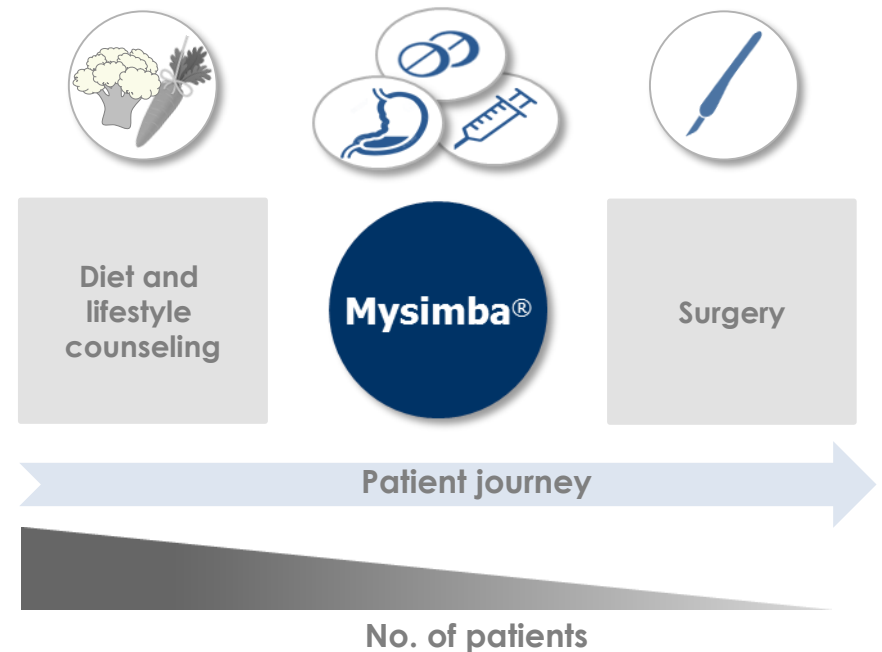
Definition: Overweight: BMI of 25-29.9 kg/m²
Obese: BMI of greater than 30 kg/m²

Obesity in the Nordics*:

Country	Men	Women
Sweden (16-84 years)	15,5%	14,4%
Norway (30+ years)	20,4%	20,2%
Denmark** (30-60 years)	12,5%	11,3%
Finland (25-64 years)	20,4%	19%

Prevalence between 15-20% across the Nordic countries
Data indicates less than 1% of patients treated with Rx pharmaceuticals today

Continuum of Treatment Modalities for Obesity

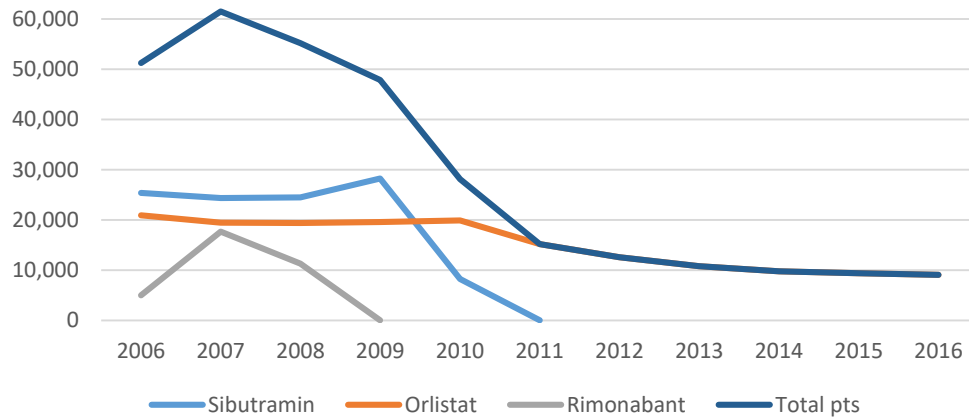


*Source: World Obesity Federation (www.worldobesity.org)

