

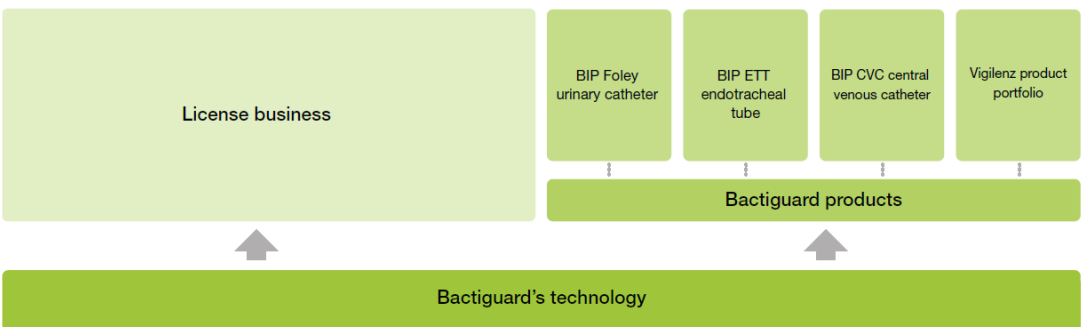
CEO comment ahead of the 2020 AGM

28 April 2020

Cecilia Edström, CEO

Bactiguard in brief starting 2020

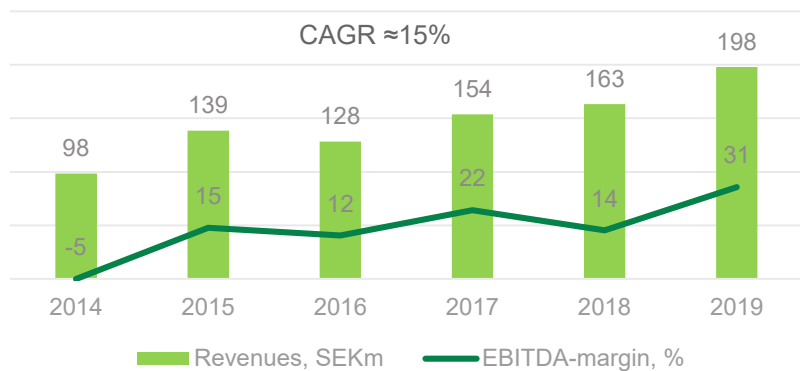
A SWEDISH HISTORY OF INFECTION PROTECTION



GLOBAL MARKET



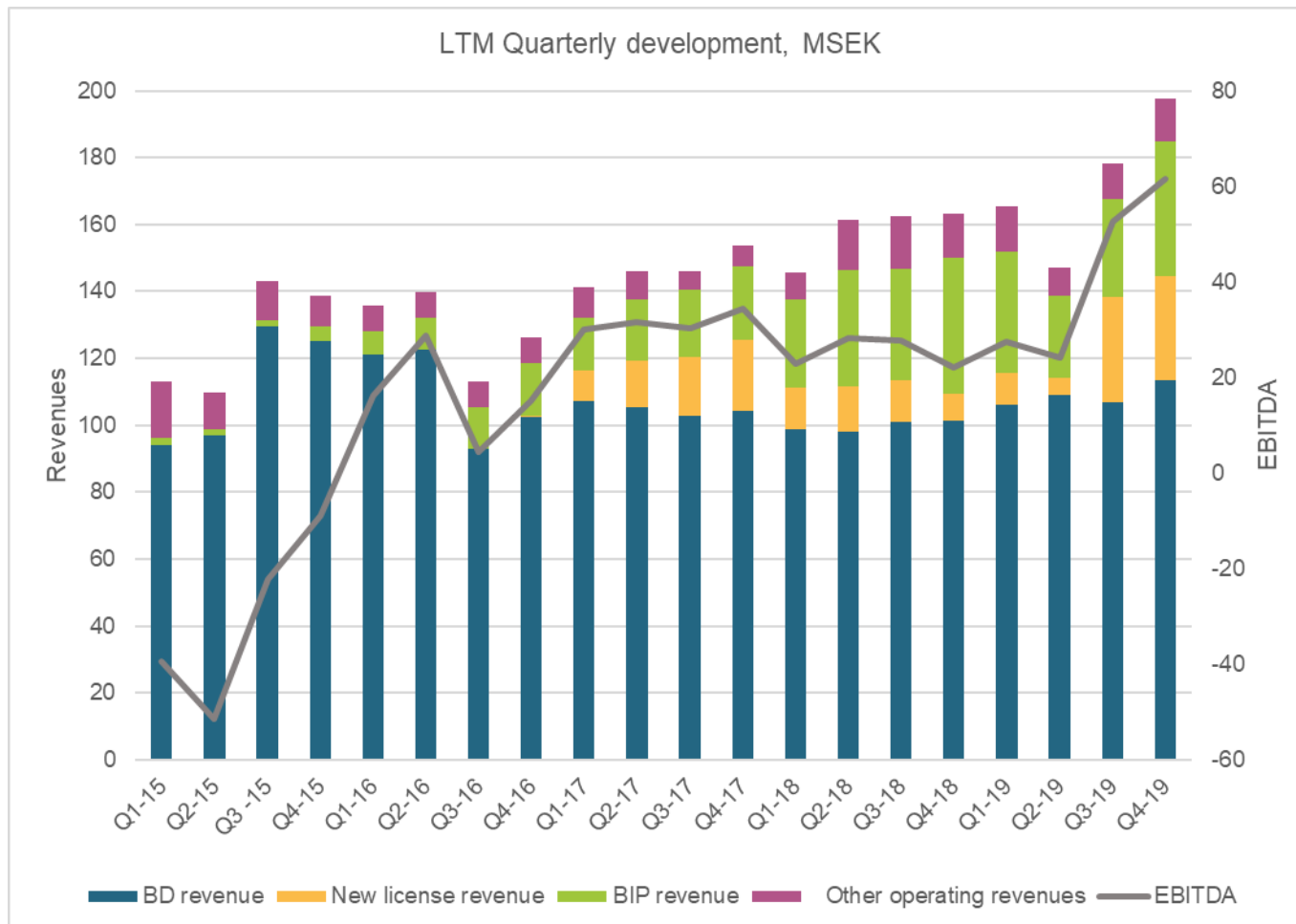
FINANCIAL PERFORMANCE



ACQUISITION OF VIGILENZ 2020



Sales growth and profitability 2019



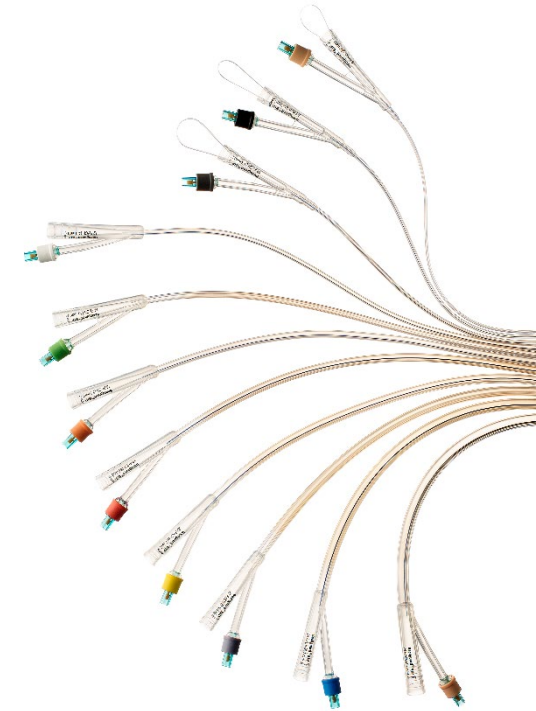
Full Year 2019 vs 2018

- Revenue Growth of 21%
- Stable recurring licensing revenues from BD
- Non-recurring new license revenue from Zimmer Biomet
- Stable development in BIP revenues
- EBITDA 31%
- Growth and EBITDA margin in line with financial targets

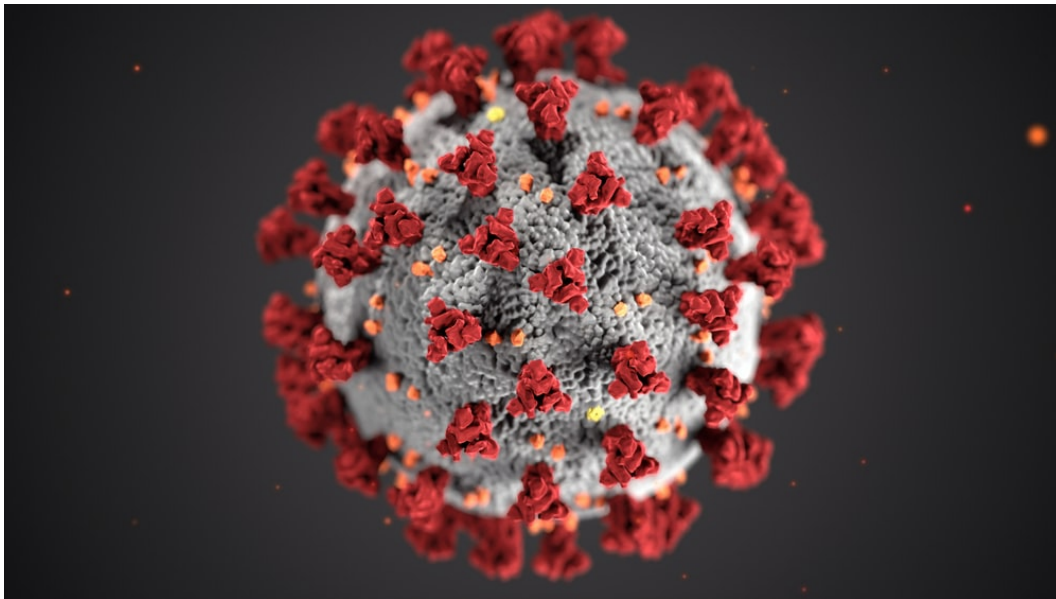
Key highlights 2019

A strong fourth quarter led to all time high in 2019

- New major order from China
 - Strong growth in sales of our own portfolio in the final quarter
 - Accumulated increase in license revenues from Becton, Dickinson & Company (BD)
 - Global expansion with initial license fee from Zimmer Biomet
 - EBITDA-margin 31%, in line with our long-term ambition
 - Expected a much slower start to 2020
-
- First ever acquisition of Vigilenz in Malaysia
 - Christian Kinch resigned as CEO and is proposed as new Chairman, Cecilia Edström appointed CEO, Stefan Grass appointed Chief Medical Officer and Deputy CEO
 - Bactiguard entering a new development phase



The Covid-19 pandemic



Our mission is to prevent infections and save lives

It's all about infection prevention and control – our activities so far 2020



First ever acquisition of Vigilenz

March 02

- Privately-owned, manufacturer and supplier of medical devices and consumables, established in 2002
- Focus on wound management and infection control
- Portfolio of products ranging from surgical sutures, mesh, wound wash and dressings, to orthopaedic trauma implants
- HYDROCYN aqua®, for advanced wound management of acute and chronic wounds
- Headquarters in Penang, Malaysia, modern ISO class 8 production facility
- Malaysian sales force and strong regional distribution network in South East Asia
- Just over 100 employees



VIGILENZ®
The Signature to Quality



Donation of infection prevention to China

March 04

- In the fight against the Corona virus, Bactiguard donates products for infection prevention to Chinese hospitals
- At a market value of over 2 million SEK



