PROMORE PHARMA

leading-edge medical innovation

Late stage development of two first-in-category wound care products

Stockholm, Feb 2019

Promore Pharma in Brief

- **Listed on Nasdaq First North since July 2017 (PROMO)**
- **Two late stage, first-in-category products**
- **Human peptides for local administration with extraordinary safety**

Phase III – PXL01

- Preventing adhesions after tendon repair surgery
- **No** prescription drugs
- **1 million** patients in EU, NA & JP
- Addressable **EU market 300 MUSD**
- Indication broadening opportunities

Phase IIb – LL-37

- Treating chronic wounds, mainly VLUs
- **No** prescription drugs
- **6 million** patients in EU, NA & JP
- Addressable global market **3 BUSD**
- Indication broadening opportunities

Vision

To solve the global problems of scarring, adhesions and chronic wounds

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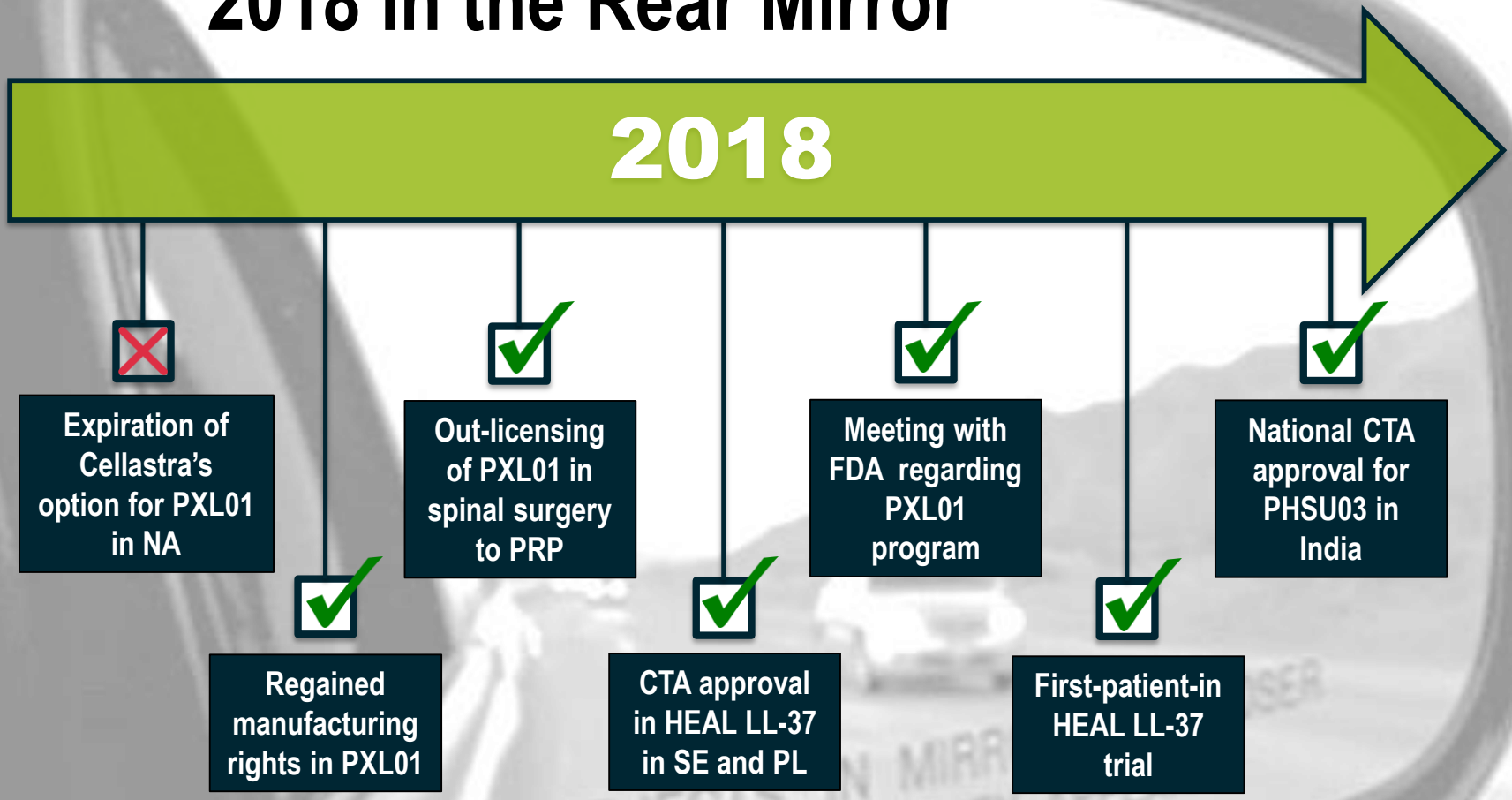
2018 in the Rear Mirror



