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22 February 2018

## Q4/FY 2017 results presentation

# Forward looking statements



*In order to utilize the 'Safe Harbor' provisions of the United States Private Securities Litigation Reform Act of 1995, Swedish Orphan Biovitrum AB (publ) is providing the following cautionary statement. This presentation contains forward-looking statements with respect to the financial condition, results of operations and businesses of Swedish Orphan Biovitrum AB (publ). By their nature, forward-looking statements and forecasts involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from that expressed or implied by these forward-looking statements. These factors include, among other things, the loss or expiration of patents, marketing exclusivity or trade marks; exchange rate fluctuations; the risk that R&D will not yield new products that achieve commercial success; the impact of competition, price controls and price reductions; taxation risks; the risk of substantial product liability claims; the impact of any failure by third parties to supply materials or services; the risk of delay to new product launches; the difficulties of obtaining and maintaining governmental approvals for products; the risk of failure to observe ongoing regulatory oversight; the risk that new products do not perform as we expect; and the risk of environmental liabilities.*

## Haemophilia

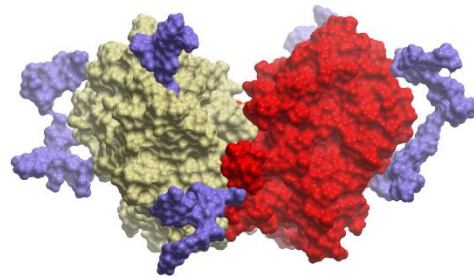
- ✓ Outstanding sales growth
- ✓ rFIXFc-XTEN added to Bioverativ collaboration agreement
- ✓ Improved joint-health for haemophilia A patients after prophylactic treatment with Elocta<sup>®</sup>
- ✓ New dosing regimen for Alprolix to dose 14 days or longer was approved
- ✓ FPI in 24 months real world study ASURE of Elocta
- ✓ FPI in the ReITrate study to evaluate immune tolerance induction with Elocta
- ✓ Bioverativ initiated first in human phase 1/2 trial with next generation EHL product in haemophilia A, rFVIII-Fc-VWF-XTEN (BIVV001)
- ✓ Elocta launched in 22 countries and Alprolix in 14 (Year end 2017)

## Specialty Care

- ✓ Established in Q2
- ✓ Double digit growth for Kineret<sup>®</sup> and Orfadin<sup>®</sup>
- ✓ Solid uptake for Orfadin's new formulations – oral suspension and 20mg
- ✓ New Orfadin formulations approved in Saudi Arabia and Canada
- ✓ Kineret approved in Canada for the treatment of NOMID
- ✓ The studies- anaGO and anaSTILLS - to evaluate the safety and efficacy of anakinra (Kineret) as a treatment for acute gout and Still's disease were initiated
- ✓ SOBI003 for the potential treatment of MPSIIIA received orphan designation in the US

# Events after the reporting period

- FDA accepted investigational new drug application and granted Fast Track status for SOBI003 for the treatment of MPS IIIA
- Ireland switching all people with haemophilia A & B treated with replacement clotting factors to Sobi's extended half-life therapies



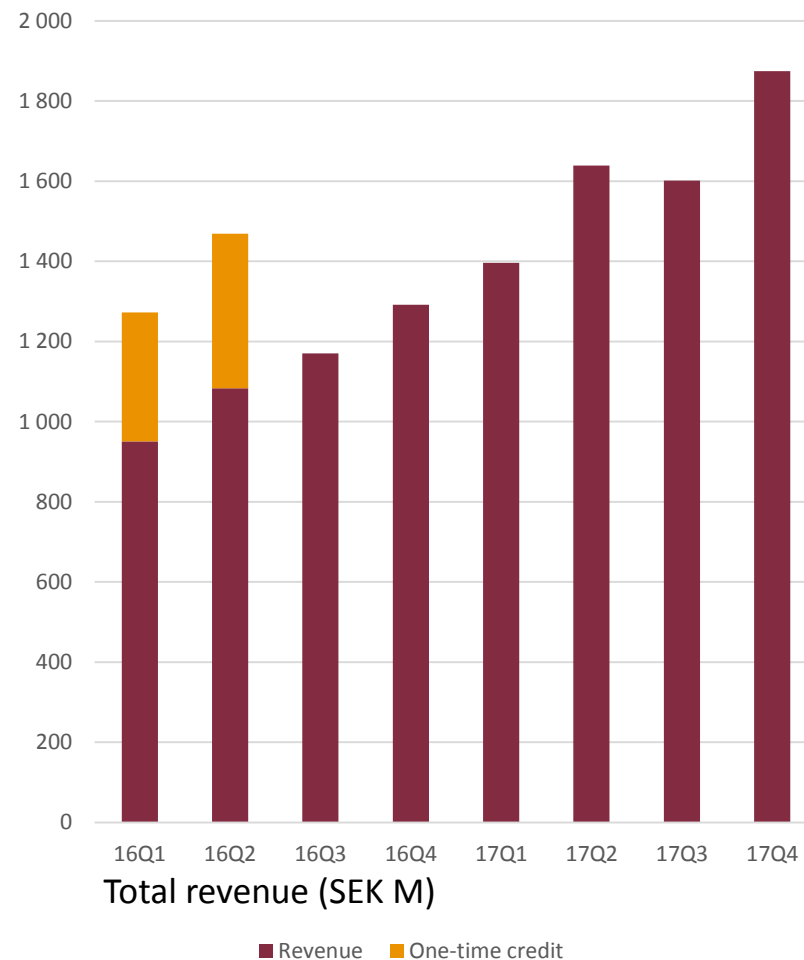
# Financial highlights Q4

Revenue SEK 1,875 M (1,292) +45%

Gross margin 71% (67)