“*To help fight the new corona virus and protect the most severely ill patients, we will donate products from Bactiguard’s and Vigilenz’s combined product portfolios to China*”

Bactiguard launches product that protects against Coronavirus

March 12

HYDROCYN® aqua

- A water-based antimicrobial solution with neutral pH
- Tests have shown that HYDROCYN aqua® is able to inactivate 100 % of previous strains of corona virus within 15 seconds
- According to virus experts at Karolinska the effect on the new coronavirus (SARS-CoV-2) is expected to be the same
- The product is CE marked (EU approved) and registered by FDA in the US
- Unlike alcohol and chlorhexidine **it is neither toxic, harmful to the body nor flammable**



Orders at a total value of SEK 20 million in first few days

March 17

- Within the first few days of the launch of **HYDROCYN® aqua** Bactiguards received orders of over SEK 20 million
- The Police Authority among the customers

“We will initially prioritize customers with critical societal functions and, at the same time, work on increasing production capacity both in Sweden and Malaysia to meet the strong demand.”



Bactiguard and Svenskt Industriflyg establish air bridge

March 18

- Between Sweden and Malaysia for **protective medical equipment**, including the recently launched Hydrocyn[®] aqua
- The virus pandemic has led to a large number of countries closing their borders and transport capacity disappearing



Bactiguard starts manufacturing disinfectants in Sweden

March 25

- The demand for the disinfectant HYDROCYN aqua® has been high since the launch in beginning of March
- To meet the needs in the Swedish and European markets, we will start manufacturing disinfectants at our facility in Tullinge



Bactiguard launches BIP Foley TempSensor

April 01

- The only indwelling catheter that combines continuous temperature monitoring with infection prevention
- For patients in intensive care, surgery and other conditions where continuous temperature monitoring is important
- Coated with the unique Bactiguard coating, both on inside and outside

“Offering both surveillance and infection prevention in the same product provides great benefits to patients in intensive care”



Changes in demand for medical devices

Due to the Covid-19 pandemic

Increased demand for:

- Urgent need of protective equipment and consumables
- Ventilators, ICU equipment
- Basic supplies and consumables

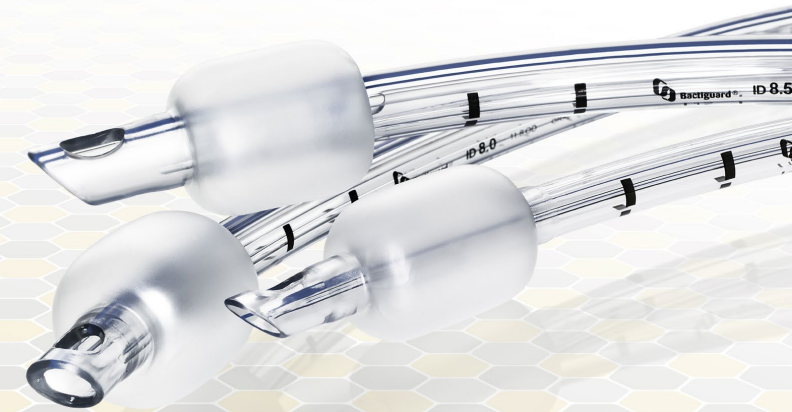


Reduced demand for:

- Elective surgery – incl. orthopedics
- Expensive, non-critical tools and equipment
- Dental care



Infection prevention – an increasingly urgent global issue



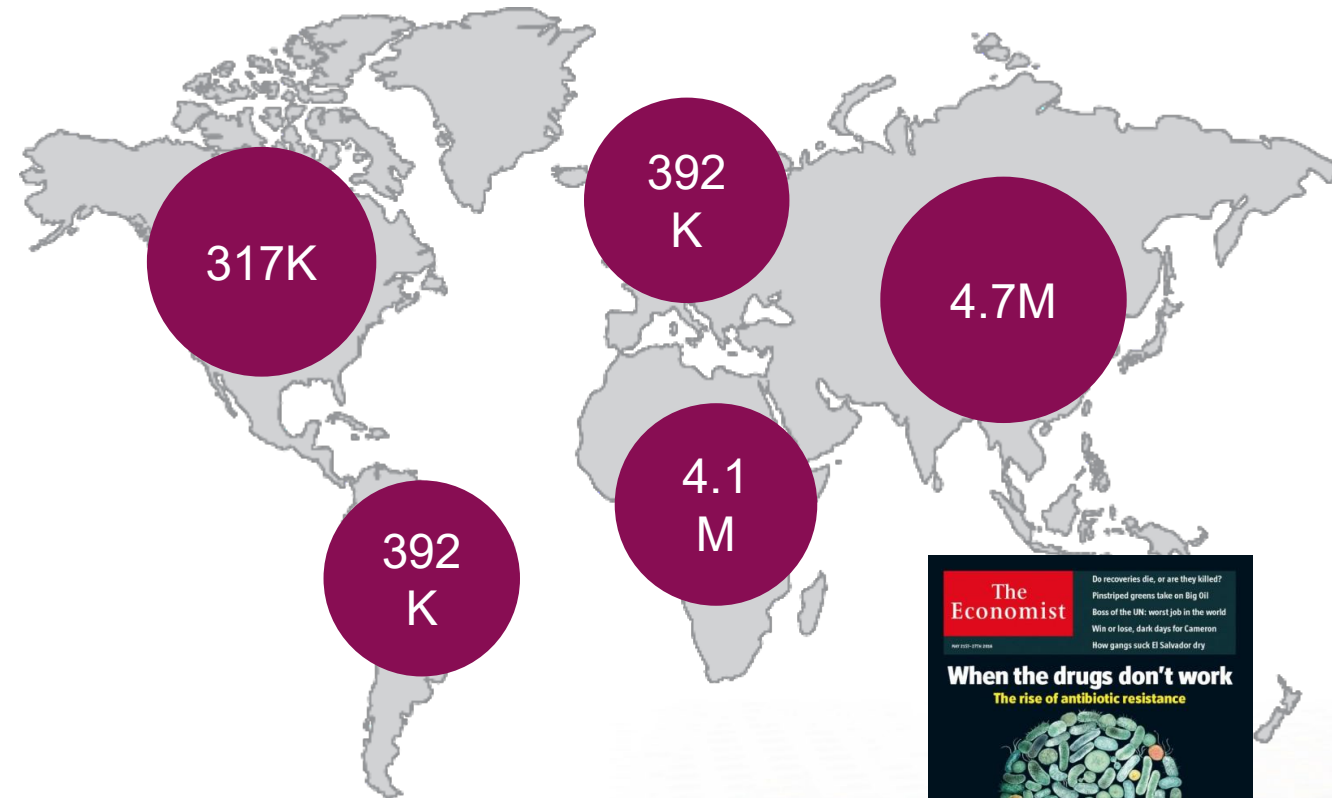
Antimicrobial Resistance (AMR)

