

Bactiguard Infection Protection

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Our time with
ANTIBIOTICS
is running out.

Antibiotics are in danger of losing their effectiveness due to misuse and overuse, and in many cases they aren't even needed.

Always seek the advice of a healthcare professional before taking antibiotics.



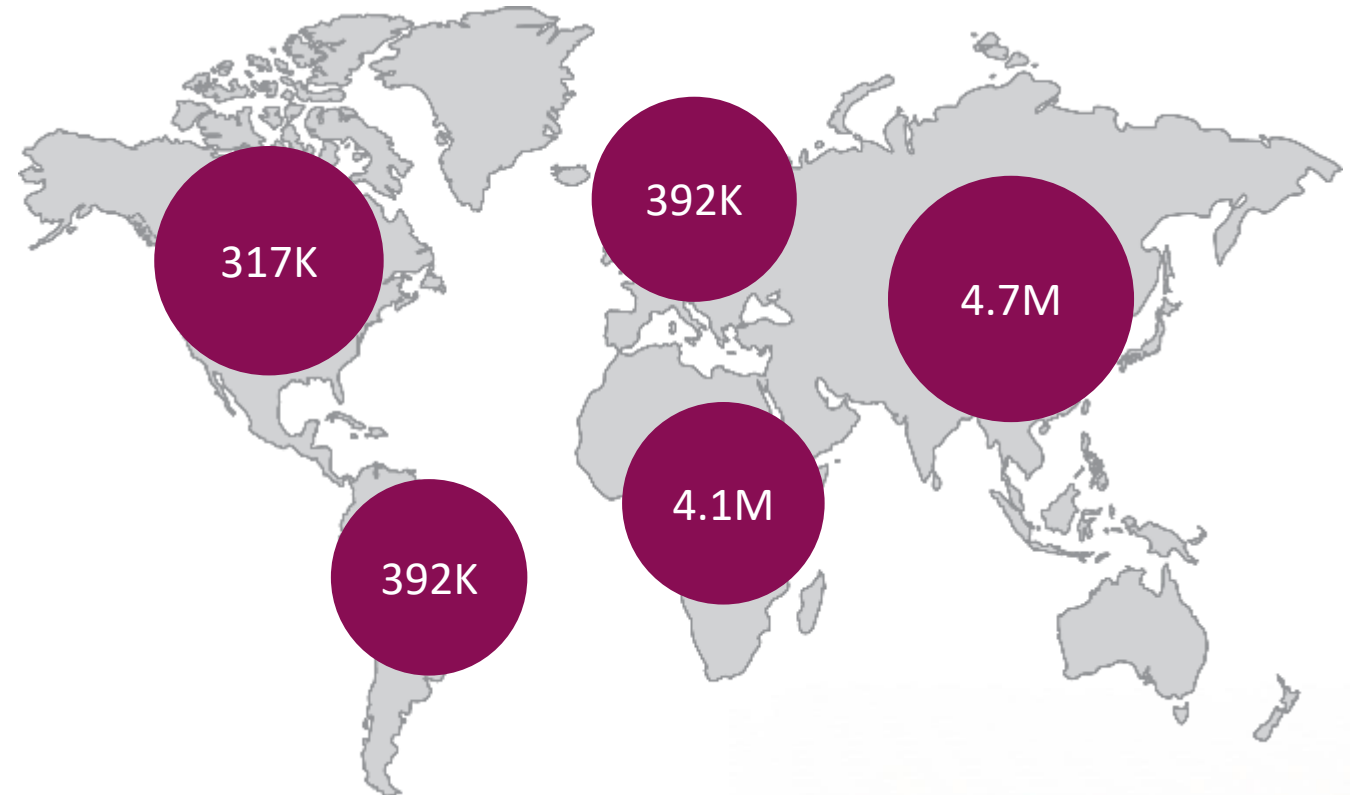
Antimicrobial Resistance (AMR)