EBITA SEK 619 M (210) +195%

Cash flow from operations SEK 257 M (26)



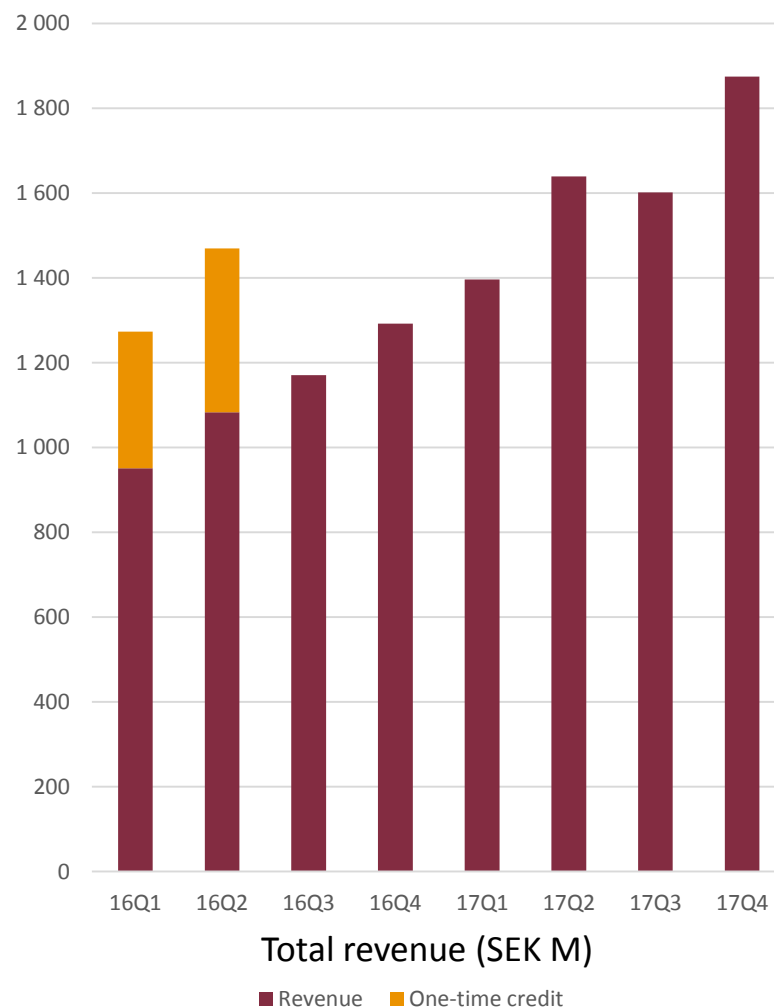
# Financial highlights FY

Revenue SEK 6,511 M (5,204) +25%  
(+ 45 % excl. one-time credits in 2016)

Gross margin 72% (70)

EBITA SEK 2,053 M (1,543) +33%

Cash flow from operations SEK 1,333 M  
(343)