A Global Challenge

Publication in the Lancet

Clinical course and risk factors for mortality of adult inpatients with COVID-19 in Wuhan, China

- 26% needed treatment at intensive care unit (ICU)
- **59% were diagnosed with sepsis**
- 31% of patients with invasive mechanical ventilation had ventilatory associated pneumonia (VAP)
- **15% of all patients had secondary infections**
- **50% of those severely ill (who later died) had a secondary infection**



In 2050:
10 million lives at risk globally



Healthcare associated infections

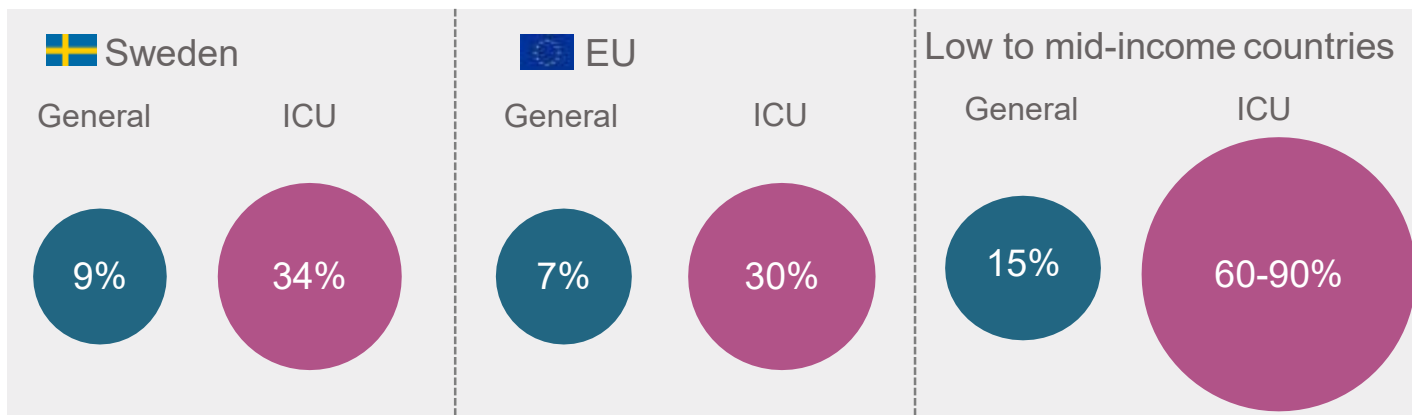
HAI frequency



1 in every 10 patients worldwide affected by healthcare associated infections



Covid-19 can lead to severe viral sepsis and multi-organ failure. ICU treatment is expected to be at least 14 days, and each day in the ICU increases the risk of acquiring a device-related infection, such as CAUTI, CRBSI, VAP.

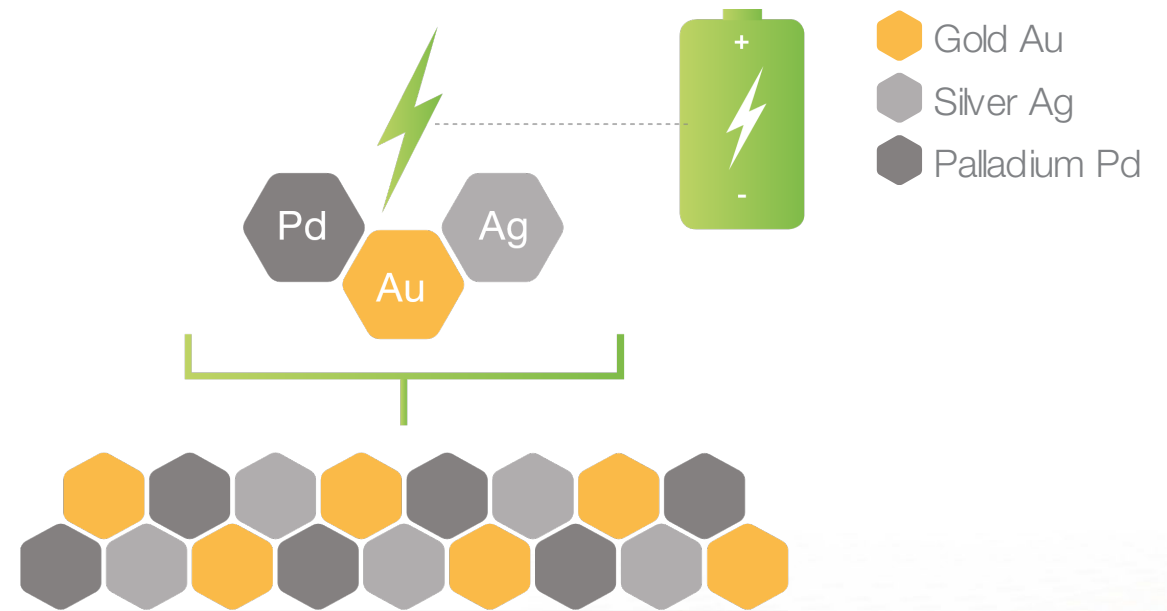


- Leading causes of death:
1. Cardiovascular diseases incl. stroke
 2. Cancer
 3. Healthcare Associated Infections

