
Second quarter 2018

PRESENTED BY TOM RÖNNLUND, CEO

Q2 Summary

- Navamedic reported revenues of NOK 45.2 million, compared to NOK 89.7 in Q2 2017
- Significantly improved gross margin to 35.0% (22.7%), reflecting growth in higher margin products. EBITDA for Q2 2018 was NOK 3.5 million (NOK 5.5 million)
- EBITDA for the second quarter of 2018 was NOK 3.5 million (NOK 5.5 million).
- Strong launch uptake of anti-obesity drug Mysimba® across the Nordics with positive feedback from clinicians and patients
- Finalisation of Sippi® wireless connectivity to Patient Data Monitoring Systems (PDMS), the first on the market
- Post quarter event: Renewals of several important long term partnership agreements

(NOK million)	Q2 2018	Q2 2017
Revenue	45.2	89.7
Gross profit	15.8	20.4
Gross margin	35.0%	22.7%
EBITDA	3.5	5.5
EBIT	2.0	2.2
Result before tax	0.4	-1.8
Cash	5.7	41.8
Total assets	209.6	273.0
Equity	77.2	109.1
Equity ratio	36.8%	40.0%

This is Navamedic

Navamedic ASA is a Norwegian medtech and pharmaceutical products company, delivering products to patients, hospitals and pharmacies in the Nordic and selected European markets. The Group's Medtech business has developed and is currently introducing the next generation of digital urine meter Sippi®. Navamedic's Pharma and Healthcare business segment is a distributor of products supplied by a number of pharmaceutical manufacturers. Navamedic is listed on the Oslo Stock Exchange (ticker: NAVA)



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

Recognised pharma and healthcare distribution platform

Well-established market position and track record in the Nordic region and select European markets

Navamedic is today actively selling pharma products in 13 European markets

Nordic region covered with direct presence

Eight additional European countries covered with established partners



Cardiology/GP



IMDUR



NITROLINGUAL



GONITRO



MYSIMBA

Urology



URACYST



4DRYFIELD



SILDENAFIL



ELMIRON

Medical nutrition



PKU



GLUCOSADE

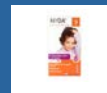


TYR

Dermatology



ALLERGEAZE



NYDA



FINN CHAMBERS TRUE TEST



WOULGAN



BETTAMOUSSE

Other



GELOREVOICE



SNOREEZE



SUPERSEAL



DENTOFIX



AFTAMED

Women's health



AMNISURE



ELLEN



NIPT



PARTOSURE



Pharma and healthcare

COMMERCIAL UPDATE

Pharma and healthcare commercial update

(NOK million)	Q2 2018	Q2 2017
Revenue	45.2	89.6
Gross profit	15.8	20.4
Gross Margin	34.9%	22.8%
EBITDA	5.8	7.6
EBITDA margin	12.9%	8.5%

- Revenues in the Pharma and Healthcare segment declined in Q2 2018 compared to Q2 2017, following the discontinuation of the Aspen agreement
- Solid performance from the new product launches, contributing to improved gross margins and overall profitability for the company
- Higher gross margins and cost control resulting in improved EBITDA margin
- Anti-obesity drug Mysimba is gaining headlines and receives solid feedback from clinicians and patients across the Nordics
- Revenue growth impacted by generic competition on the Imdur® brand
- Launch of Elmiron under initiation, addressing significant unmet medical need
- 2018 is an important transition year with focus on building a solid base portfolio of products with higher gross margins and strong growth outlook

Rapidly launching new products



Pharma and healthcare product portfolio

Products	Growth: Q2 2018 vs Q2 2017	Growth: Moving Annual Total*
Medical Nutrition	+5%	+7%
Uracyst	-3%	+3%
Nitrolingual	+60%	+12%
Imdur	-31%	N.A.

*Rolling 12 months
Q2/16 - Q1/17 vs
Q2/17 - Q1/18



Mysimba® - Very strong initial sales uptake with high media interest across the Nordics, reaching sales of NOK 3.6 million in the quarter



Medical Nutrition – Navamedic's 2nd largest product group, accounting for approximately 24% of sales. Partnership contract with Vitaflo International renewed for 5 years



Uracyst® - Somewhat decreased sales caused by increased competitive pressure in the Swedish market, addressed through additional sales resources to support the brand