European and Global Challenge by 2050

EU: 25 000 patients die annually

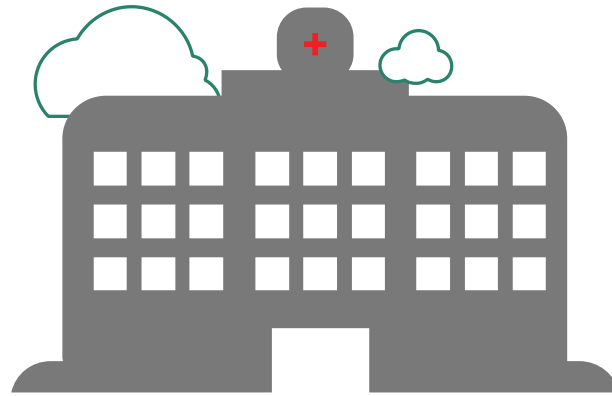
Globally: Could be as high as 700 000

2050 => **10 million lives at risk** globally

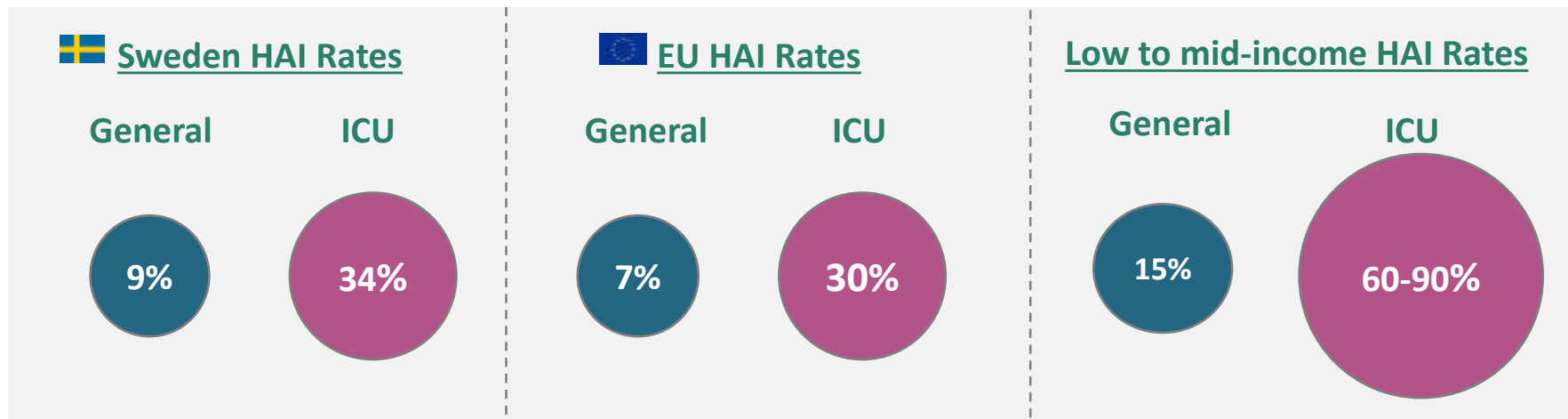


Health care-associated infections

HAI frequency



1 in every 10 patients affected by health care-associated infections worldwide



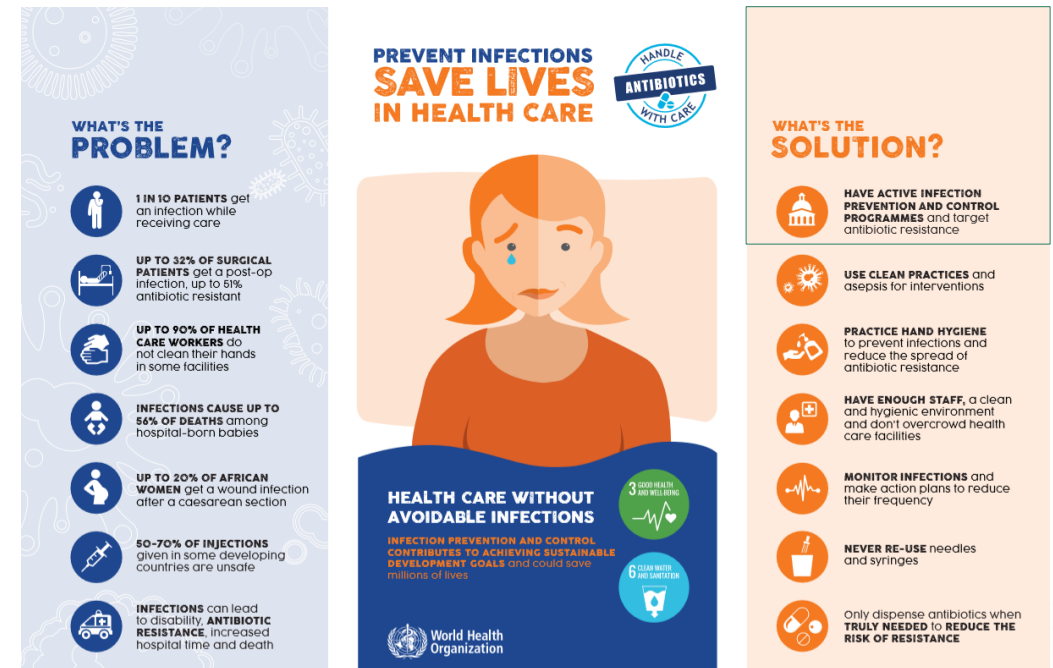
The challenge

According to the World Health Organization (WHO):

- Preventing healthcare associated infections (HAIs) has never been more important
- Every infection prevented is an antibiotic treatment avoided

“Infection prevention and control actions can save millions of lives, every year”

World Health Organization



PREVENT INFECTIONS SAVE LIVES IN HEALTH CARE

HANDLE ANTIBIOTICS WITH CARE

WHAT'S THE PROBLEM?

- 1 IN 10 PATIENTS get an infection while receiving care
- UP TO 32% OF SURGICAL PATIENTS get a post-op infection, up to 61% antibiotic resistant
- UP TO 90% OF HEALTH CARE WORKERS do not clean their hands in some facilities
- INFECTIONS CAUSE UP TO 54% OF DEATHS among hospital-born babies
- UP TO 20% OF AFRICAN WOMEN get a wound infection after a caesarean section
- 50-70% OF INJECTIONS given in some developing countries are unsafe
- INFECTIONS can lead to disability, **ANTIBIOTIC RESISTANCE**, increased hospital time and death

HEALTH CARE WITHOUT AVOIDABLE INFECTIONS

INFECTION PREVENTION AND CONTROL CONTRIBUTES TO ACHIEVING SUSTAINABLE DEVELOPMENT GOALS and could save millions of lives

- 3 GOOD HEALTH AND WELL-BEING
- 6 CLEAN WATER AND SANITATION

WHAT'S THE SOLUTION?