The Bactiguard® technology is effective and safe

The galvanic mechanism of action

- When in contact with fluids the noble metals create a galvanic effect
- The different electro potentials of the metals create a micro current
- Prevents microbial adhesion (gram positive/negative, bacteria and fungi)
- Non-releasing mechanism
- Long lasting
- Effective and safe



Clinical evidence

Continuously strengthening the clinical evidence

- **>200 million** Bactiguard coated catheters used
- **No** reported **adverse events** associated with the coating
- **Over 40 clinical studies** including more than 100,000 patients
- **35%** weighted average reduction of symptomatic CAUTI, and over **90%** in some studies
- **52%** reduction of catheter related blood infections and indications for decreased risk of thrombosis
- **67%** reduction of ventilator associated pneumonia
- **Promising clinical data** on Bactiguard coated **trauma implants**



Ongoing studies – April 2020

FOLEY

- India study, 1000 surgery patients
- REHAB Spinalis (Sweden) – chronic use patients
- Martini-Klinik (Germany) – prostatectomy patients

CVC

- CRITIC (Brazil) – ICU all three products
- IMPROVE (Danderyd, Sweden) – all patients with CVCs

ETT

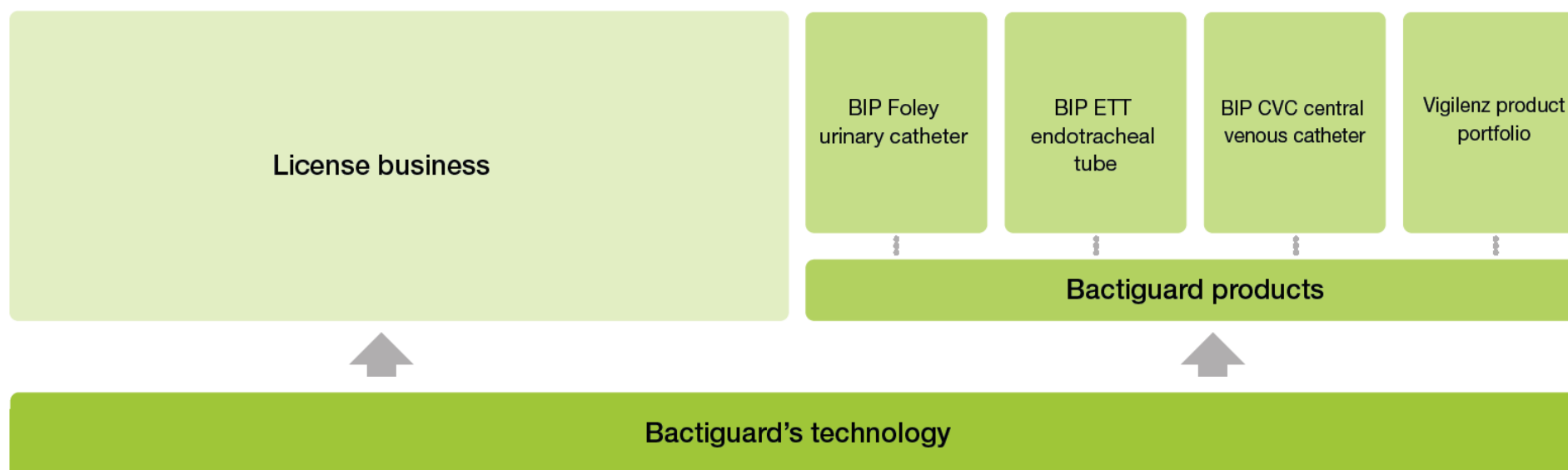
- VITALs (Belgium) – ICU 300 patients
- ETT (Romania)