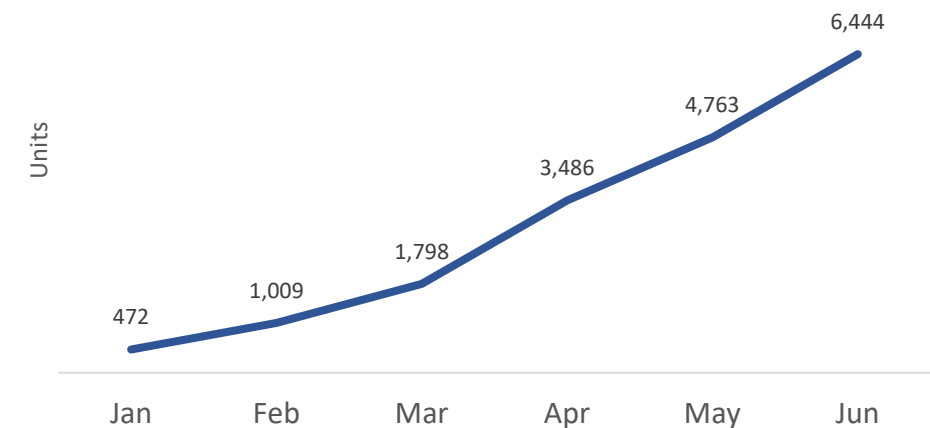


Nitrolingual® – strong performance in light of favourable competitive situation combined with pricing tactics



Imdur® - continued pressure from generic competition in the Nordic markets having significant impact on sales compared to previous year. Pressure have stabilized in past 6 months with flat sales development for the brand currently

Accumulated Mysimba® unit sales YTD 2018





Medtech

COMMERCIAL UPDATE

Medtech commercial update

Sippi® - a major global opportunity

Strengthened international IP position with two new patents in the U.S., yielding major licensing opportunities and positioning Navamedic for an accelerated growth path in a multi-million market. Patents granted:

1. **Sippi® base technology** for using capacitance as a volume measurement and silicone oil as surface protection in digital urine handling systems.
Global addressable market of > \$200 million
2. **Sippcoat®** use in body fluid handling system to prevent bacteria migration.
Global addressable market of > 500 million urine bags annually



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



Setting the stage for accelerated Sippi® growth

Based on market feedback and continued developments during 2018, Navamedic expects Sippi® to thrive in two areas: wireless connectivity to Patient Data Monitoring Systems (PDMS), and controlling the risk of intraluminal induced urinary tract infections (UTIs), a major challenge to the healthcare system

Second quarter events set the stage for Sippi's global market potential:

- Navamedic announced the finalisation of Sippi® wireless connectivity to Patient Data Monitoring Systems (PDMS), the first on the market
- Entering the market with Sippi BLE in September, with implementation to customers in the Nordics, Germany and BeNeLux
- Currently about 30 clinics have shown interest in testing Sippi BLE
- Appointed renowned advisor for process of maximising the value of Sippi®. Currently evaluating several strategic alternatives for the global Sippi® launch

Outlook

Leveraging the Navamedic platform

Leveraging our growth platform



- Solid, cost effective and attractive licensing and distribution platform
- Regulatory, market access and sales/marketing capabilities
- Great launch experience – well positioned for new product opportunities
- Long term partnerships on critical products – foundation for future growth
- Active strategy to license, acquire and partner new products in attractive segments



- Unique patented technology targeting global market opportunity in Intensive Care and beyond – Sippi product family
- Early stages of commercialisation with imminent opportunities for accelerated growth
- First available dedicated urine volume measurement system with wireless data transfer – Sippi
- Additional product opportunities in preventing bacteria migration in body fluid collection systems - Sippcoat
- Navamedic seeking collaboration with strategically well positioned partners to accelerate commercialisation
- Internationally renowned advisor engaged to accelerate partner search

Outlook

Pharma and healthcare:

- Navamedic is building a leading Nordic pharmaceutical and medical device business through product acquisitions, license and distribution agreements in attractive therapeutic areas
- Fuelled by new launches we are bringing the company back on an accelerated growth track moving forward
- Launch of Mysimba® is well underway, positive sales start reaffirms the potential of the product
- Second high-potential product, Elmiron® for treatment of interstitial cystitis will be launched in the autumn of 2018
- These two new, innovative products represent a combined annual peak sales potential of NOK 100-150 million in the Nordic region
- Company actively pursuing multiple opportunities for additional products with launches scheduled for next 6-18 months
- Based on ongoing new launches and our pipeline of additional products, the company targets a sales turnover of at least NOK 400 million for the Pharma and Healthcare segment in a three to five year perspective

Medtech:

- 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
- Sippcoat® represents a major revenue potential beyond the existing product line of urine meters and associated bags
- The wireless PDMS-connection is finalised and a large pipeline of hospitals are waiting for testing and implementation, moving Sippi® into its commercialisation phase
- With wireless PDMS communication feature and multimarket growth platform in place the company is pursuing the long-term annual revenue potential for Sippi®, expected to be in excess of NOK 250 million

Q&A

Welcome back to our Q3 2018 presentation
November 9, 2018