** Danish data from 1992 – prevalence likely higher today

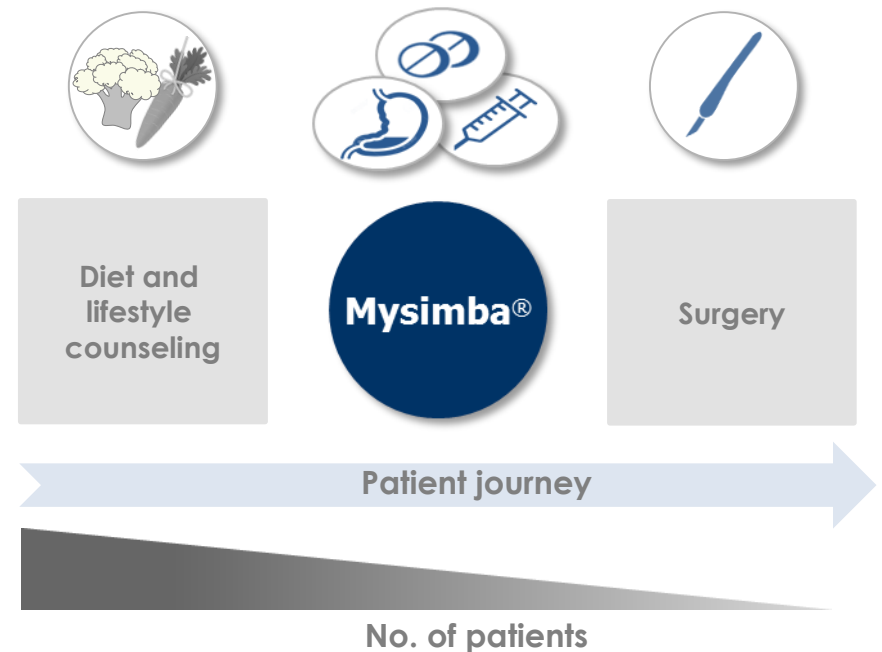
Mysimba® Targets Significant Unmet Medical Needs

- Mysimba® offers a new oral treatment alternative
 - First new introduction of oral anti-obesity medication in 10 years
 - Pharmacy selling price approx. €115-125 per month of treatment
- Data from Sweden* – no of patients treated with oral anti-obesity medications years 2006 to 2016:



- Estimated 18,000 patients currently on oral anti-obesity medications across the Nordic region
- Specialized obesity treatment centers and experts across the Nordic region welcoming a new treatment alternative

Continuum of Treatment Modalities for Obesity



Elmiron® - Agreement with bene-Arzneimittel GmbH

ELMIRON®
(pentosan polysulfate sodium)

- bene-Arzneimittel GmbH – German private pharmaceutical company focused on Urology/Pain
- Developed the prescription pharmaceutical Elmiron® (pentosan polysulfate sodium)
- Elmiron® indication:
 - Bladder Pain Syndrome (BPS) also known as Interstitial Cystitis (IC)
 - The only prescription medication available for this diagnosis
- In the U.S. it is marketed by Janssen/Johnson & Johnson
 - ~330k total prescriptions & >\$250m annual U.S. revenues*
- Planned introduction in the Nordics during first half of 2018



Elmiron® and the Bladder Pain Syndrome (BPS) market

- Prevalence: 18 / 100,000 of population
 - More common in females, 90% of patients are women, onset of PBS normally after the age of 40 or later
- Qualifies as an orphan disease
- BPS is the occurrence of persistent or recurrent pain perceived in the urinary bladder region, accompanied by at least one other symptom, such as pain worsening with bladder filling
- BPS is often associated with negative cognitive, behavioural, sexual or emotional consequences.
- Treated by gynecologists, urologist and specialized urotherapy nurses
- Estimated no of patients in the Nordic region: approx. 4.000
- Elmiron® recommended as treatment for BPS by European Association of Urology*
- Approved, reimbursed price in Germany approx. €6.000 per year and patient
- Navamedic's position and knowledge of the BPS market :
 - Nordic market leader with Uracyst® (Medical Device)
 - Access to treating healthcare centers