# Sales per region

## Product revenues per region<sup>1</sup>

Excluding ReFacto revenues

# 74%

EUROPE SEK 4,393 M

# 20%

NORTH AMERICA  
SEK 1 168 M

# 1%

REST OF THE WORLD  
SEK 85 M

# 5%

MENAR<sup>2</sup>  
SEK 272 M

- Sobi affiliates
- Sobi's other sales areas

<sup>1</sup>Revenues from legal companies registered in each region, FY 2017

<sup>2</sup>Middle East, North Africa, Russia

# Commercial results



# Haemophilia – delivering stellar growth

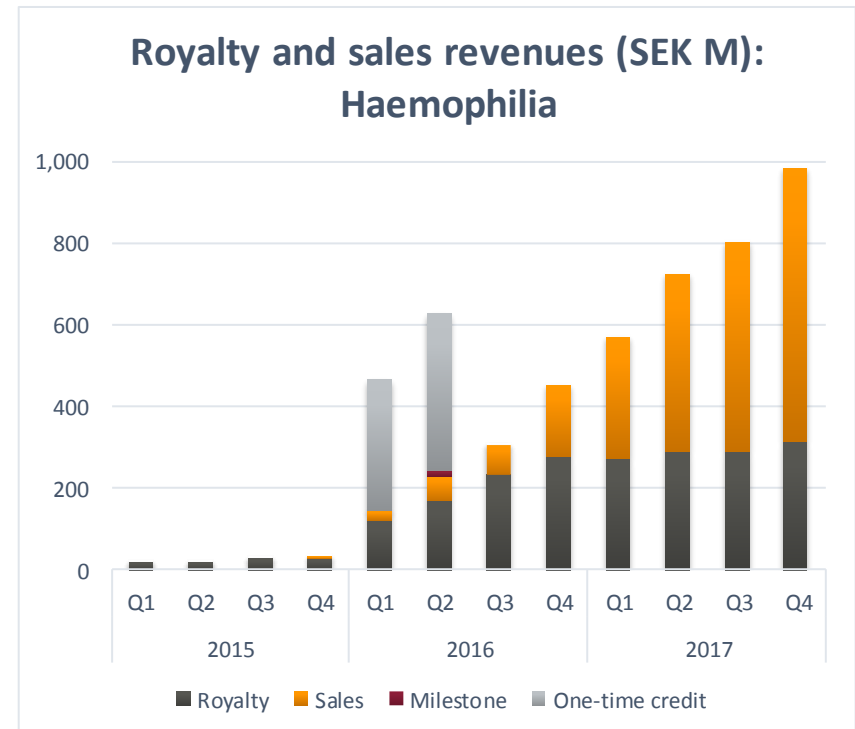


## Q4 revenue SEK 985 M (451)

- SEK 671 M (174) in sales revenue
- SEK 314 M (277) in royalty revenue

## FY revenue SEK 3,088 M (1,853)

- SEK 1,920 M (327) in sales revenue
- SEK 1,168 M (1,525) in royalty revenue
- Increase of SEK 1,943 M when one-time credits in 2016 are excluded



# Elocta – increasingly the standard of care

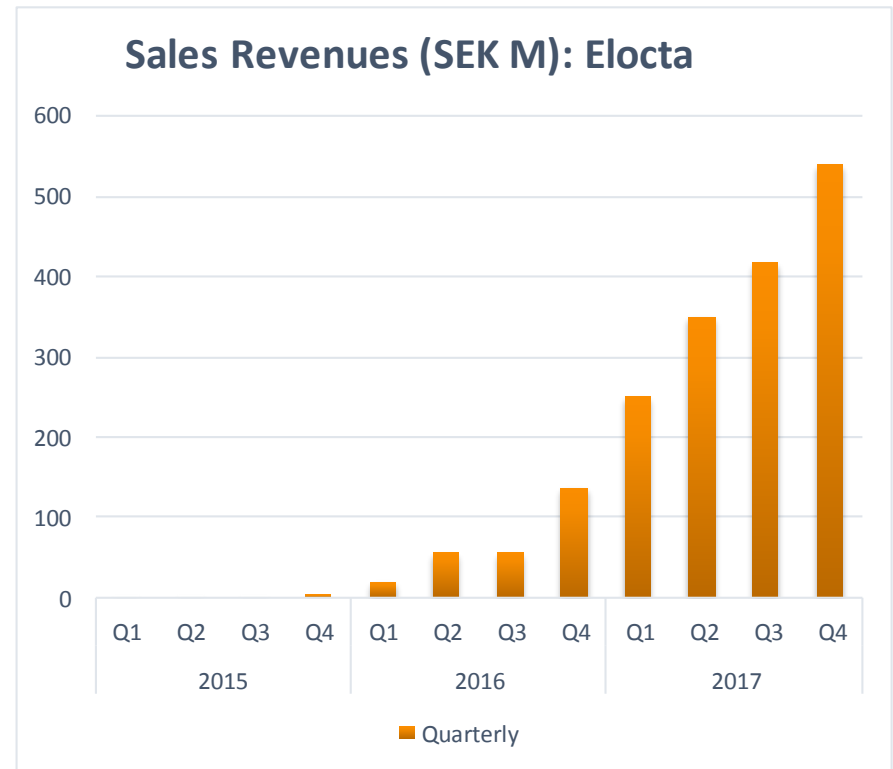


Q4 sales revenue of SEK 540 M (135)

- SEK 123 M (29%) growth compared to Q3 2017
- More than 50 % of the growth derived from France and Germany

FY sales revenue SEK 1 557 M (267)