Implant

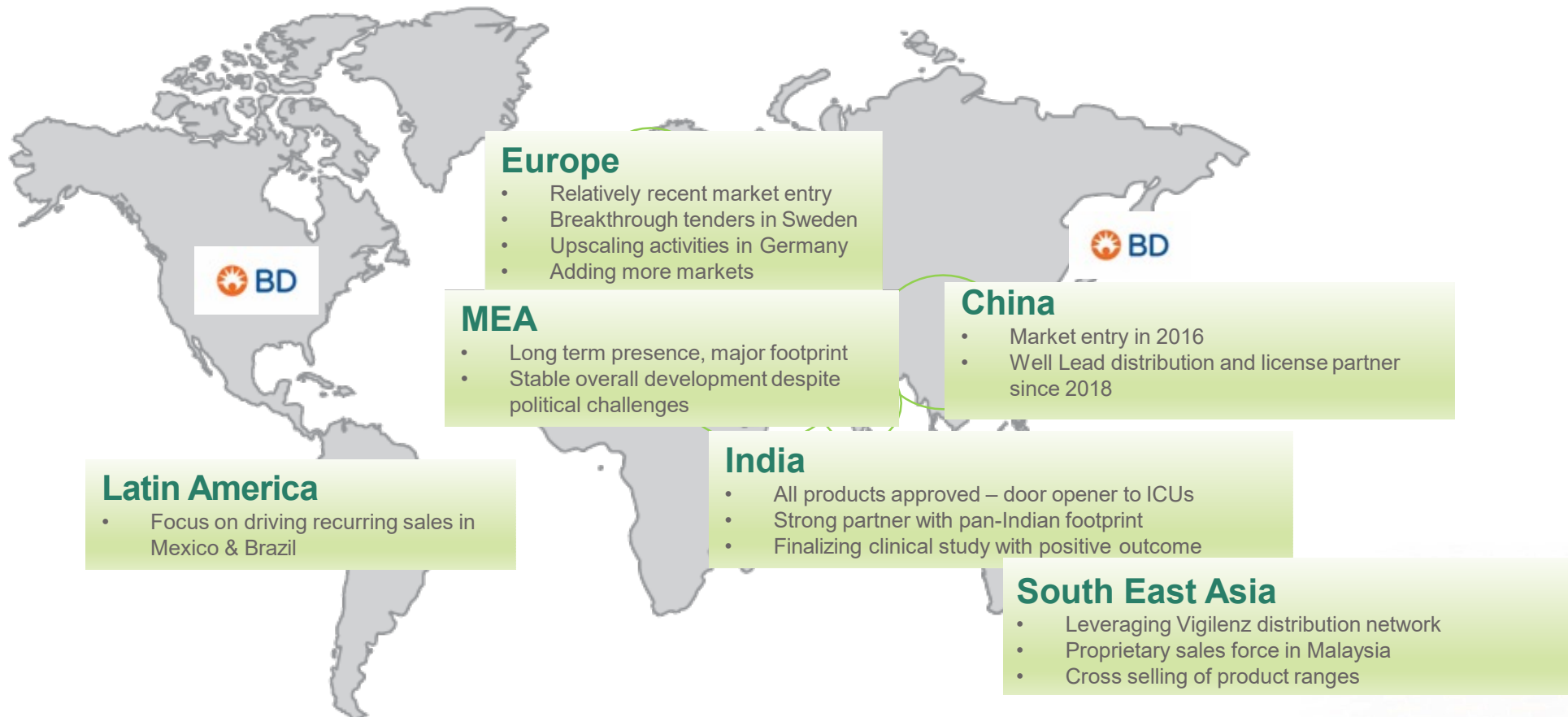
- Orthosyn study (Malaysia) → ~100 orthopedic trauma patients