Medtech Commercial Update – The Sippi® Opportunity

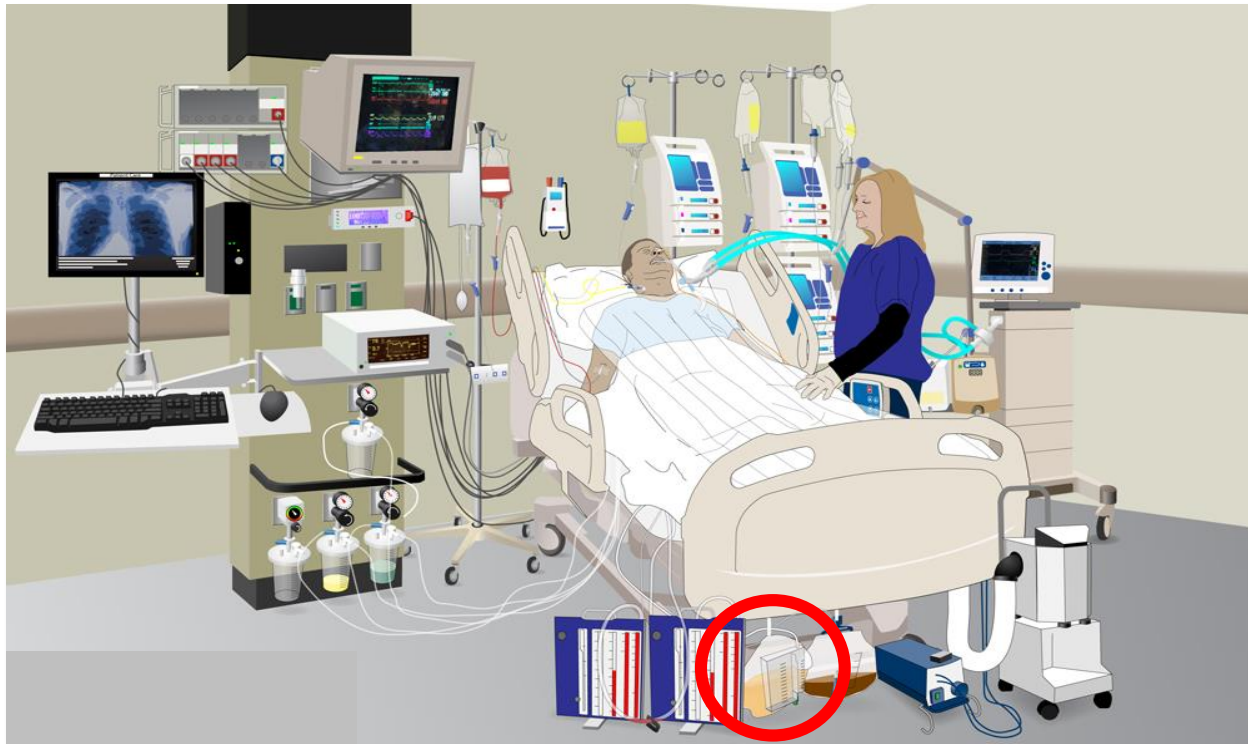
- The automatic digital urinometer Sippi® provides a major innovation in urine measurement in hospital setting
- The Sippi® system represents a new and improved way of recording and documenting parameter vital to the patients well-being
- Global addressable market of >\$200m for Sippi®
- The patented Sippcoat® technology is a breakthrough non toxic method for preventing bacteria migration to the urinary tract in urine measurement systems and/or urine collection bags. Global addressable market: >\$1bn



Sippi® - a new standard for urine monitoring by enabling automated digital measurement.