An eventful year with operational delivery according to plan

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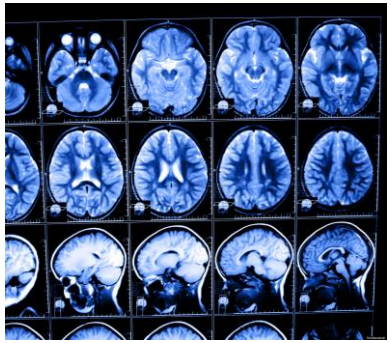
Global Needs and Healthcare Costs

60 million patients in the world, will contract a hard-to-heal wound, a dermal scar or a complication due to a post-surgical adhesion every year

Wounds, trauma and amputations account for the **third** largest area of healthcare spending in the world

CNS



> 600 BUSD

Cardiovascular

600 BUSD

Trauma

400 BUSD

Oncology

300 BUSD

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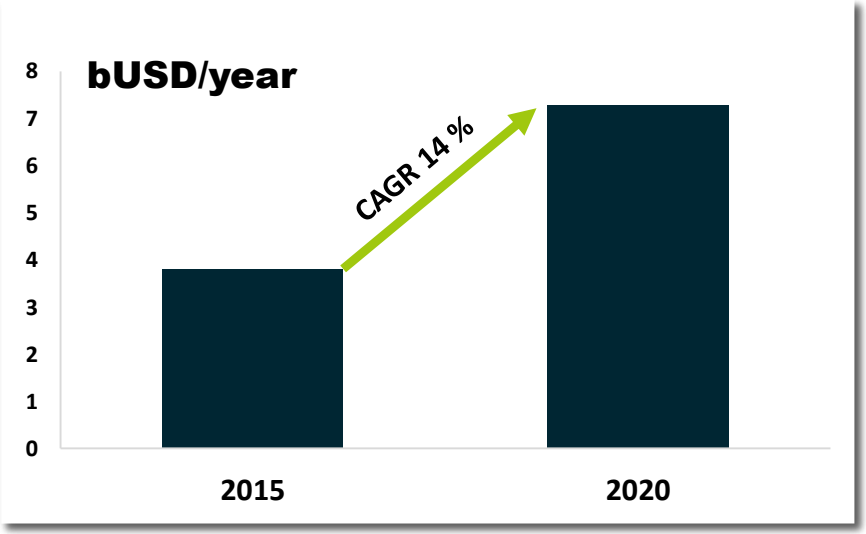
Bioactive Wound Care

Fastest Growing Market Segment

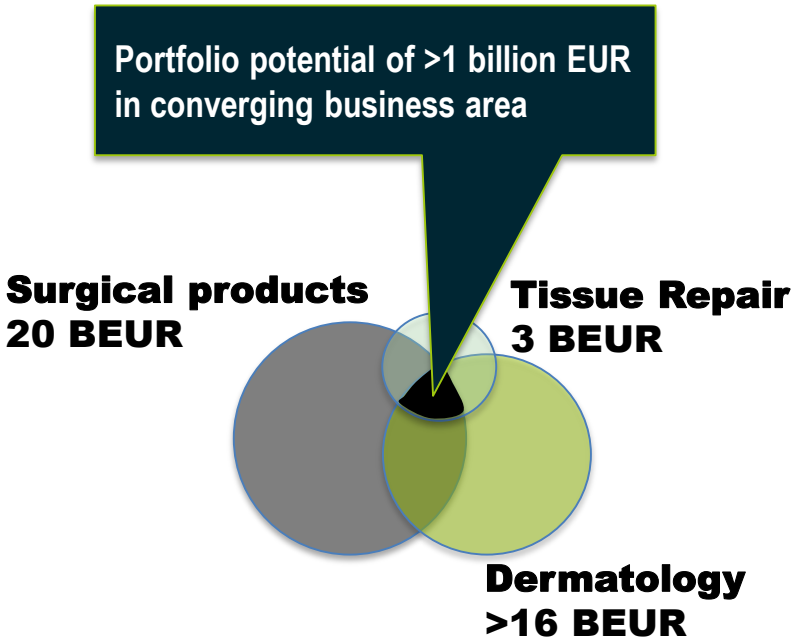
- The global wound care market is expected to reach USD 20.4 billion by 2021, growing at 2-3% annually
- Bioactive wound care is forecasted to be the fastest growing segment in the wound care market, with an estimated 14% CAGR