Our business model



Market presence

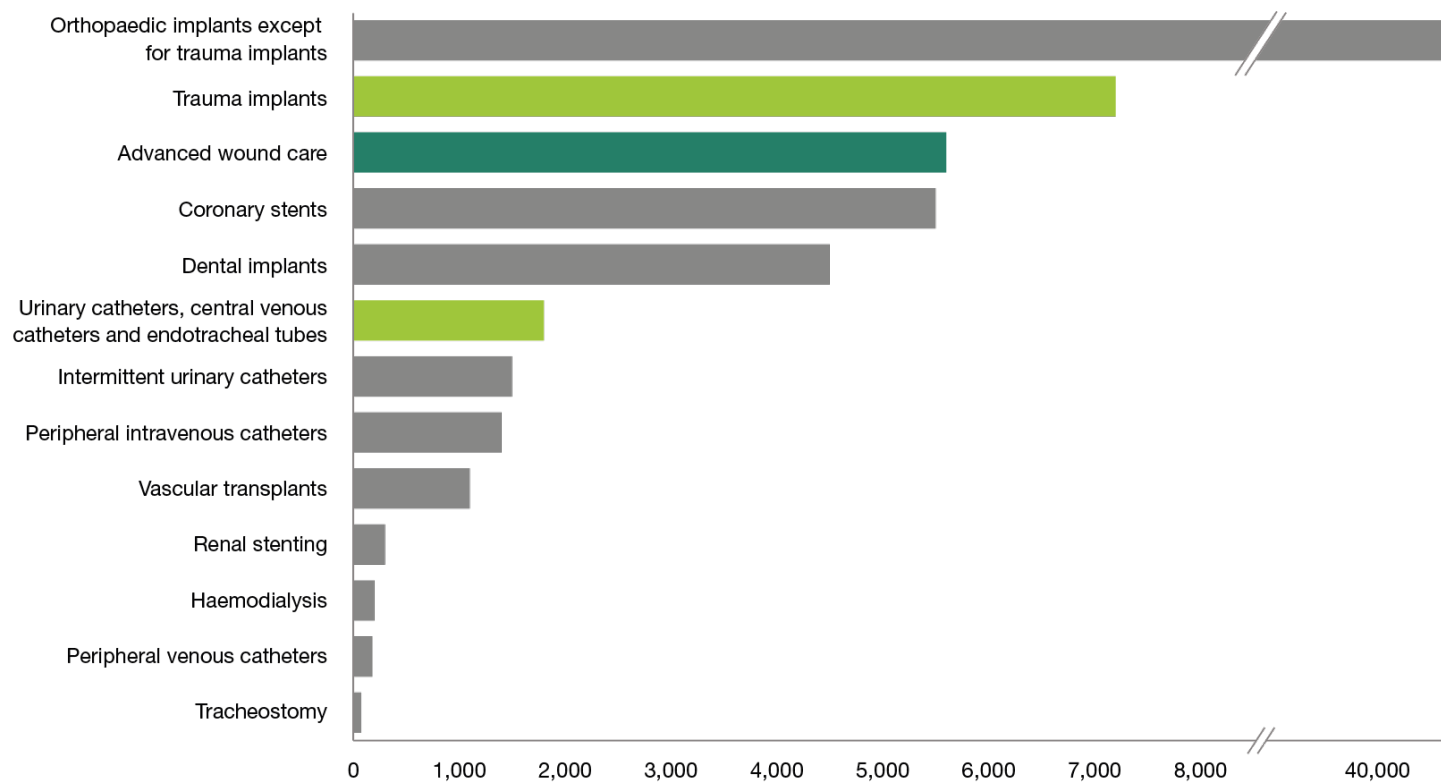


Current license partnerships

<p>BD (C.R. Bard)</p> <ul style="list-style-type: none"> Foley catheters for the US, Japan and UK/Ireland Successful partnership since 1995 Generating stable annual revenues 	<p>Well Lead Medical</p>  <ul style="list-style-type: none"> Foleys, CVCs and ETTs for China Ambition to accelerate growth in China, while regulatory developments are shifting towards locally produced devices
<p>Vigilenz Medical Devices</p> <ul style="list-style-type: none"> Orthopedic trauma implants for ASEAN markets CE mark in December 2018 Clinical study concluded and to be published 	<p>Zimmer Biomet</p>  <ul style="list-style-type: none"> Orthopedic trauma implants (globally) Up-front fee of USD 3 million - USD 2 million contingent on US regulatory clearance Royalties on net sales post commercialization
<p>Smartwise Sweden AB</p> <ul style="list-style-type: none"> Advanced Bactiguard coated vascular injection catheters Agreement with AstraZeneca since 2018 	<p>Other ongoing discussions</p>

Major market potential

Global Sales 2017 USD million



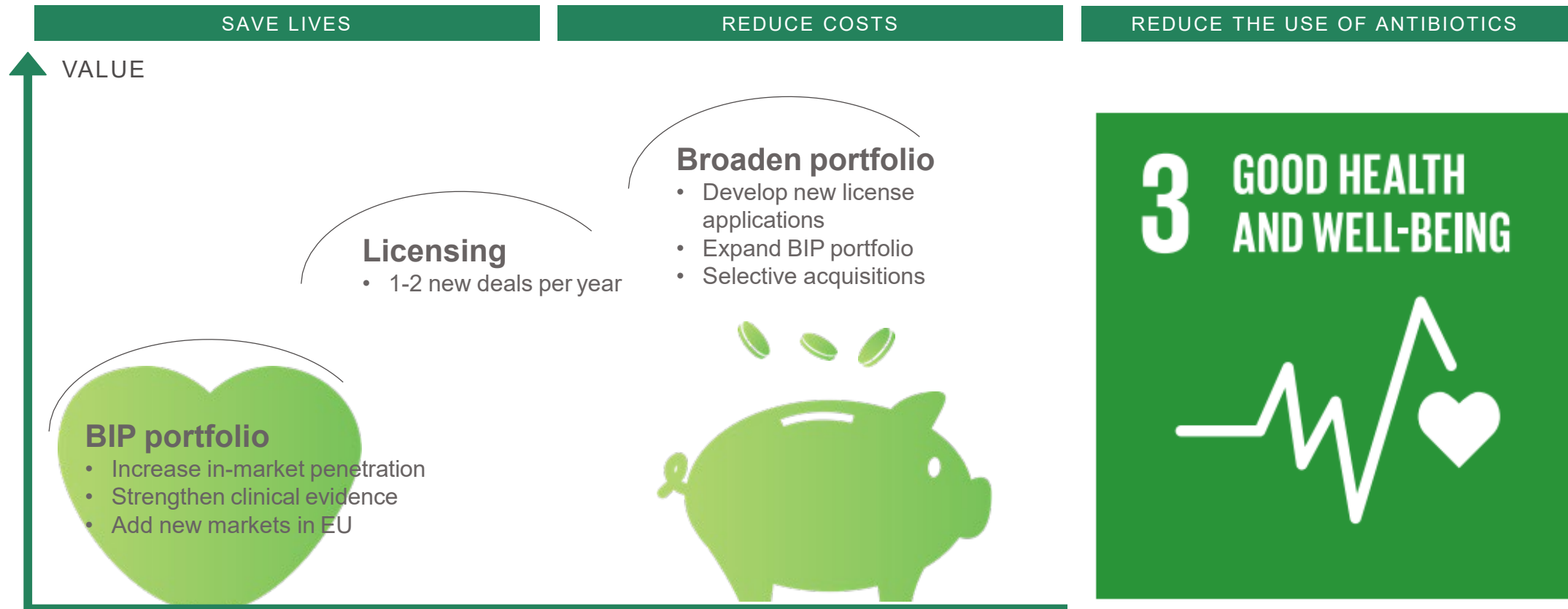
■ Bactiguard's existing market segments

■ New market segment through the acquisition of Vigilenz Medical Devices

Source: The Orthopaedic Industry Annual Report 2019

Growth Strategy

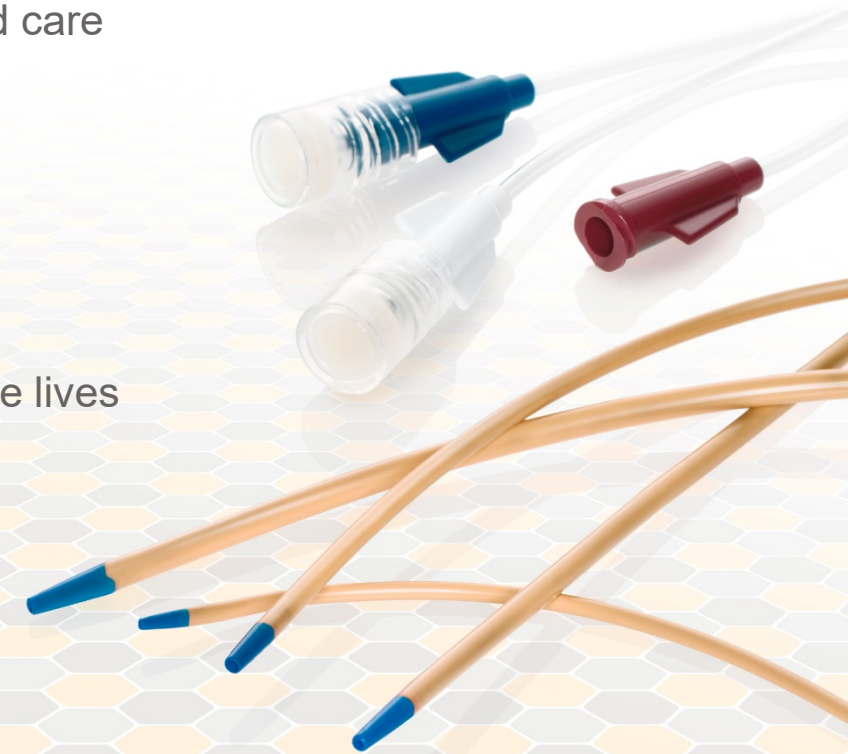
We are contributing to the UN Sustainable Development Goals 2030