Launched in 22 countries



# Landmark commercialisation of Elocta



# Alprolix – uptake continues strongly

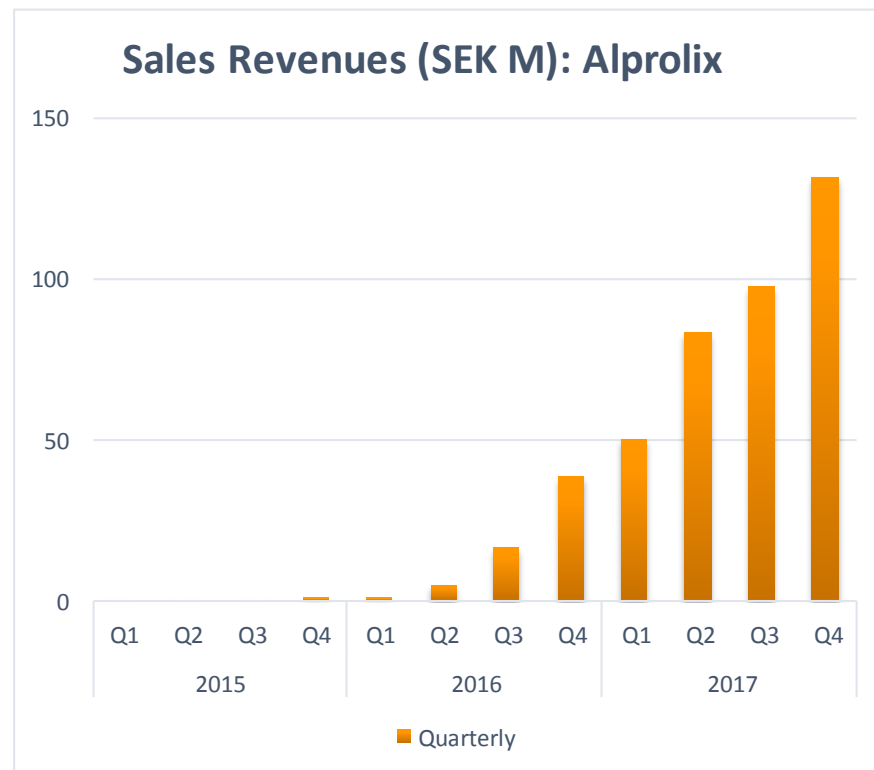


Q4 sales revenue of SEK 131 M (39)

- SEK 34 M (34%) growth compared to Q3 2017
- More than 50% of the growth derived from Germany, Ireland and the Netherlands

FY sales revenue SEK 363 M (60)

Launched in 14 countries



# Haemophilia strategic imperatives – driving success

Real-world evidence and experience supporting **safety and efficacy**

- Established real-world safety profile in thousands of patients



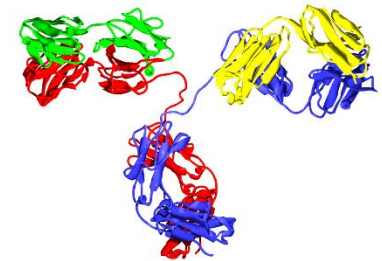
Provide **individual choice** for optimal therapeutic outcome

- Elocta and Alprolix indicated for all ages, in prophylaxis, OD and surgery



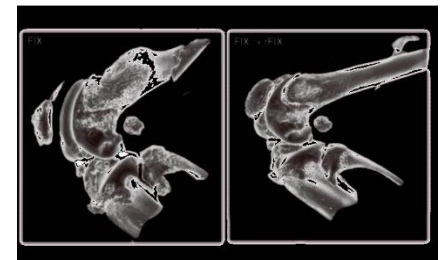
Provide further evidence on **elimination of inhibitors** in Haemophilia A

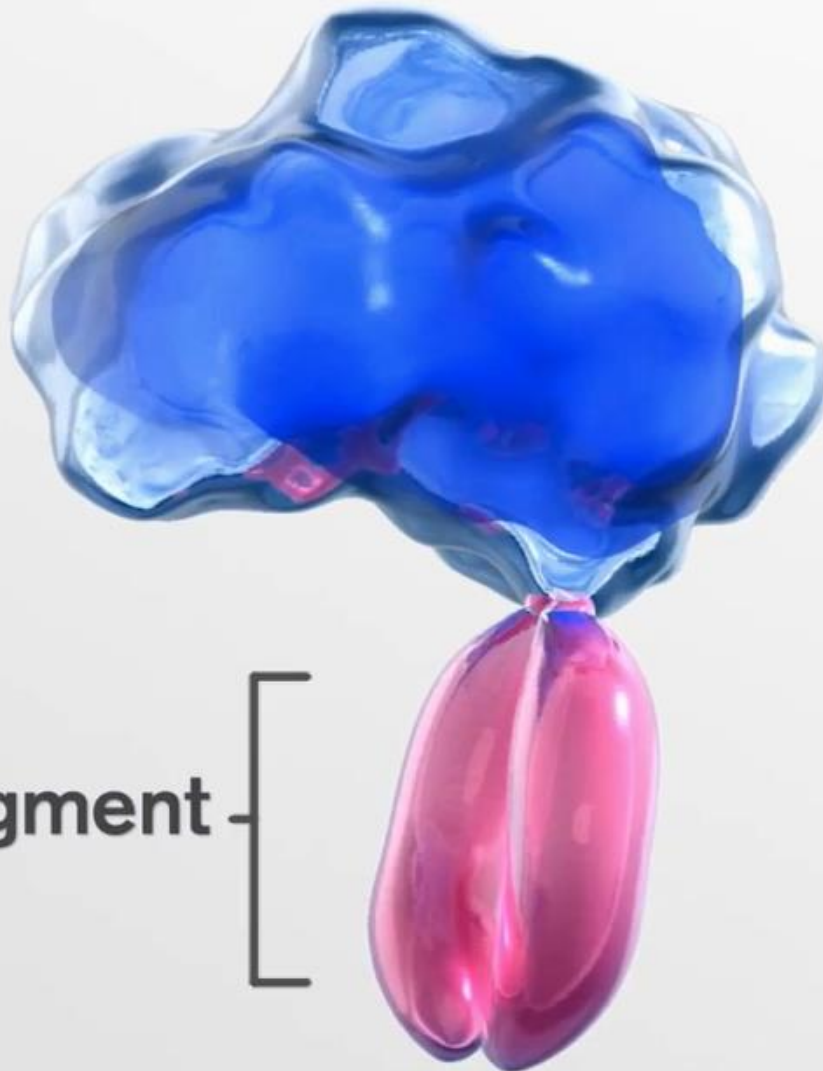
- Inhibitor eradication remains the first goal of care for inhibitor patients