- HAVE ACTIVE INFECTION PREVENTION AND CONTROL PROGRAMMES and target antibiotic resistance
- USE CLEAN PRACTICES and asepsis for interventions
- PRACTICE HAND HYGIENE to prevent infections and reduce the spread of antibiotic resistance
- HAVE ENOUGH STAFF, a clean and hygienic environment and don't overcrowd health care facilities
- MONITOR INFECTIONS and make action plans to reduce their frequency
- NEVER RE-USE needles and syringes
- Only dispense antibiotics when **TRULY NEEDED TO REDUCE THE RISK OF RESISTANCE**

World Health Organization



Bactiguard's vision

Eliminate healthcare associated infections to:

Save lives



Reduce cost



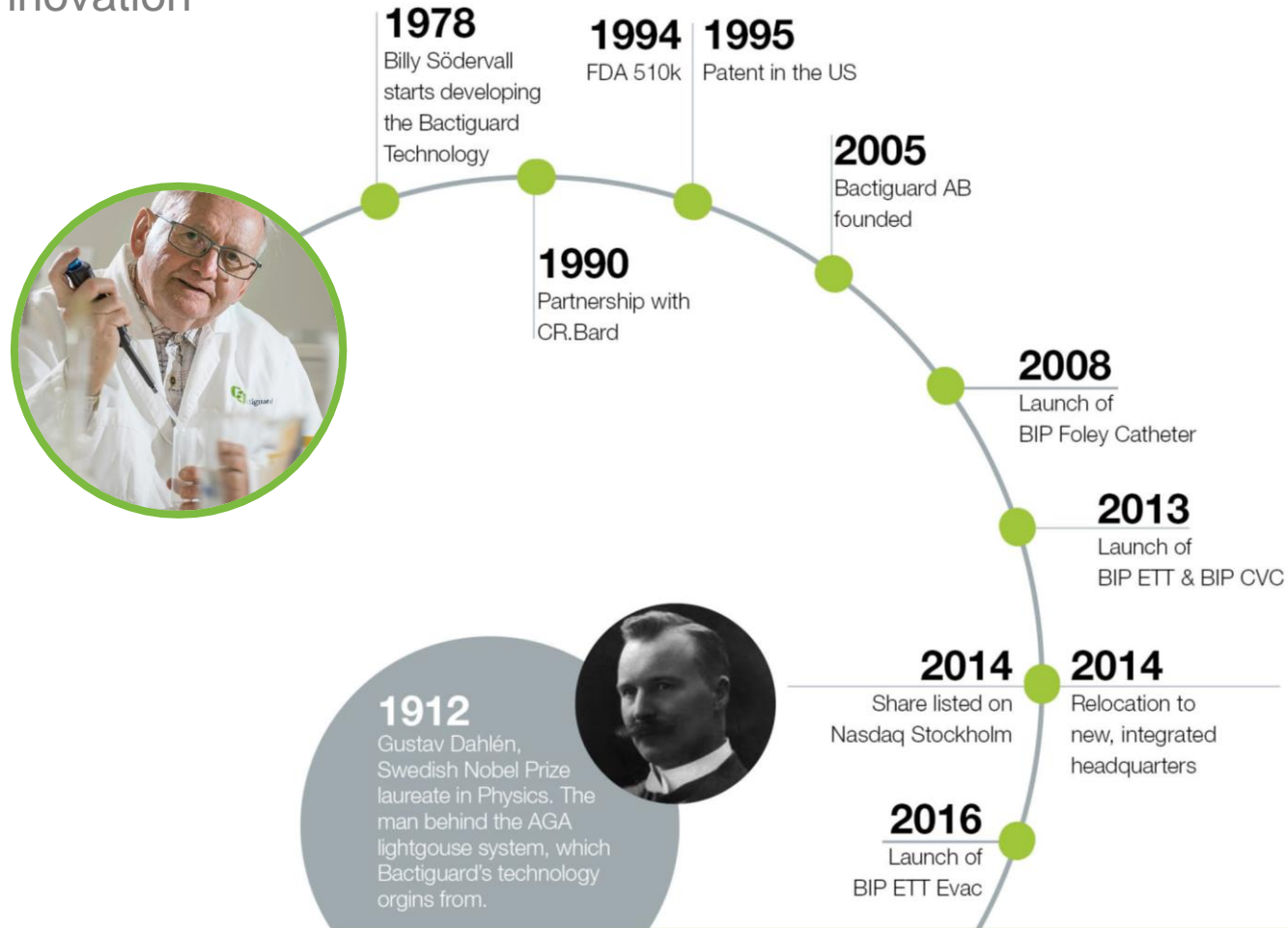
Reduce the use of antibiotics



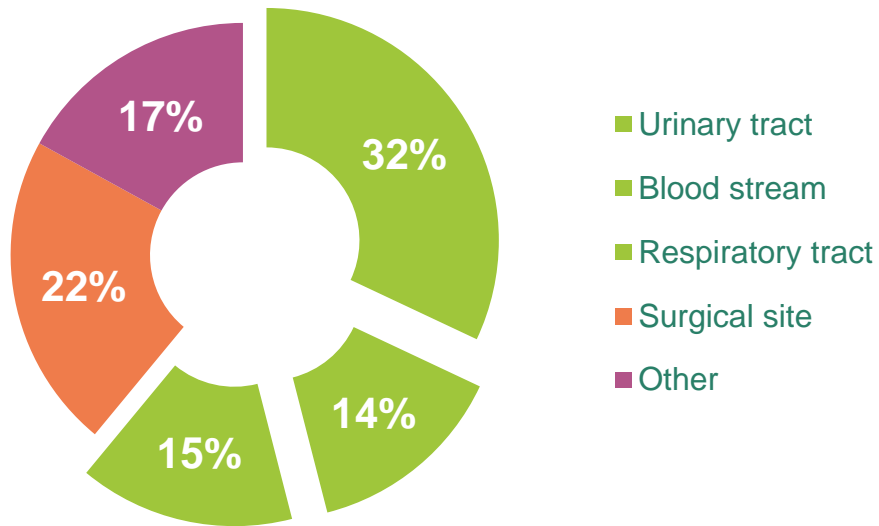
And thereby prevent the spread of multiresistant bacteria