Sippi® also prevents biofilm build-up via its proprietary technology and alerts healthcare professionals if biofilm reaches critical levels

Traditional Urine Monitoring in Intensive Care



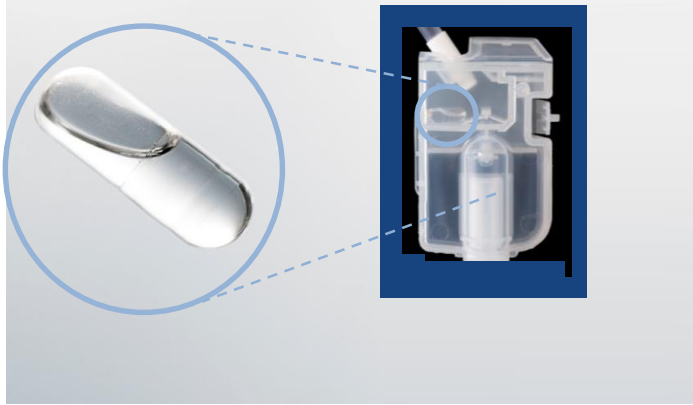
- Traditional systems need manual operation hourly, 24/7 on all patients
- Time-consuming for ICU-staff and risk of human errors
- Risk of biofilm build-up, with a risk of leading to urinary tract infections
- Emptying and recording data on top-ten list of most time consuming task of an ICU nurse; one to two hours per patient/day

Sippi® - Automated Digital Urine Measurement



Reduces and Indicates Biofilm Build-up

1 Sippcoat® - Reduces biofilm formation



2 Sippsense® - Biofilm warning indicator



Two-fold protection system



Sippcoat® zone

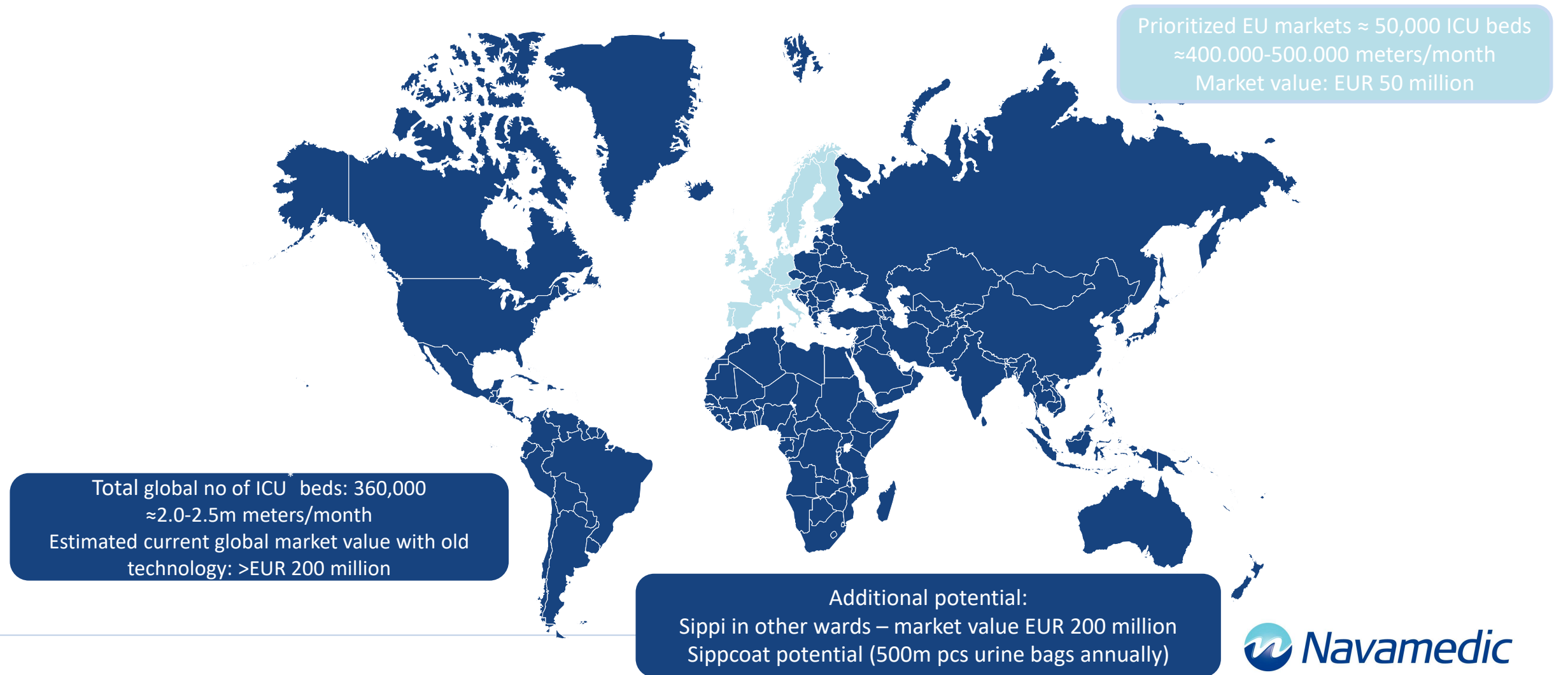
- 1 acts as a temporary barrier for biofilm formation