Driving the **Joint Health** agenda with evidence

- A-LONG and ASPIRE data show improvement in joint health scores for haemophilia A patients on prophylactic dosing with Elocta over a period of 4 years





**Fc fragment**

## Growth based on innovation

- Fc fusion technology
- Real world evidence supporting differentiating efficacy and safety
- Priced to enable wide access and adoption
- Extended half-life products allow reduced treatment burden

## Alprolix

- 14 days interval
- Emerging evidence of accumulation in joints

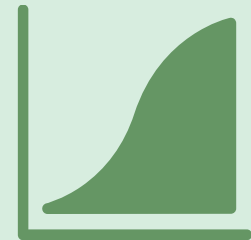
# Specialty Care – three core strengths



World-class commercialisation platform



Lifecycle management & indication expansion



Partner product portfolio with room to grow



# Specialty Care – strong business platform for continued growth

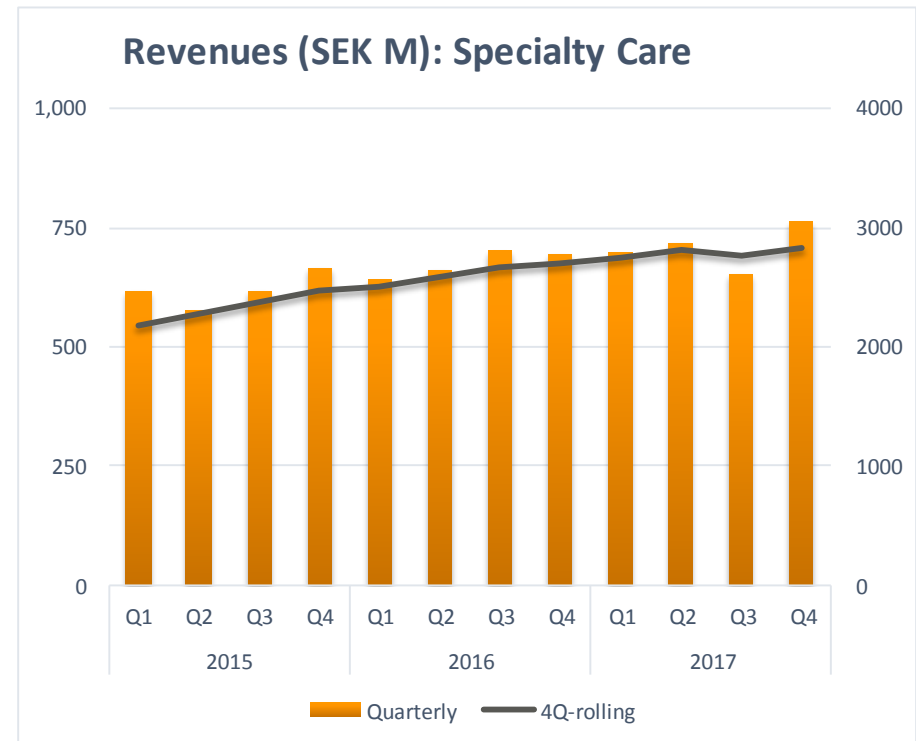


Q4 revenue SEK 761 M (692) +10%

YTD revenue SEK 2,829 M (2,695) +5%

- Adjusted for discontinued products (mainly Cometriq) increase of 9%

Double-digit growth for Kineret and Orfadin





