

BIOARCTIC AB (PUBL)  
NASDAQ STOCKHOLM: BIOA B

# Second Quarter Report January-June 2020

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# BioArctic – a unique Swedish biopharma company

## Improving life for patients with central nervous system disorders

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**High unmet need** for disease-modifying treatments for Alzheimer's and Parkinson's diseases creates **large commercial opportunity**



**World-class research and development driven organization** with basis in founder's breakthrough discoveries and fruitful collaborations with leading **academic researchers** and **pharma companies** generating and developing **innovative projects**



**Attractive and well-balanced project portfolio** with projects from discovery through Phase 3 and combination of both proprietary projects with substantial marketing and out-licensing potential and partnered projects generating income



**Well-financed** with BSEK >1 (MUSD >100<sup>1</sup>) in cash, **net profitable** during the last seven years and **valuable collaboration agreements** totaling BSEK 9.6<sup>2</sup> (BUSD ~1) plus royalties

# Q2 2020 highlights

## Operations continue to progress according to plan

### General

- Operations continue to progress according to plan

### BAN2401

- Recruitment of Alzheimer patients for Clarity AD study ongoing
  - Swedish clinics now included in Phase 3 study

### Discovery stage programs

- New collaboration initiated with University of Oslo regarding ApoE

### ABBV-0805

- Recruitment to Phase 1 MAD study canceled. Detailed plan to accelerate the project into Phase 2 currently being prepared by AbbVie



# Attractive and well-balanced project portfolio combines fully-financed partner projects and cutting-edge proprietary projects

	Project	Partner	Discovery	Preclinical	Phase 1	Phase 2	Phase 3
<b>ALZHEIMER'S DISEASE</b>	BAN2401	Eisai, Biogen <sup>1</sup>	▶				
	BAN2401 back-up	Eisai	▶				
	AD1801		▶				
	AD1502		▶				
	AD1503		▶				
	AD2603		▶				
<b>PARKINSON'S DISEASE</b>	ABBV-0805 <sup>2</sup>	AbbVie	▶				
	PD1601	AbbVie	▶				
	PD1602	AbbVie	▶				
<b>OTHER CNS DISORDERS</b>	BAN2401 Down's syndrome <sup>3</sup> Traumatic brain injury <sup>3</sup>		▶				
	ND3014		▶				
<b>BLOOD-BRAIN BARRIER TECHNOLOGY</b>	BBB technology platform		▶				
<b>DIAGNOSTICS</b>	Imaging and biochemical biomarkers – Alzheimer's disease		▶				
	Imaging and biochemical biomarkers – Parkinson's disease	AbbVie	▶				

as of June 30, 2020

- 1) Partnered with Eisai for BAN2401 for treatment of Alzheimer's disease. Eisai entered partnership with Biogen regarding BAN2401 in 2014
- 2) AbbVie in-licensed BAN0805 in late 2018 and develops the antibody with the designation ABBV-0805
- 3) Dementia and cognitive impairment associated with Down's syndrome and Traumatic brain injury



# Long-standing and extensive partnerships

## Alzheimer's disease

### Partner track record

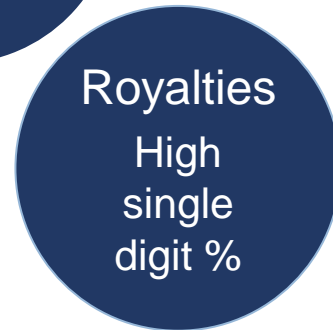
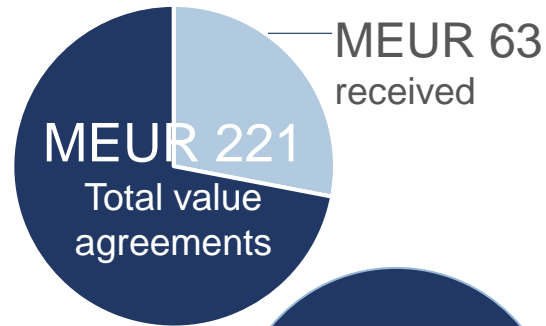


Discovered and developed world's best-selling medicine for symptoms in Alzheimer's



**Industry-leading pipeline in dementia area**

### Collaboration and license



- BioArctic retains rights to BAN2401 in other indications and option to market in the Nordics