Microbial transportation is thereby reduced

Sippsense® alert level

- 2 If biofilm builds up, Sippsense® will alert, providing early warning for changing the disposable unit

A Significant Addressable Market



The Sippi® Portfolio - Additional Value Drivers

The Sippi® portfolio is a family of innovative products with global market potential.
Multiple products, multiple potential revenue streams:

- **Sippi®: digital urine measurement**
 - First available solution for fully digitalized fluid balance measurement
- **Sippcoat™: biofilm prevention**
 - Patented technology preventing the build-up of biofilm in the Sippi® system and any bodily fluid collection system
- **Sippbag™: allowing use of Sippicoat® bags in any care situations**
 - Protects patients in all clinical settings
- **Sipplink™: innovative communication tool**
 - Wireless connectivity and data transfer to the most common PDMS systems on the market under development – currently in tests with two PDMS suppliers



Setting the Stage For Accelerated Sippi® Growth

Based on the continued promising developments in the third quarter and the multimarket growth platform for Sippi®, Navamedic expects to enter into an accelerated growth path towards the long-term potential.

1. Leading technology

Q3 development: Clinical testing for the Sippi® product family. Sippi's compatibility with GE Healthcare's Patient Data Monitoring System (PDMS), Centricity, continues to undergo live clinical testing at clinics in Finland and Sweden.

2. Strong partnerships

Q3 development: The next phase of evaluation of Sippi-BLE (Low Energy Bluetooth) with iMDSoft's Patient Data Management System (PDMS), Metavision, will be initiated at Uppsala University Hospital in Sweden in the coming months, and a number of clinics throughout Europe, including in the Czech Republic and the UK, have committed to initiate tests.

3. Solid market interest

Q3 development: Commercial expansion and marketing continuing according to plan with strong market interest and opportunities from patent secured for Sippcoat®, both as a proprietary system and for licensing to use in regular urine collection bags

Leveraging our Value Creation Platform

The Sippi® opportunity

**Cost-effective
distribution platform**

**Well-established market
position & track record**



**Solid position for new
product launches**

**Partnership with
TopRidge Pharma**

**Experienced board and
management**

Outlook

- Navamedic is building a leading pharmaceutical and medical device business through license and distribution agreements with partners looking for an efficient go-to-market model in the Nordics
- Offsetting effects of discontinued Aspen agreement by boosting portfolio with additional products and partnerships. Working on pipeline of new products with launches scheduled for next 6-24 months
- Target of bringing the company back on a growth track in the medium term perspective
- Launches of Mysimba® and Elmiron® scheduled for late 2017 and first half of 2018, new, innovative products representing a combined annual peak sales potential of NOK 100-150 million in the Nordic region
- Navamedic is developing its proprietary product, Sippi®, offering a new standard for urine monitoring in hospitals by enabling automated digital measurement, creating opportunities for multiple future revenue streams.
- The Sippi® product family holds significant future revenue potential for Navamedic. To accelerate and leverage the Sippi® growth opportunity the company is reviewing strategic alternatives for the Medtech business area, including partnering and co-investments.
- To strengthen the company's short-term financial position, enabling investments in new products and growth initiatives, the Board of Directors is constantly evaluating strategic options including executing the authorisation given by the Annual General Meeting to conduct a rights issue.



Thank you

Welcome back to our Q4 2017 presentation on
February 15, 2018