# Orfadin – double digit growth with increased generic competition

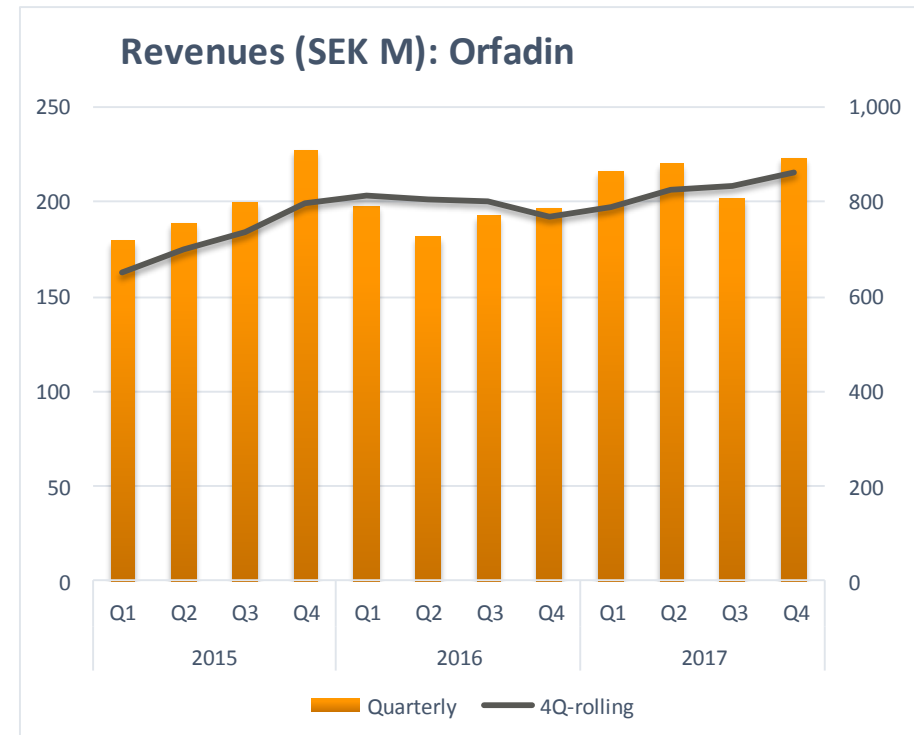


Q4 revenue SEK 223 M (197) +13%

FY revenue SEK 862 M (770) +12%

## Double digit growth in North America and EMENAR

- Patient insights and market understanding
- Growth in North America mainly due to launch of 20 mg and oral suspension formulations
- Strong performance across all EMENAR markets, especially Russia, Middle East and North Africa.



# Kineret – strong performance driven by patient demand

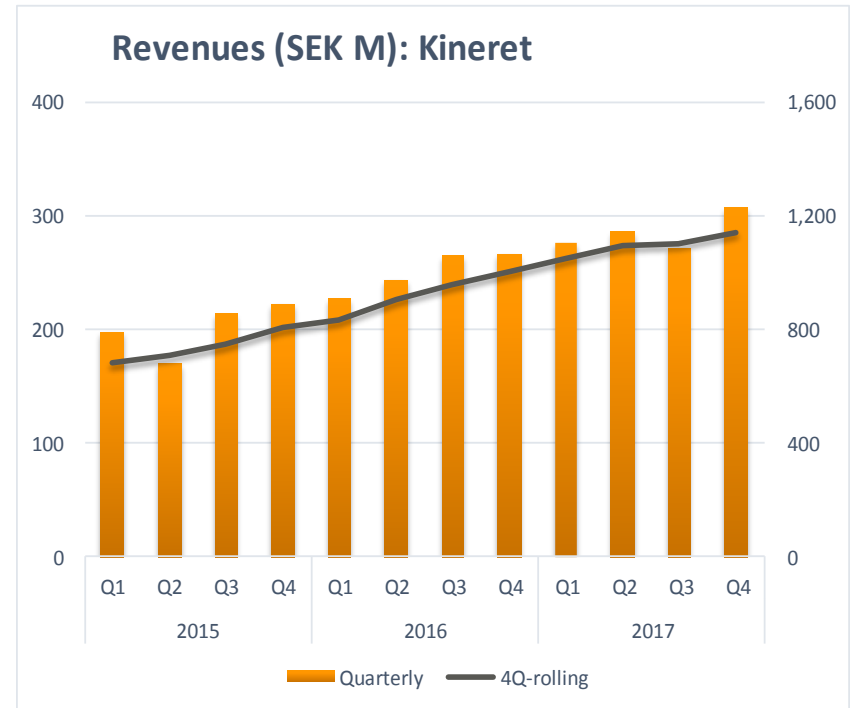


Q4 revenue SEK 307 M (266) +15%

YTD revenue SEK 1,142 M (1,001) +14%

Strong double digit value and volume growth in both North America and EMENAR

- EMENAR sales were positively impacted by phasing of shipments from third quarter to the Middle East.

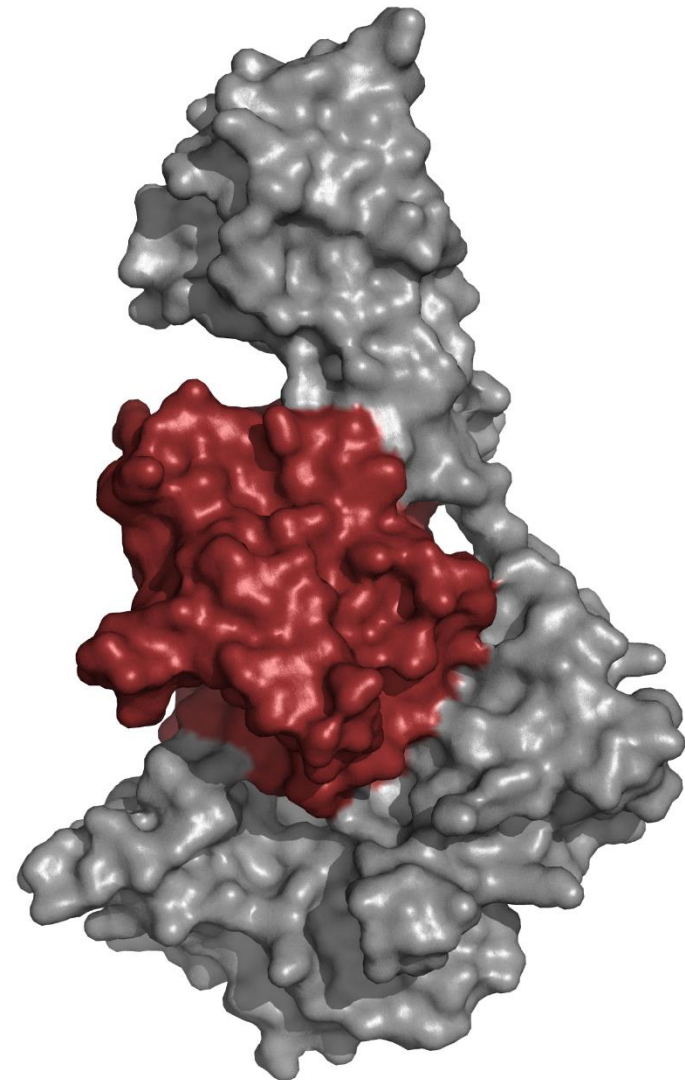


## IL-1 pathway

Two new clinical trials in 2017 to explore indication expansion

- anaGO – acute gout
- anaSTILLs – Still's disease

Anakinra, in red, bound to the interleukin 1 receptor, in grey.