## Parkinson's disease

### Partner track record



World's all-time best-selling medicine (BUSD 20)

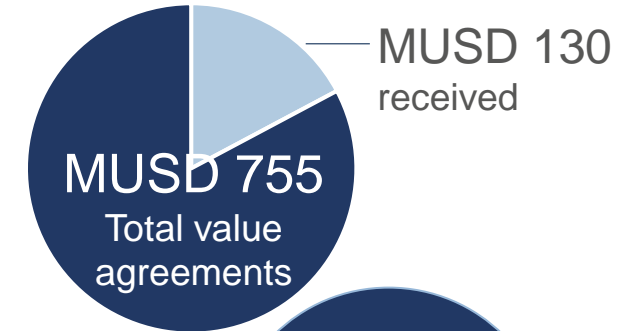


10 different indications in immunology

Approved product for symptoms associated with Parkinson's disease



### Collaboration and license



- AbbVie global rights to alpha-synuclein portfolio for all indications

Sources: Eisai, AbbVie and BioArctic corporate information

# BAN2401: potential disease modifying antibody for Alzheimer's disease with positive Phase 2b results now in Phase 3

## High unmet medical need

### No existing disease-modifying treatment



**IN 20  
YEARS**  
doubling

**TODAY**

>30 million  
people with Alzheimer's

## BAN2401 unique profile

### Unique and targeted binding profile

- Highly selective for toxic forms of misfolded Abeta (oligomers/protofibrils)