History of Bactiguard

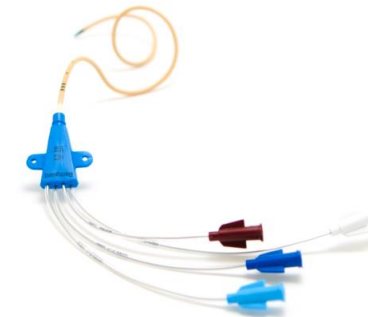
Built on a Swedish innovation



BIP Products (Bactiguard Infection Protection)



BIP Foley



BIP CVC

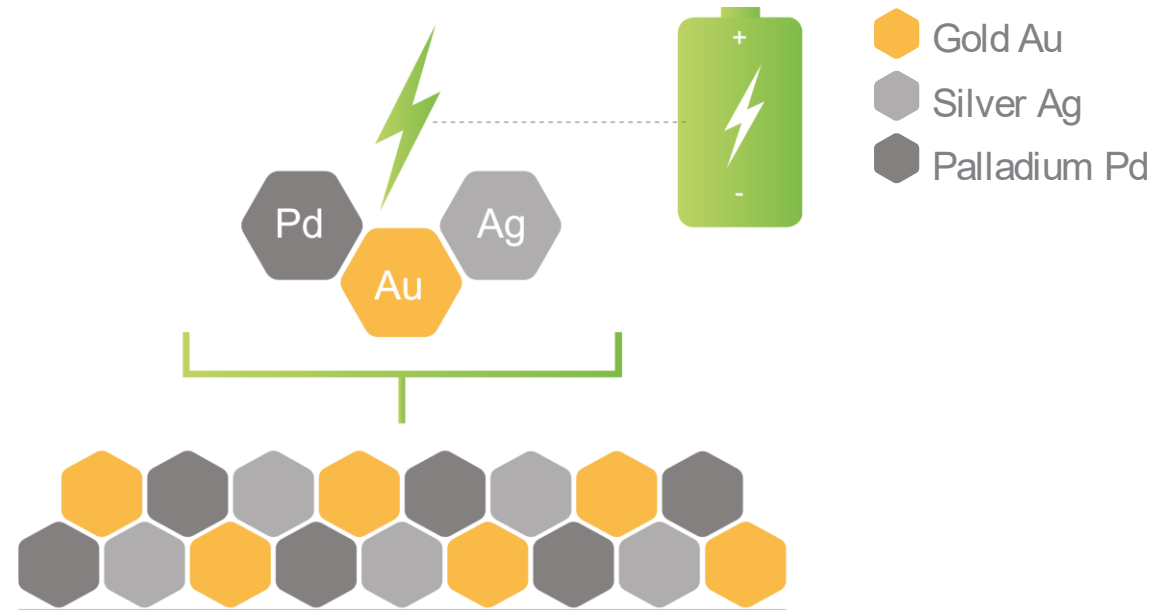


BIP ETT

The technology

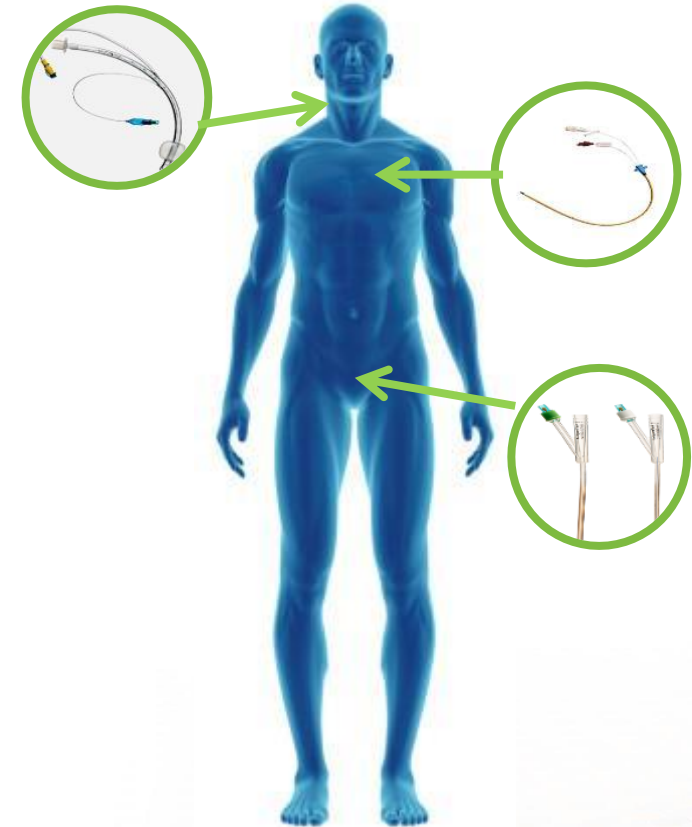
The galvanic effect – effective and safe

- When in contact with fluids the noble metals create a galvanic effect
- The different electro potentials of the metals create a micro current
- Preventing microbial adhesion
- Non-releasing mechanism
- **Effective and safe**