# ReFacto – a solid revenue base

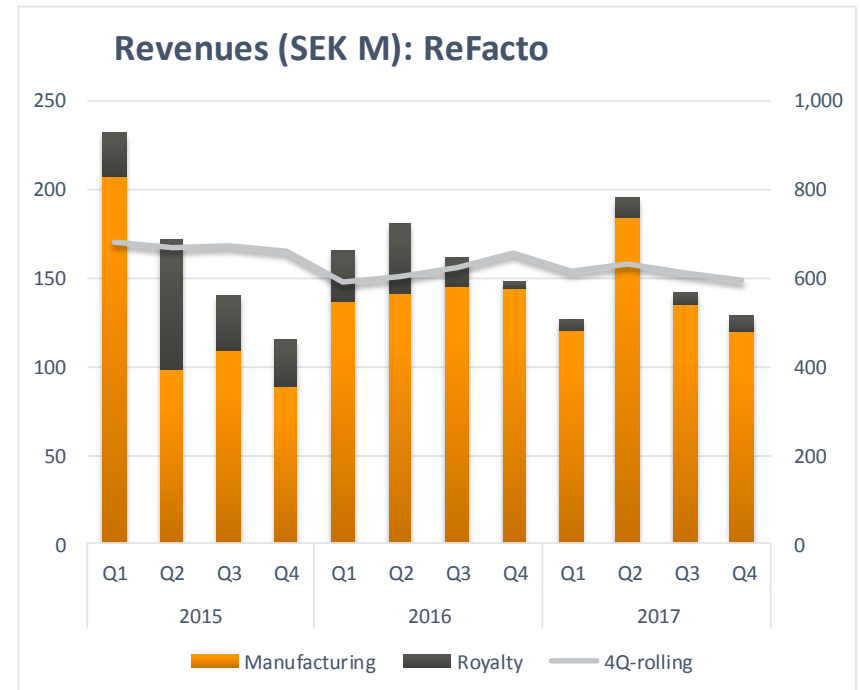


Q4 Revenue for manufacturing and royalty SEK 128 M (148)

- Phasing impacts delivery between the quarters

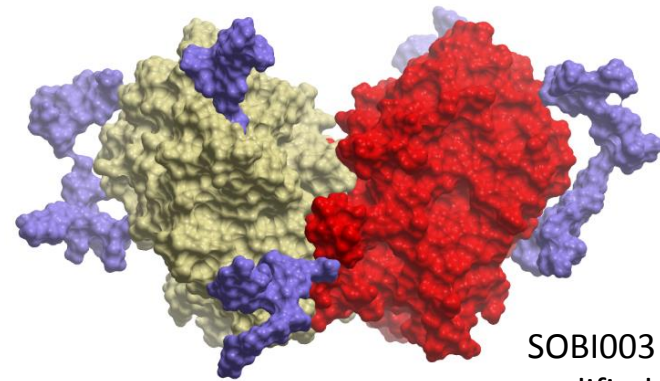
Q4 Manufacturing revenue SEK 120 M (145)

FY was SEK 594 M (656)

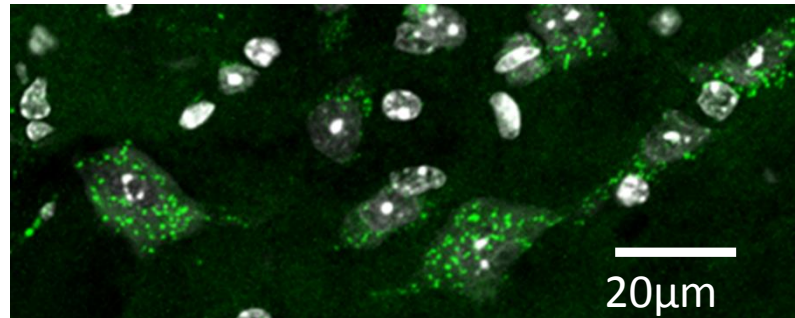


# Pipeline

- FPI in phase 2 study anaGO to evaluate anakinra for the treatment of acute gout
- FPI in the anaSTILL's study evaluating anakinra for the treatment of Still's disease
- Fast Track status for SOBI003 for the treatment of MPS IIIA
- The majority of early stage clinical trials in the US



SOBI003 - chemically modified recombinant human sulfamidase



Distinct intracellular SOBI003 fluorescence (Green) indicates uptake into lysosomes in nerve cells in the CNS.