Global bioactive wound care market 2015-2020



Source: Technavio "Global bioactive wound care market 2016-2020"

Promore Pharma's Market Opportunity



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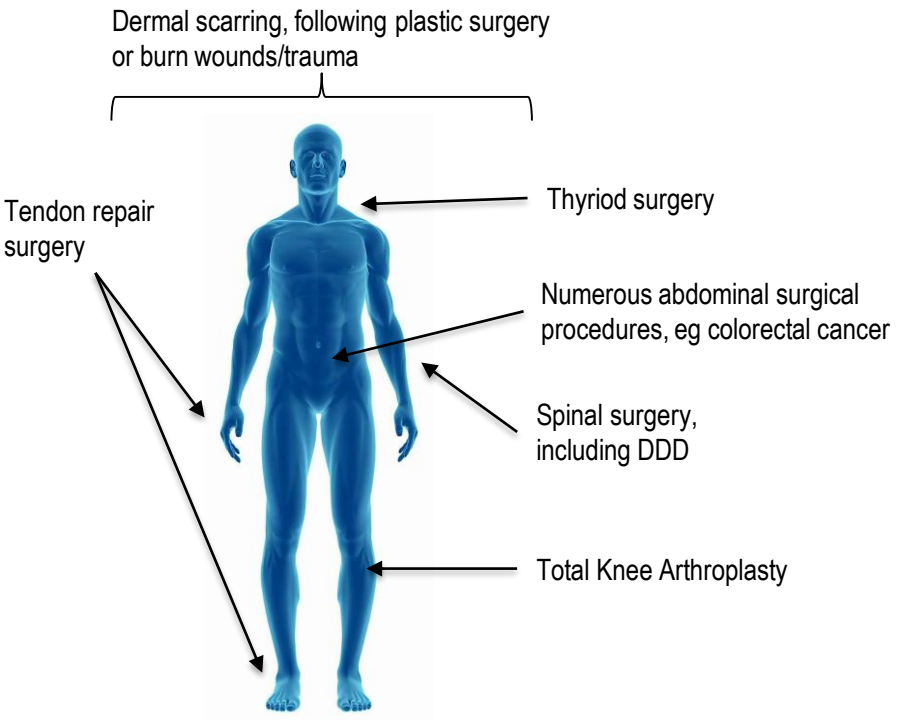
PXL01: Prevention of Adhesions and Scars

Adhesions form after almost **any type of surgery** and are a significant cause of post-surgical complications

- Prolong subsequent surgery
- Constitute considerable burden on healthcare systems



Promore Pharma Indications

- **Tendon Repair Surgery**
  - Phase III being prepared in EU and India
  - Medical need – high incidence of scar formation and no pharmaceutical products
  - Straightforward clinical development
  - Over 1 million procedures globally
  - Est addressable market in EU; 300 MEUR
- **Dermal Scarring**
  - Phase I/II being prepared in Sweden
  - High willingness to pay for scar prevention among plastic surgery patients
  - Large market with few/no effective products
- **Spinal surgery/DDD**
  - Out-licensed to PharmaResearch Products
  - 1-2 million procedures globally

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Large Medical Benefits of PXL01

Endpoint	PXL01	Placebo	P-Value
Mobility in injured finger DIPAM (the most distal finger joint) 6 months post-surgery	60 degrees	41 degrees	P<0.05
Nerve function Patients with optimal nerve recovery (normal or diminished light touch) 12 weeks post-surgery	76%	35%	P<0.05
Need for secondary surgery Frequency of recommendation for tenolysis during first 12 months post-surgery	12%	30%	P<0.10