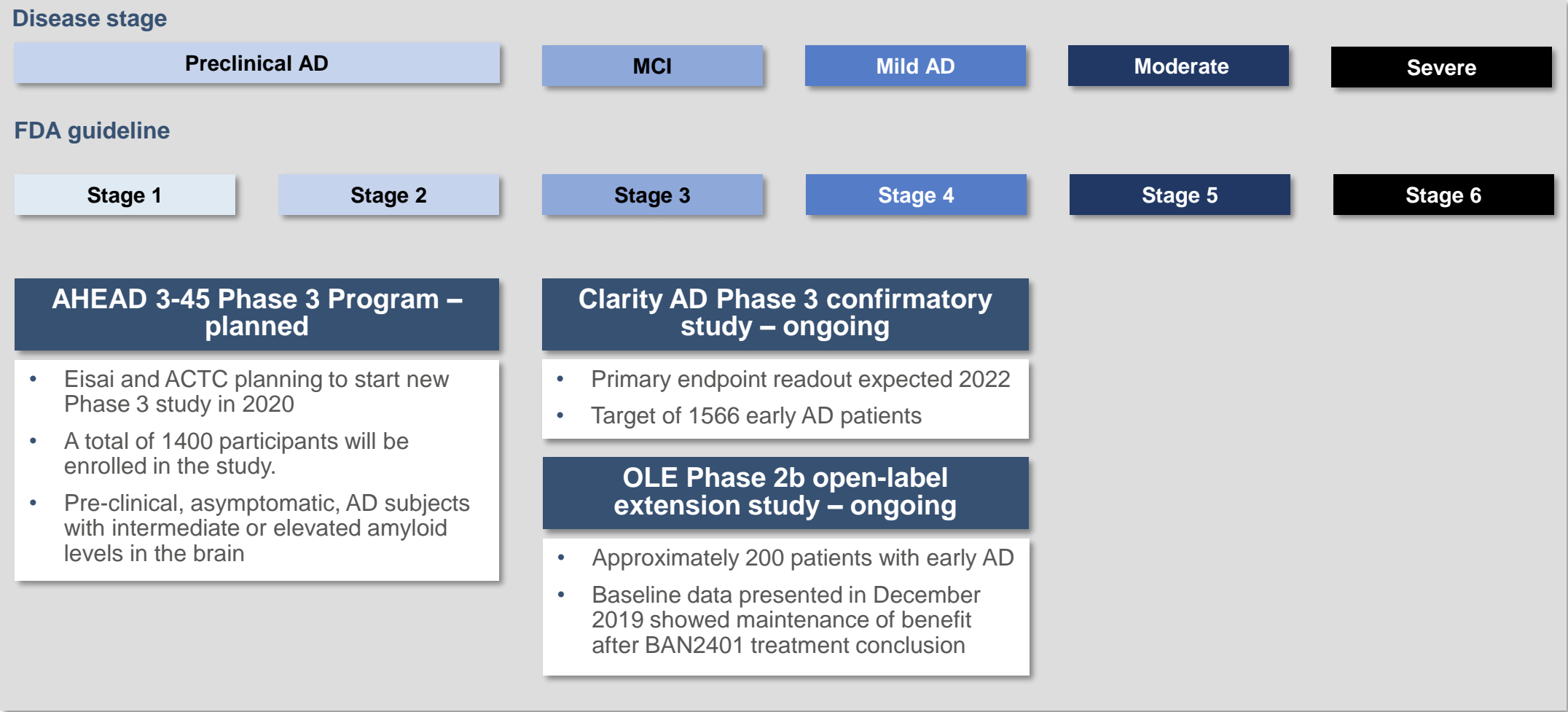
### Unique clinical fingerprint

- Rapid onset of clinical effect
- Consistent effects
- No titration required due to low frequency of ARIA-E

## BAN2401 has positive Phase 2b results

- **Large trial:** 856 early Alzheimer's patients
- **Consistent effects** on clinical outcomes, imaging and neurodegenerative biomarkers
- **Effect increase over time**
- **Good safety profile**

# Broad BAN2401 clinical program – driven by BioArctic’s partner Eisai





# ABBV-0805: potential disease modifying antibody for Parkinson's disease with strong preclinical results now in Phase 1

## High unmet medical need

### No existing disease-modifying treatment



Younger patient group, still at working age

### TODAY

>6 million<sup>1</sup> people with Parkinson's

## Unique profile

### Unique and targeted binding profile

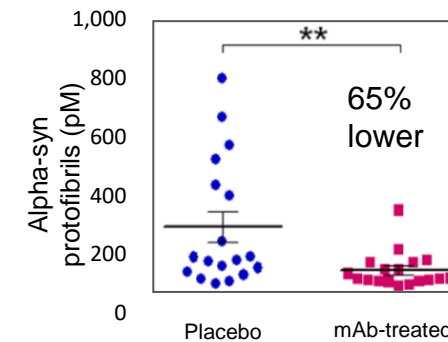
- Highly selective for toxic forms of misfolded alpha-synuclein (oligomers/protofibrils)

### Built on genetic and pathology rationale

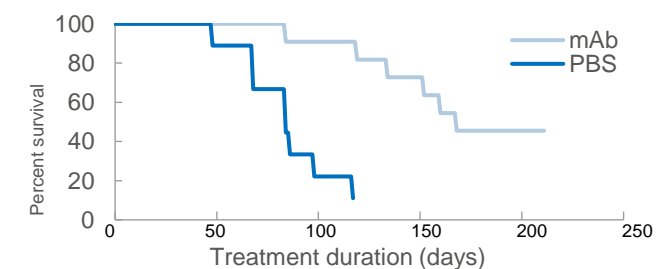
- Alpha-synuclein mutations lead to Parkinson's
- Alpha-synuclein oligomers/protofibrils are elevated in Parkinson's