Clinical evidence

- **170 million** Foley catheters used since 1995
- **No adverse events** associated with the coating have been reported
- **35%** weighted average reduction of symptomatic CAUTI in clinical studies, and in some studies over **90%**
- **Permanent catheter** Several reports of successful patient cases with permanent catheterization
- **52%** reduction of catheter related blood infections with BIP CVC and indications for decreased risk of thrombosis
- **67%** reduction of ventilator associated pneumonia with BIP ETT

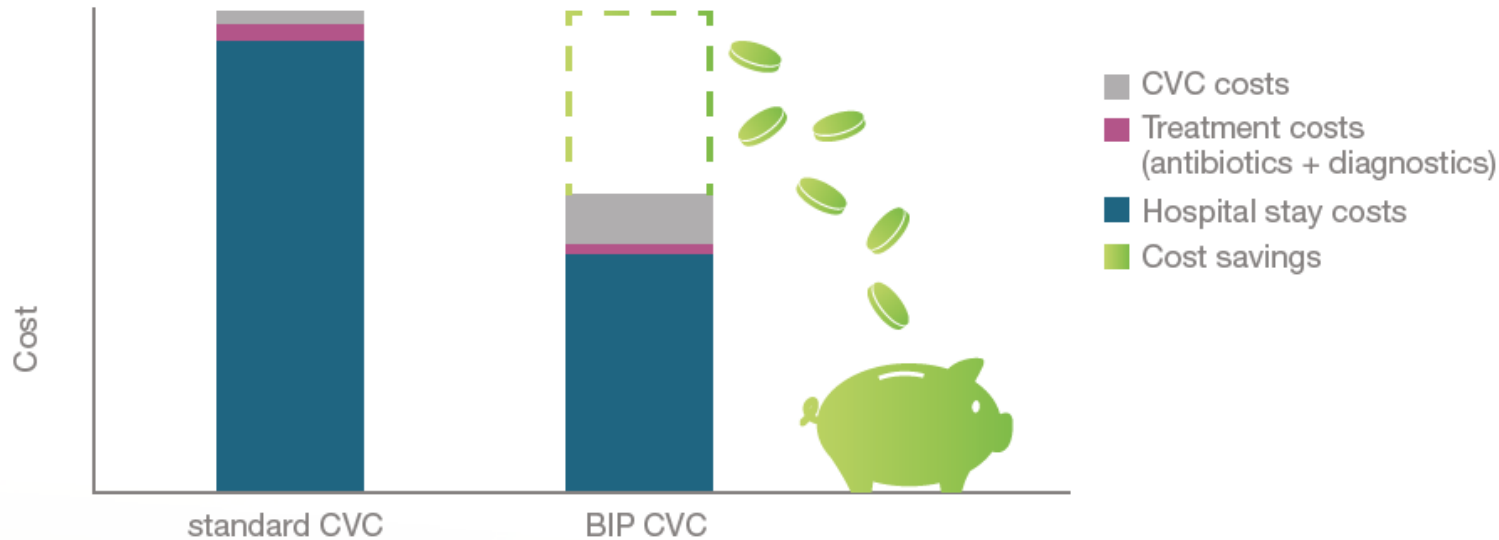




Health economy

Cost savings driven by prevention

Difference in payer costs
standard CVC vs. BIP CVC¹⁷

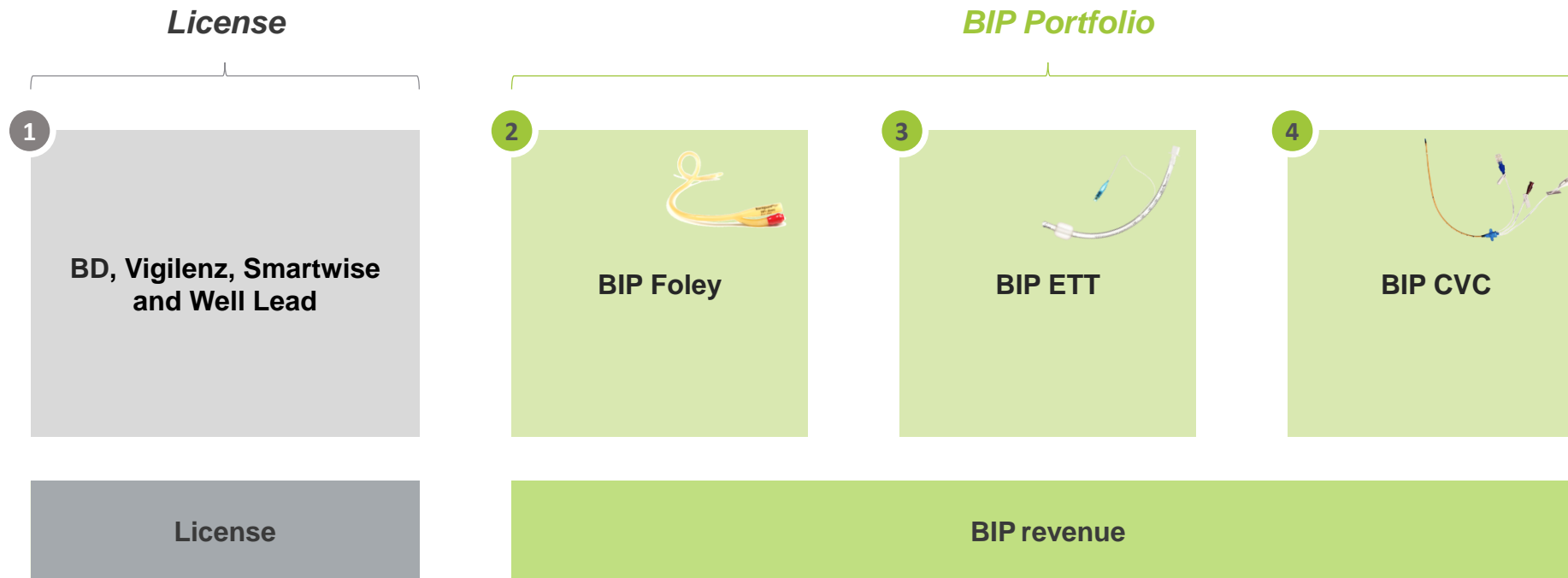


One case of CRBSI can cost up to **\$ 56 000** to treat^{3,4}