Primary end-point in Phase III

Large health economic value

Important secondary value of product

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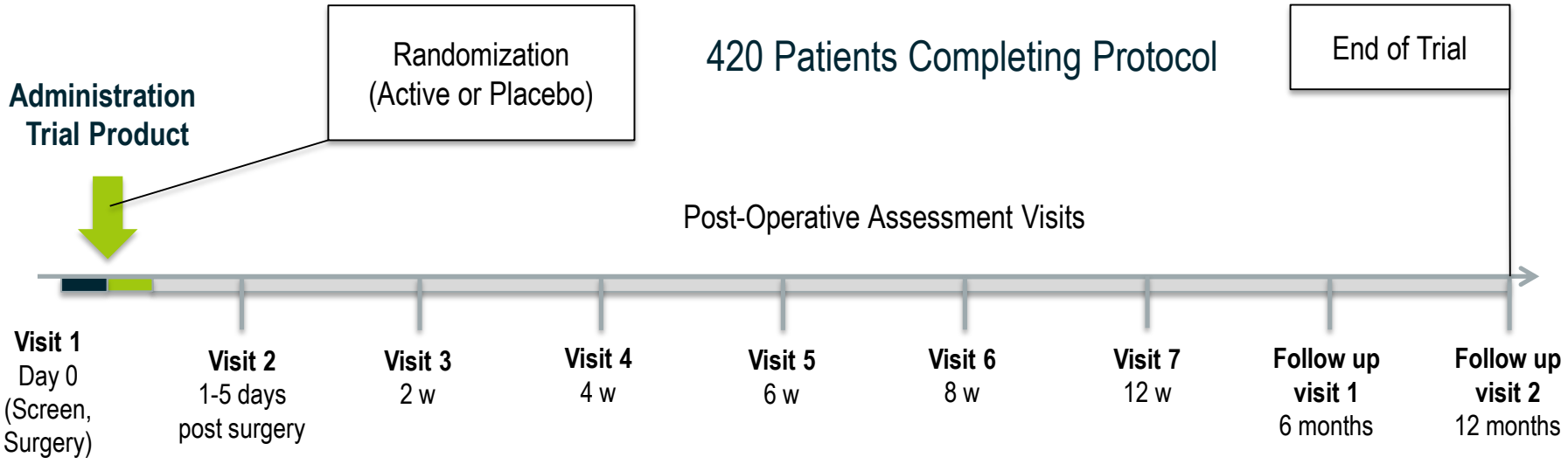
PHSU03: Phase III in EU & India

Study Basics PHSU-03:

- ~600 patients with accidental transection of flexor tendon in zone II of the hand
- Single administration in conjunction with surgery of PXL01 (two doses) vs. placebo (saline) (1:1:1)
- Efficacy and safety followed until 12 months post-surgery
- Study centers in Sweden, Germany, Poland, India and at least one more EU country



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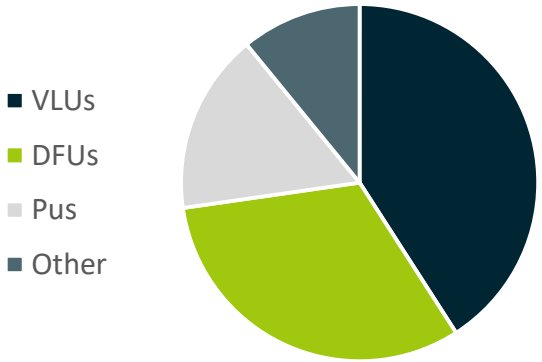
LL-37: Treatment of Chronic Wounds

Medical Need and Costs for Society

- >15 million patients with **challenging wounds** on the major pharmaceutical markets



- Very few prescription products
  - Some available for DFUs, but all with limited medical value
- Low R&D competition
- Costs for treating chronic wounds exceed 10,000 USD per episode

Promore Pharma and LL-37

- Naturally occurring peptide (cathelicidin)
  - Antimicrobial
  - Angiogenic
  - Stimulates keratinocyte migration
- LL-37 involved in wound biology
  - Present in acute wounds but not in chronic wounds
- First indication VLUs
  - Largest patient population in major pharmaceutical markets
  - No pharmaceuticals available
  - Not as complicated from a development perspective
- All chronic wounds could potentially be addressed with LL-37