## Preclinical proof of concept

### Reduction of neurotoxic alpha-synuclein oligomers/protofibrils



### Delays disease progression and increases lifespan



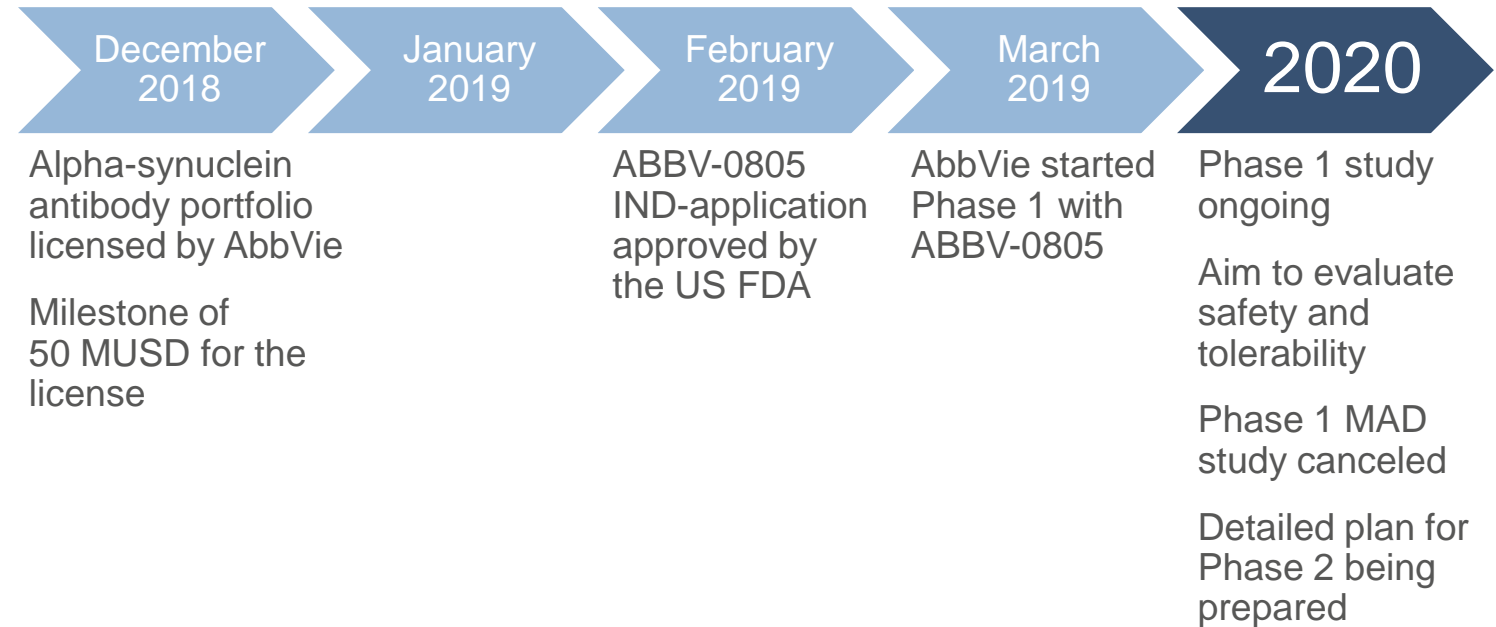
1) Dorsey and Bloem, JAMA Neurology 2018;75:9-10

# Continued progress in collaboration with AbbVie on alpha-synuclein

## Collaboration highlights

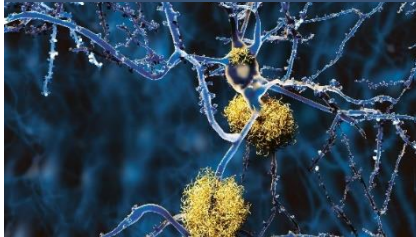
- ABBV-0805 targeting disease modification in Parkinson's disease
- Potential to expand to earlier stage Parkinson's disease patients and other diseases where alpha-synuclein plays a role
- AbbVie is responsible for clinical development
- BioArctic is responsible for delivering follow-up antibodies in the continued collaboration with AbbVie

## ABBV-0805 advancing in clinical trials



# Early stage portfolio continues to develop well

## Alzheimer's disease



### Discovery stage programs

- 4 fully-owned disease modifying antibody projects in Alzheimer's disease
- Each project has a different mechanism from the others
- Collaboration with Oslo University

## Parkinson's disease

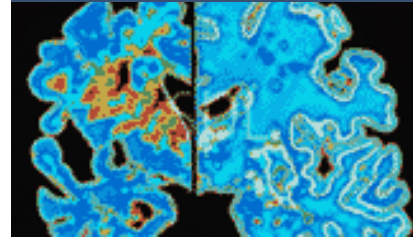


### Discovery stage projects

- Preclinical stage alpha-synuclein projects in research collaboration with

**abbvie**

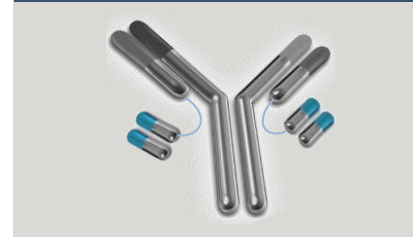
## Other CNS disorders



### Neurodegeneration research

- BAN2401 in indications other than Alzheimer's disease
- Research project in neurodegeneration ("ND") with potential in various CNS disorders