# Financial results

Mats-Olof Wallin

# Profit & loss statement



| <i>Amounts in SEK M</i>           | <b>Q4-17</b> | <b>Q4-16</b> | <b>Full year-17</b> | <b>Full year-16</b> |
|-----------------------------------|--------------|--------------|---------------------|---------------------|
| <b>Total revenues</b>             | <b>1,875</b> | <b>1,292</b> | <b>6,511</b>        | <b>5,204</b>        |
| <b>Gross profit</b>               | <b>1,337</b> | <b>860</b>   | <b>4,657</b>        | <b>3,651</b>        |
| <i>Gross Margin</i>               | <i>71%</i>   | <i>67%</i>   | <i>72%</i>          | <i>70%</i>          |
| Sales and Administration          | -477         | -399         | -1,644              | -1,366              |
| Research and development          | -228         | -258         | -908                | -778                |
| Other operating revenues/expenses | -13          | 7            | -52                 | 36                  |
| <b>EBITA</b>                      | <b>619</b>   | <b>210</b>   | <b>2,053</b>        | <b>1,543</b>        |
| Amortisations and write-downs     | -110         | -110         | -453                | -410                |
| <b>EBIT</b>                       | <b>509</b>   | <b>100</b>   | <b>1,600</b>        | <b>1,133</b>        |
| Financial income/expenses         | -15          | -12          | -68                 | -85                 |
| <b>Profit before tax</b>          | <b>494</b>   | <b>88</b>    | <b>1,532</b>        | <b>1,048</b>        |
| Income tax expense                | -137         | -15          | -384                | -246                |
| <b>Profit for the period</b>      | <b>357</b>   | <b>73</b>    | <b>1,149</b>        | <b>802</b>          |



# Balance sheet



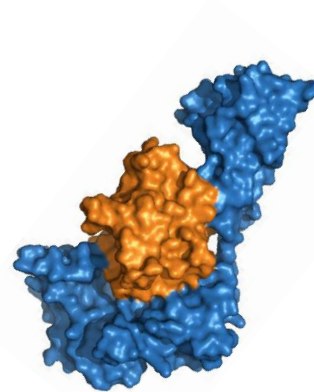
| <i>Amounts in SEK M</i>             | <b>Dec 2017</b> | <b>Sep 2017</b> | <b>Dec 2016</b> |
|-------------------------------------|-----------------|-----------------|-----------------|
| <b>ASSETS</b>                       |                 |                 |                 |
| Intangible                          | 6,445           | 6,535           | 6,806           |
| Tangible and other                  | 301             | 277             | 257             |
| <b>Total non-current assets</b>     | <b>6,746</b>    | <b>6,812</b>    | <b>7,063</b>    |
| Inventories                         | 1,053           | 1,095           | 870             |
| Accounts receivable                 | 1,129           | 941             | 769             |
| Other Receivable                    | 496             | 469             | 487             |
| Cash and equivalent                 | 1,478           | 1,758           | 786             |
| <b>Total current assets</b>         | <b>4,157</b>    | <b>4,263</b>    | <b>2,911</b>    |
| <b>Total Asset</b>                  | <b>10,903</b>   | <b>11,075</b>   | <b>9,974</b>    |
| <b>EQUITY AND LIABILITIES</b>       |                 |                 |                 |
| <b>Equity</b>                       | <b>6,701</b>    | <b>6,352</b>    | <b>5,365</b>    |
| Long-term debt                      | 5               | 503             | 502             |
| Long-term liabilities               | 1,832           | 1,880           | 2,349           |
| Short-term liabilities              | 2,365           | 2,341           | 1,758           |
| <b>Total liabilities</b>            | <b>4,202</b>    | <b>4,724</b>    | <b>4,609</b>    |
| <b>Total equity and liabilities</b> | <b>10,903</b>   | <b>11,075</b>   | <b>9,974</b>    |

The background of the slide features several overlapping, wavy bands of different shades of blue, creating a sense of depth and movement. The colors range from a light, airy blue to a darker, more saturated blue.

# Summary

Guido Oelkers

- Sobi expects total revenues for the full-year to be in the range of SEK 7,500 – 7,700 M
- Gross margin is expected to be at least 70 per cent
- Sobi expects EBITA for the full-year to be in the range of SEK 2,500 – 2,700 M



# Our strategic position today



Accomplished successful inroads in multiple markets in Haemophilia



Drive commercial effectiveness agenda in Haemophilia

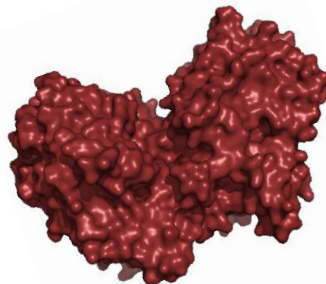


Establish a Specialty Care business and strengthen its focus



Establish late stage pipeline

Expansion in NA



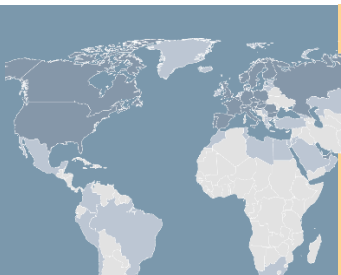
# Our strategic direction



**Further internationalisation**  
and commercialisation of  
Haemophilia



**Build Specialty Care**  
as a preferred partner



**Strengthen position**  
in the US and EMENAR



**Build pipeline**  
and self-sustained R&D



Q&A