Bactiguard health economic model based on Saint *et al* 2000.¹⁷

Business model

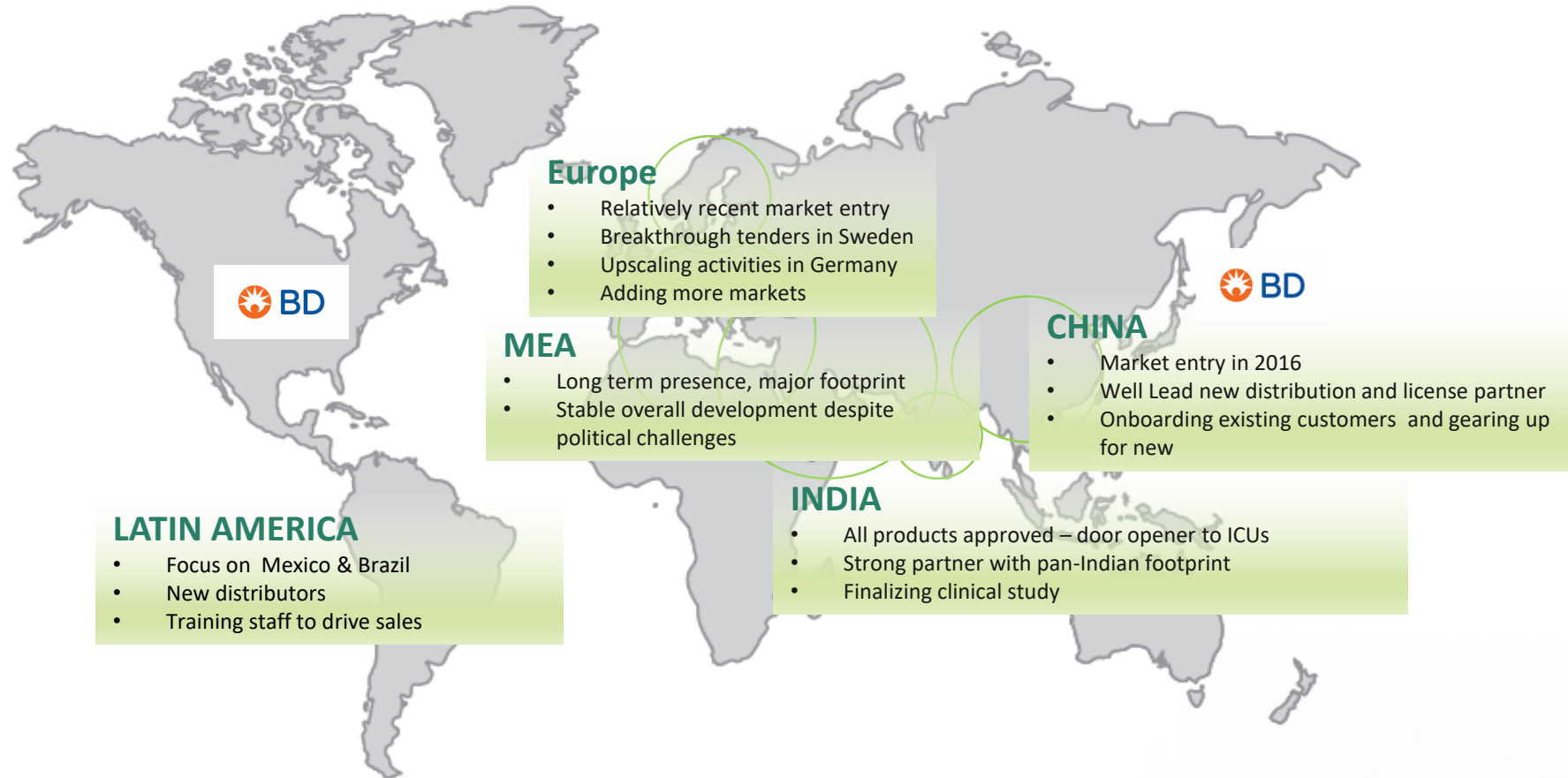
Two lines of business



License agreements for various applications through longstanding partnerships

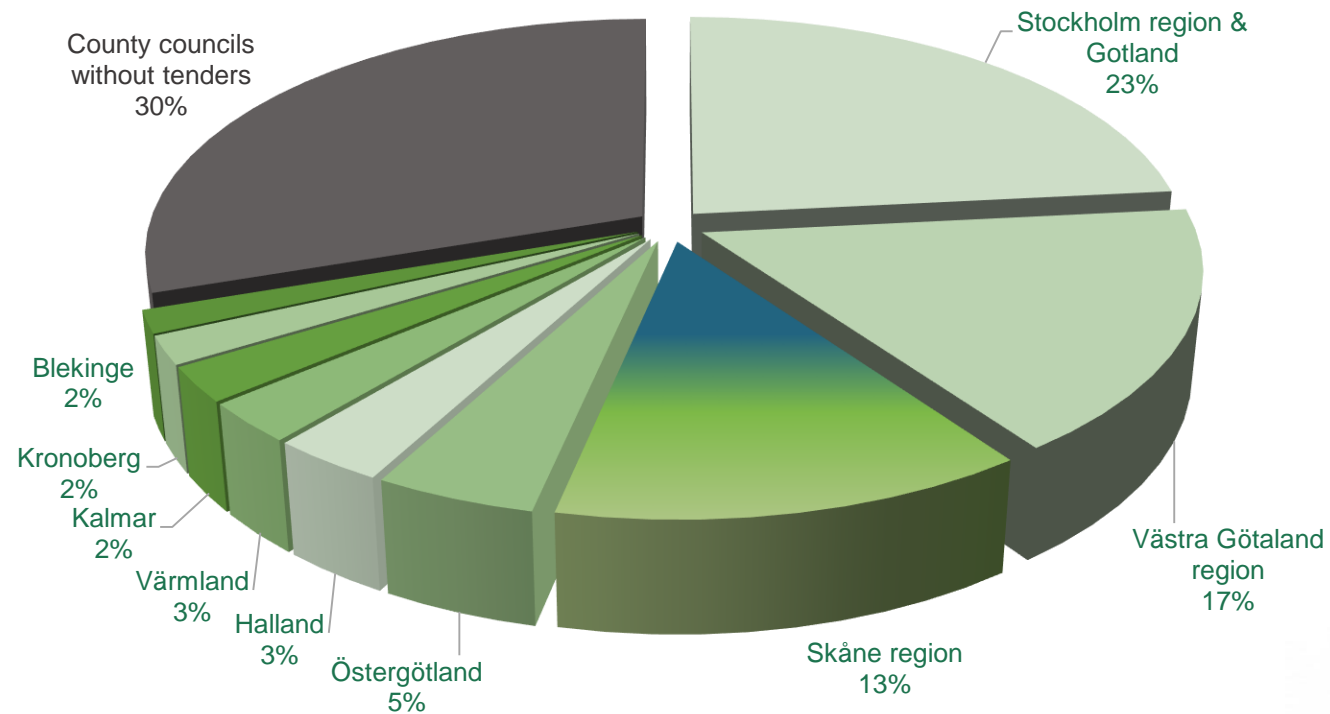
Direct sales of own product portfolio

Market update



Swedish presence

BIP Foleys procured for 70% and BIP CVCs for 13% of total population



Source: SCB (statistics Sweden) 2016

Licensing business

BD (C.R. Bard)

- Successful partnership since 1995
- Bactiguard coated Foley catheters for the US, Japan and UK/Ireland
- Generating stable annual revenues

Orthopaedic trauma implants

- Bactiguard coated orthopaedic trauma implants for the ASEAN markets
- Focus on concluding CE process, which is approaching the end
- Important precedent for other orthopedic applications