## Blood-brain barrier technology



### Blood-brain barrier technology platform

- Continued development with expanded and enhanced capabilities
- Collaboration with Uppsala University under Vinnova grant

## Diagnostics



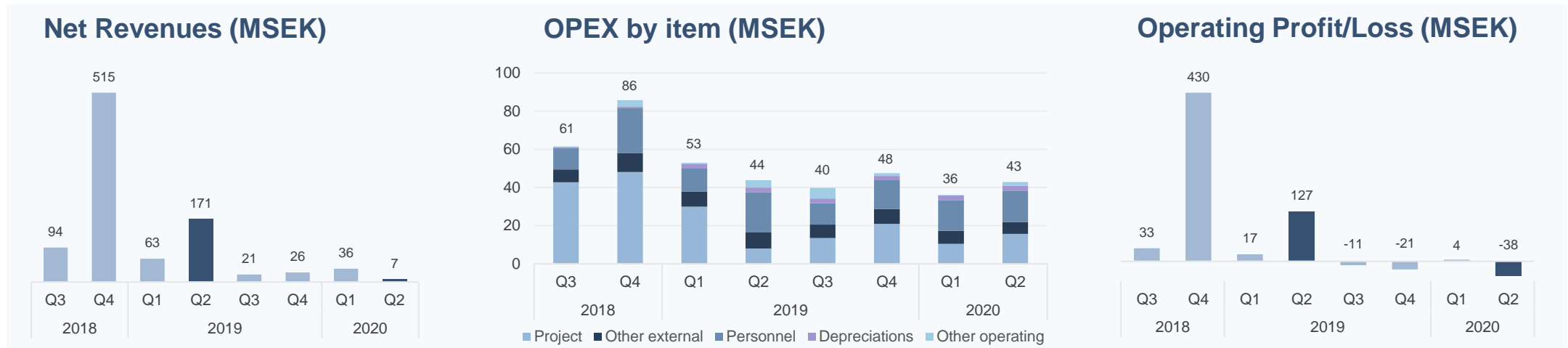
### Diagnostics

- Continued development of imaging and biochemical biomarkers



## Finance Summary

# Net revenues and operating profit Q2 2020



- Net revenues were 7 MSEK (171) for the second quarter
- The change is mainly related to the 15 MEUR milestone payment from Eisai in Q2 2019, as well as lower activity for BioArctic in the Parkinson's program, according to plan

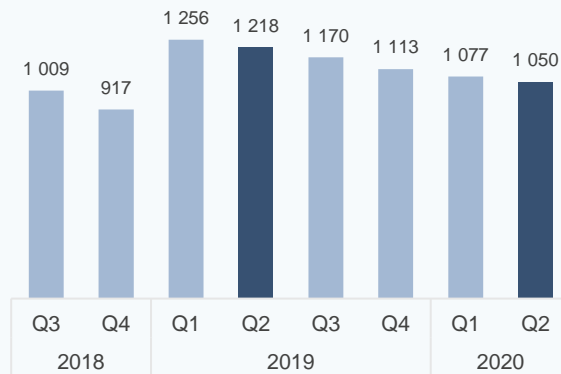
- Project expenses increased to 16 MSEK (8) due to higher activity in our own projects compared to the previous year
- The personnel expenses decreased to 17 MSEK (21) primarily related to the one-time incentive payments in Q2 2019

- Operating profit was -38 MSEK (127) for the second quarter
- The change is mainly attributable to the Eisai milestone payment in Q2 2019

Operating expenses are expected to be in the range of 160 - 190 MSEK for the financial year January - December 2020