Bactiguard enters a new development phase

In Summary

- Infection prevention – an increasingly urgent global issue
- Acquisition of Vigilenz provides access to the global market for advanced wound care
- Many more opportunities for license partnerships
- Our growth strategy is clear
- Committed Executive Management team and experienced Board of Directors
- Entering new development phase with the mission to prevent infections and save lives



Questions & Answers



Cecilia Edström

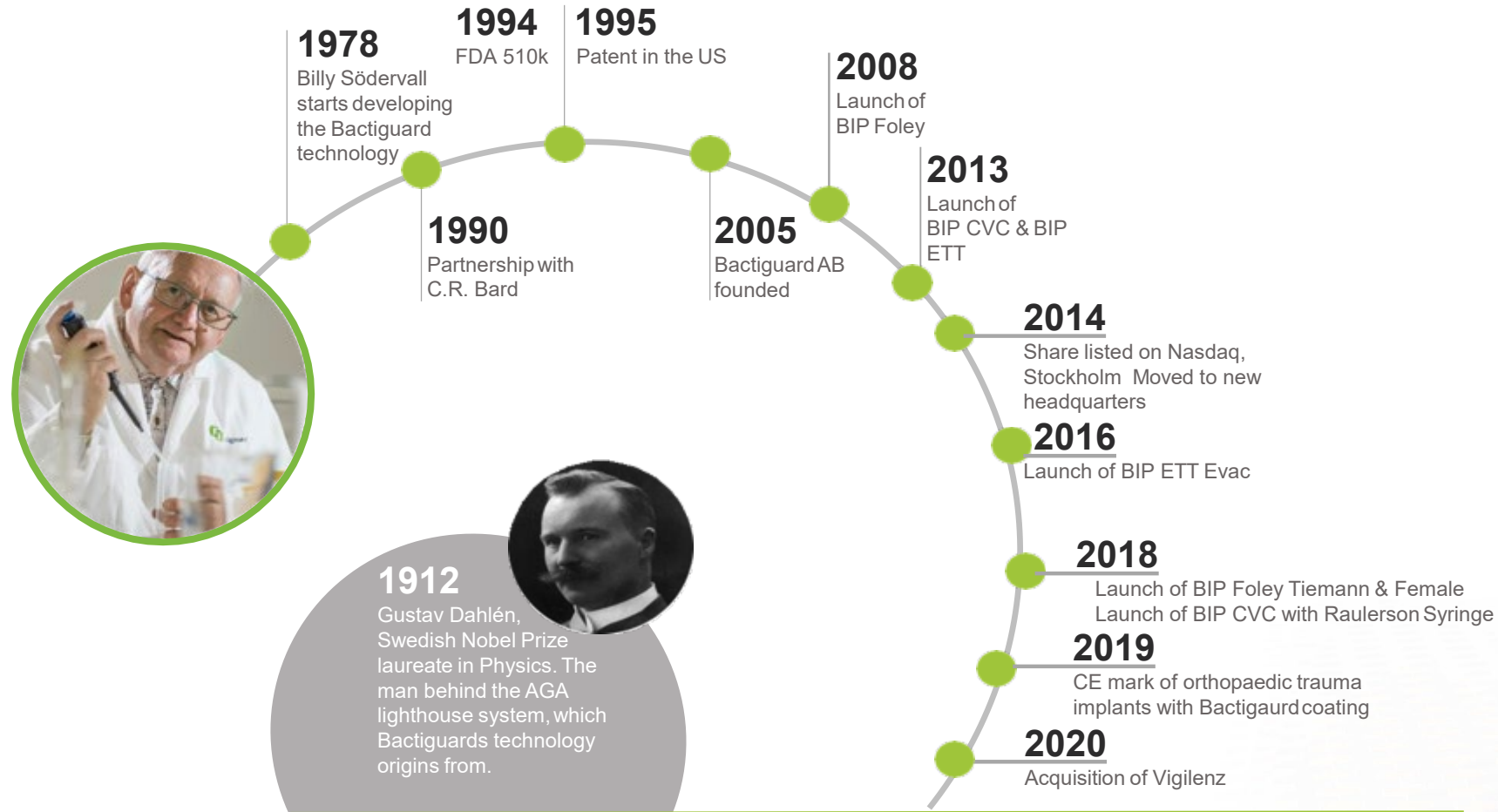
CEO

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Bactiguard

A Swedish history of Innovation



Experienced Board of Directors

Proposed resolution to the 2020 AGM



Christian Kinch

Proposed new Chairman

Major shareholder,
Board member in
Swecare, AB,
Chairman of the Board of
SWIB Holding AB



Jan Ståhlberg

CEO of Trill Impact AB,
Board member of
Trelleborg AB and
ITB-Med AB.



Prof Anna Martling

Dean Campus North,
Karolinska Institutet,
Senior Consultant
Surgeon, Karolinska
University Hospital,
Research Group Leader,
Karolinska Institutet



Thomas von Koch

Major shareholder,
Deputy MD in EQT
Partners



Cecilia Edström

Proposed new Board member

CEO of Bactiguard
Different positions within SEB
In the Group Management
of Scania AB and
TeliaSonera AB.
Board member of Nordic
Public Affairs AB.