Advanced vascular injection catheters

- Agreement with Smartwise Sweden AB
- Bactiguard coated advanced vascular injection catheters for cancer and cell therapies
- Collaboration agreement with AstraZeneca announced in Q2 2018

Well Lead Medical

- License agreement for Foleys, CVCs and ETTs in China
- Initial revenues of MSEK 30, whereof license revenues MSEK 10
- Faster internal progress than expected
- Royalties and minimum sales targets going forward

Several other ongoing discussions



Our priorities



Double sales of our own product portfolio



Develop new license businesses



Expansion with cost control



Close in on our financial targets of 20% growth and 30% EBITDA margin

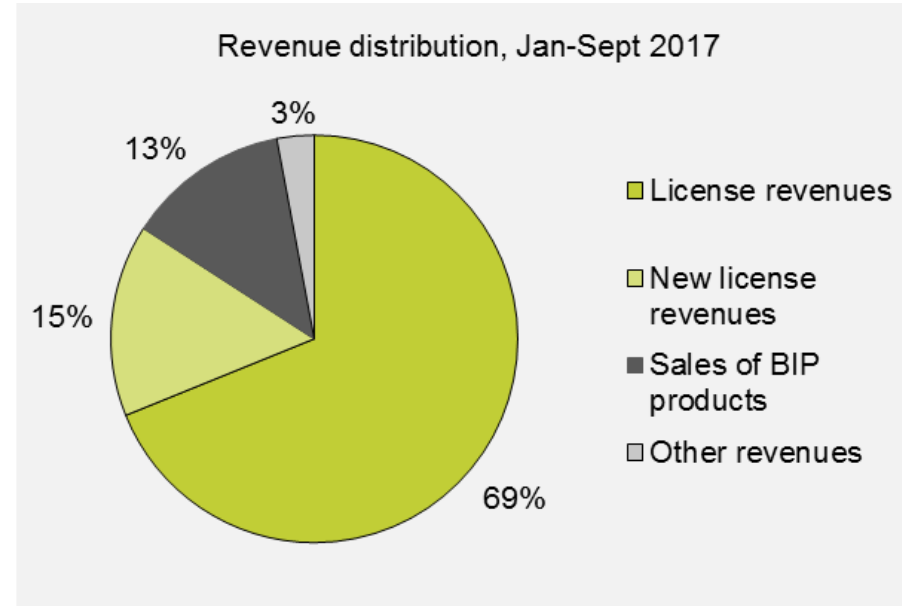
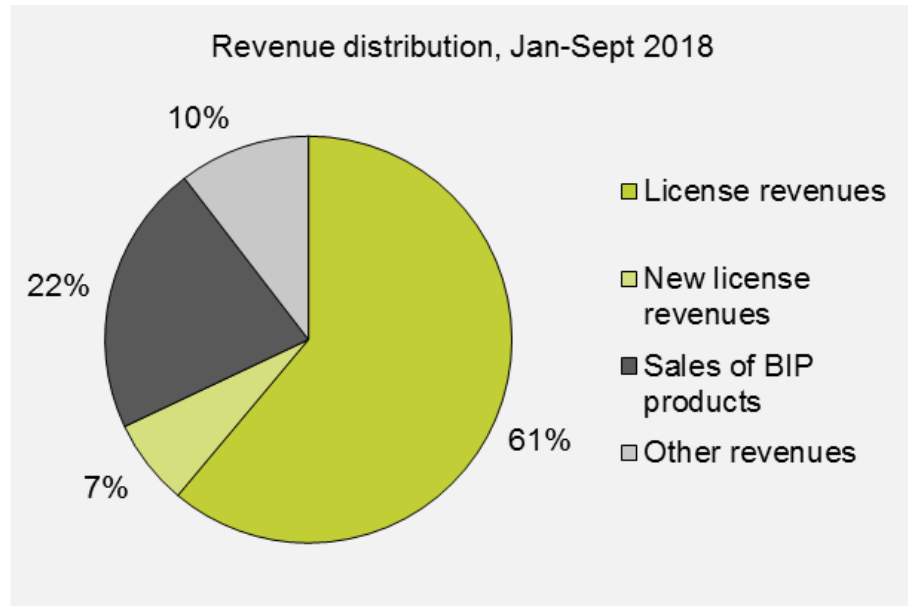
Financial highlights