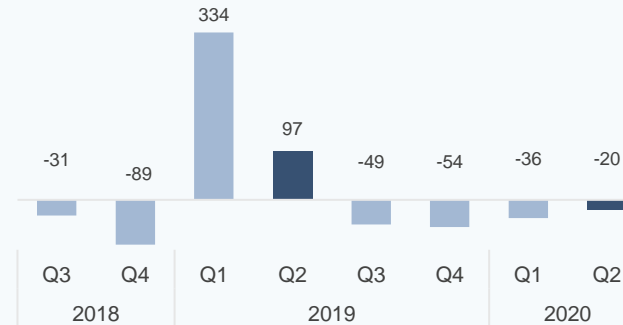
# Cash related and net profit Q2 2020

## Cash Balance (MSEK)



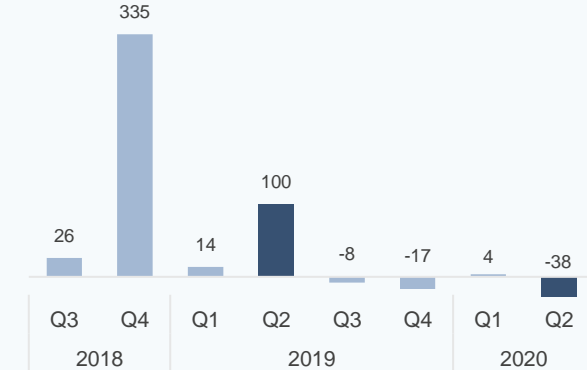
- Cash balance amounted to 1,050 MSEK (1,218) at the end of the second quarter

## Cash Flow From Operating Activities (MSEK)



- Operating cash flow amounted to -20 MSEK (97) during Q2
- The change is mainly attributable to the Eisai milestone payment in Q2 2019

## Net Result (MSEK)



- Net result for the period was -38 MSEK (100)
- The change is mainly attributable to the Eisai milestone payment in Q2 2019

To sum up, BioArctic has a strong financial position and continues to invest with proven cost efficiency





**Upcoming news and  
closing remarks**

# Upcoming news flow

## Alzheimer's disease



### **BAN2401** (Eisai)

- To present data at international congresses
- Phase 3 confirmatory study in early AD results 2022
- Phase 2b open label extension study results
- Phase 3 study in preclinical AD to start 2020

### **Discovery stage programs**

- Advance into preclinical development

## Parkinson's disease



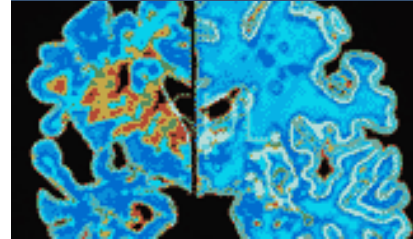
### **ABBV-0805** (AbbVie)

- Complete Phase 1 and start Phase 2
- Publications on the collaboration

### **Discovery stage projects**

- Development in AbbVie collaboration

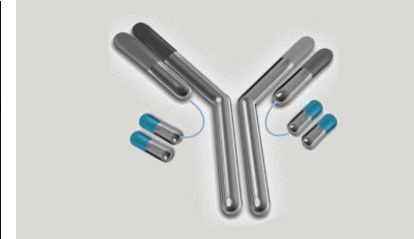
## Other CNS disorders



### **Neurodegeneration research**

- New project development
- New indications and new targets

## Blood-brain barrier technology



### **Blood-brain barrier technology platform**

- Continue development of platform

## Diagnostics



### **Diagnostics**

- Continue development of imaging and biochemical biomarkers

# BioArctic: With Patients in Mind

## Built on science



Great science

## Projects in focus

	Project	Partner	Discovery	Preclinical	Phase 1	Phase 2	Phase 3
ALZHEIMER'S DISEASE	BAN2401	Eisai, Biogen <sup>1</sup>	[Progress bar]				
	BAN2401 back-up	Eisai	[Progress bar]				
	AD1801		[Progress bar]				
	AD1502		[Progress bar]				
	AD1503		[Progress bar]				
PARKINSON'S DISEASE	AD2803		[Progress bar]				
	ABBV-0805 <sup>2</sup>	AbbVie	[Progress bar]				
	PD1801	AbbVie	[Progress bar]				
OTHER CNS DISORDERS	PD1802	AbbVie	[Progress bar]				
	BAN2401 Down's syndrome <sup>3</sup> Traumatic brain injury ND3014		[Progress bar]				
BLOOD-BRAIN BARRIER TECHNOLOGY	BBB technology platform		[Progress bar]				
DIAGNOSTIC TOOLS	Imaging and biochemical biomarkers – Alzheimer's disease		[Progress bar]				
	Imaging and biochemical biomarkers – Parkinson's disease	AbbVie	[Progress bar]				

Great projects

## Value-driven leadership



Great people

GUNILLA OSSWALD, CEO



JAN MATTSSON, CFO



NEXT REPORT & IR CONTACT

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Interim report Jan-Sep  
2020 on October 14, 2020
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