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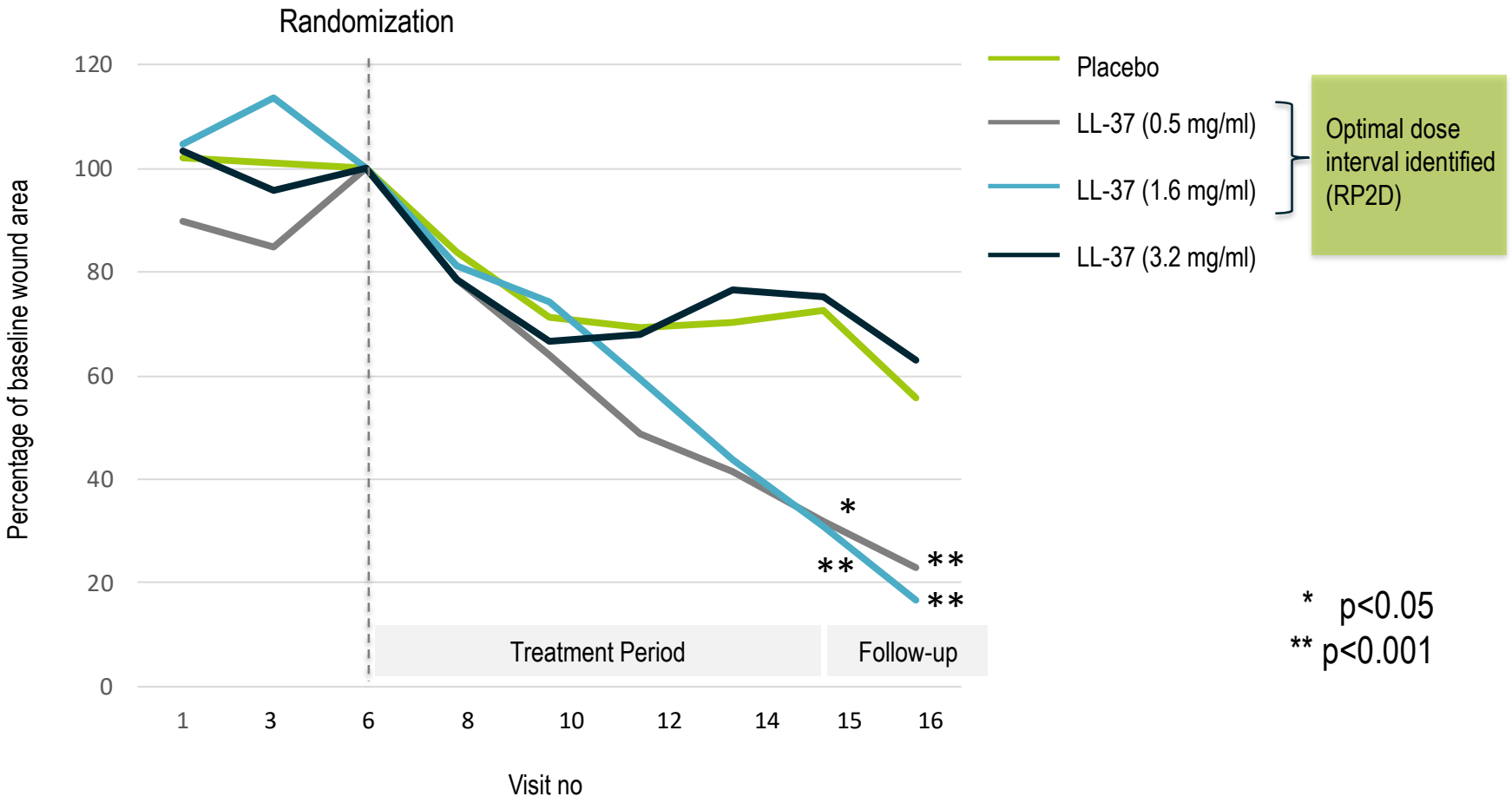
LL-37 Efficacy: Wound Area Reduction (%)