- ✓ Listed on Nasdaq Sthlm and market cap of approx. 1 200 MSEK (130 MUSD)
- ✓ Revenues are growing, 154 MSEK (~17 MUSD) in 2017
- ✓ Sales of proprietary BIP portfolio up 80% YTD, Sept 2018
- ✓ License business expanding, solid platform in BD revenues
- ✓ EBITDA margin of 16% (22) YTD, despite significant costs related to change of partner and investments in China
- ✓ Net profit negative due to depreciation of technology
- ✓ Closing in on financial targets



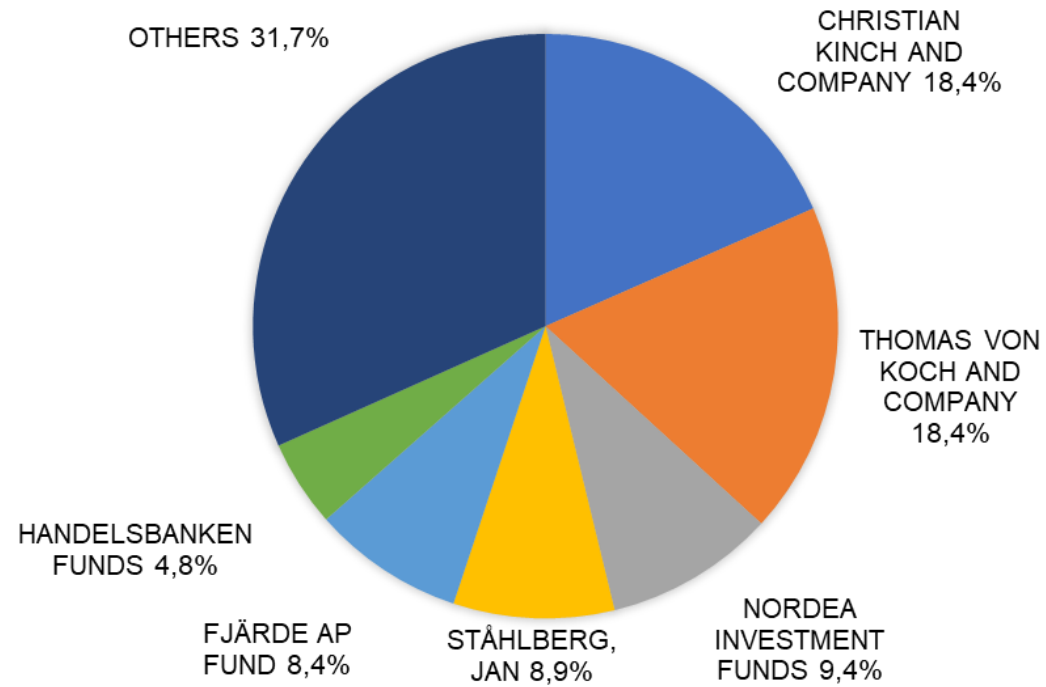
Revenue distribution



Shareholder base



Share of capital



Shareholders	% of capital	% of votes
CHRISTIAN KINCH AND COMPANY	18,4%	34,8%
THOMAS VON KOCH AND COMPANY	18,4%	34,8%
NORDEA INVESTMENT FUNDS	9,4%	4,5%
STÅHLBERG, JAN	8,9%	4,3%
FJÄRDE AP FONDEN	8,4%	4,0%
HANDELSBANKEN INVESTMENT FUNDS	4,8%	2,3%
OTHERS	31,7%	17,5%
TOTAL	100%	100%

Concluding remarks

- ✓ Infection control has never been more important
- ✓ Revenues are growing
- ✓ BIP sales increased by 80% in first nine months
- ✓ License business expanding
- ✓ Expansion with cost control, investing in sales & marketing
- ✓ Solid platform for growth with focus on reaching our financial targets



INFECTION PREVENTION | SAVING LIVES

More information available at www.bactiguard.se



For questions and additional information, please contact:



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