Optimal dose range for Phase IIb identified



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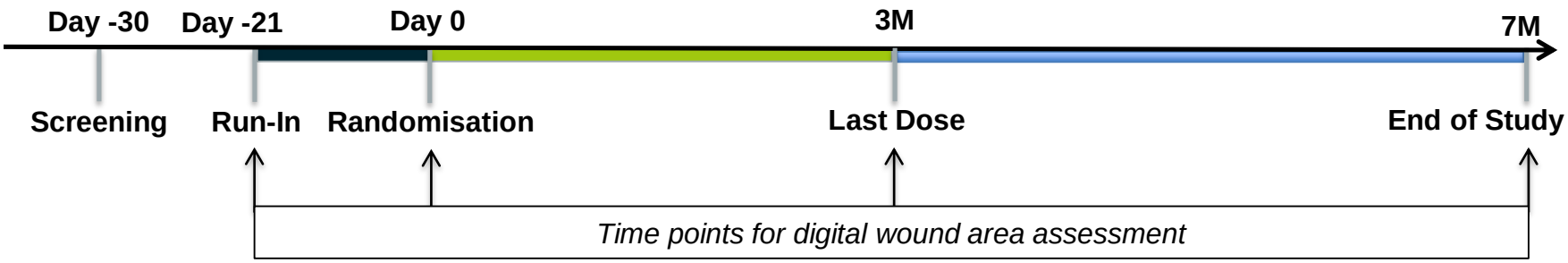
HEAL LL-37: Phase IIb Trial in VLUs

Study basics:

- Recruiting 120 patients (completing protocol) in 2 countries (Sweden, Poland)
- 3 week run-in on placebo; followed by treatment with active or placebo for 3 months (application 2 times per week); 4 months follow-up
- 3 arms with 40 subjects in each: 2 doses of LL-37 *vs.* placebo



Criteria for evaluation:

- % completely healed wounds
- Multiple secondary endpoints

The subjects are randomised to three groups:

- Placebo (N=40)
- LL-37 0.5 mg/mL (N=40)
- LL-37 1.6 mg/mL (N=40)

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Business Strategy

Take PXL01 to market in EU

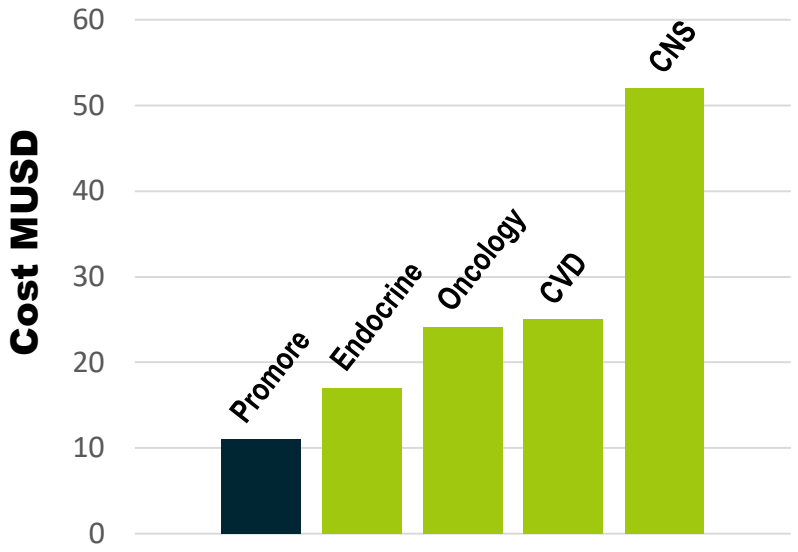
- Phase III program (PHSU03) being prepared in EU and India
- Market Authorization and Commercialization
  - Develop PXL01 all the way to market in EU; target timeline is 2022
  - Either commercialize first indication independently in EU or through partnerships
- Seeking partnerships for both other territories (ex-EU) and indications

Partnering LL-37

- Phase IIb (LL-37 HEAL) ongoing in EU
  - Target timeline for completion of the Phase IIb clinical trial is 2020
- After completion, Promore Pharma will seek one or several partnerships with multi-national companies for confirmatory trials and MA
- Potential for indication broadening to other common types of hard-to-heal wounds

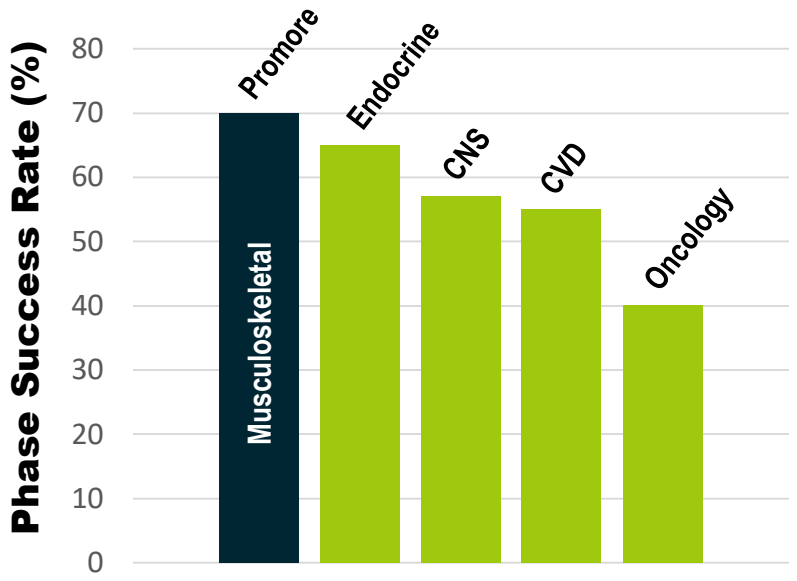
Phase III Costs & Risks

Phase III Costs



Ref: Martinez, 2016 Driving Drug Innovation and Market Access: Part 1-Clinical Trial Cost Breakdown

Phase III Success Rate



Ref: BIO 2016, Clinical Development Success Rates 2006-2015

High cost-effectiveness in late stage development

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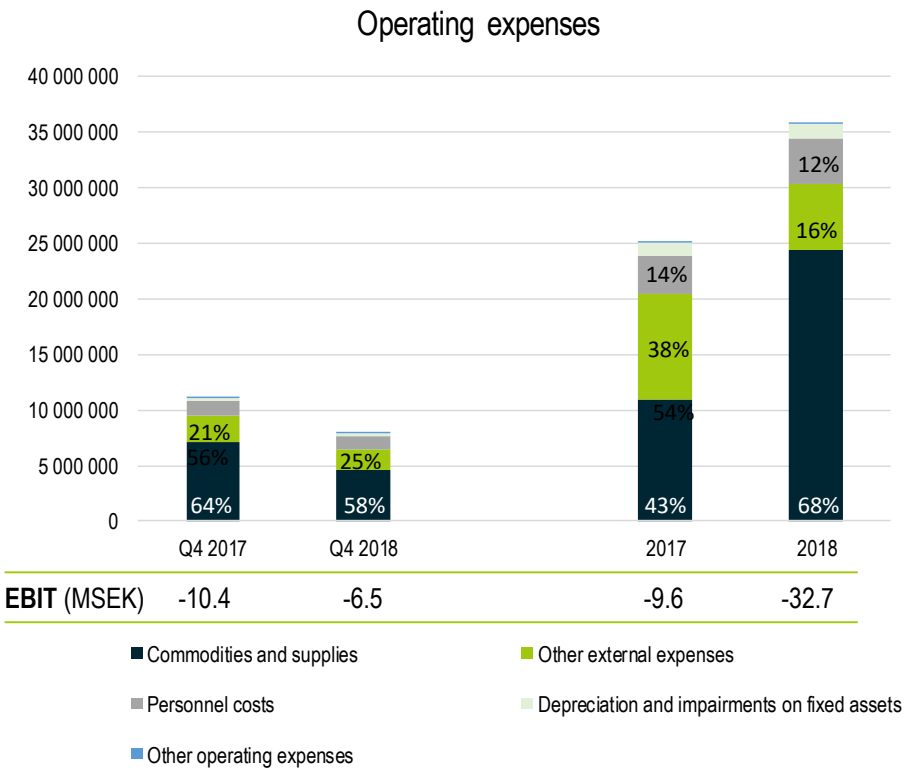
2018 Financial Data



- Operating loss was 32.7 MSEK in 2018 compared to an operating loss of 9.6 MSEK in 2017
  - Increase in R&D expenses explained by increased development activities in both projects
  - External costs decreased in 2018 due to higher costs in 2017 because of the Nasdaq First North listing
  - Personnel costs increased in absolute terms in 2018 following the employment of the CEO in May 2017
  - In 2017 the company also received milestone payments from PRP of 1.5 MEUR, which improved EBIT
- Cash at end of 2018 was 31.0 MSEK
  - Listed warrants matured 22 February 2019 did not generate any funds

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Executive Summary

Late stage clinical development project with extraordinary safety

1. Late stage clinical development phase
2. Unmet medical need – no pharmaceutical products
3. Validated technology with strong IP protection
4. Strong safety profile and low development costs
5. High growth potential – high growth market segment and additional indications

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