Hematology
is in our blood

Boule Diagnostics AB
Biosurfit partnership overview
December 20, 2018

Fredrik Dalborg, CEO
Christina Rubenhag, CFO
Boule Diagnostics strategies: being implemented

Protect and grow our core business:
Continued efficiency improvements and capacity expansion, quality and regulatory compliance, developing and launching next generation product platforms.

Grow in emerging markets:
Evolving distributor relationships and strengthening local presence.

Grow in new customer segments and markets:
Resource, sales approaches and partnerships to enter new customer segments and geographical markets.

Evolve OEM and CDS brand business:
Selective initiatives in profitable growth segments.

Broaden the product portfolio:
Develop new product platforms and broaden the product portfolio through partnerships and acquisitions.
Innovation: Evolving the offering to meet current and future customer needs

- New sensor technologies
- Smaller point of care systems
- Adjacent diagnostic tests
- Regional manufacturing
- Automation
- Business Development
- R&D
- Manufacturing
- Cost efficiency
- Higher throughput
- Ease of use
- Software (analysis algorithms)
- IT Integration
Biosurfit spinit®: Unique multi test platform for near patient use

- Multi test platform spinit® for near patient use: hematology, clinical chemistry and immunoassays
- Designed for ease of use, finger stick sample
- Current CE marked applications: CRP (infection), Blood Count (5part), HbA1c (diabetes).
- Multiple planned additional applications: Lipids (heart disease), D-dimer (blood clotting), etc.
- Highly innovative technology: 31 patent families
- Early stage commercial phase, 700 instruments sold to date in Europe
- Main competitors are multi test platforms such as Eurolyser and Abbott Afinion. The spinit® combination of applications is unique, being the only instrument with a hematology application (Blood Count)

- Small footprint
- User-friendly operation
- Reliable results in minutes - short test time
- Lab quality precision
- All reagents on discs
New automated, large scale disposable disc production line implemented during 2018, enabling growth.
Trends in the decentralized, near patient segment

- Patients expecting easy access to testing and quick results
- Use of finger stick (less invasive and allowing for less skilled staff)
- More advanced technologies made available for smaller lab applications
  - Broader types of diagnostic tests
  - More advanced sensor technologies
  - More parameters
  - Ease of use and analytical support
- Consolidation of small labs, volume requirements increasing in some segments
- New, near patient segments emerging (urgent care centers, pharmacies, home care, etc.)
Trends in the decentralized, near patient segment

- Patients expecting easy access to testing and quick results ✔ ✔
- Use of finger stick (less invasive and allowing for less skilled staff) ✔ ✔
- More advanced technologies made available for smaller lab applications
  - Broader types of diagnostic tests ✔
  - More advanced sensor technologies ✔ ✔
  - More parameters ✔ ✔
  - Ease of use and analytical support ✔ ✔
- Consolidation of small labs, volume requirements increasing in some segments ✔
- New, near patient segments emerging (urgent care centers, pharmacies, home care, etc.) ✔
The partnership creates broader potential and adds leading sensor technologies

In house sensor technologies:
- Impedance

Current
- Hematology

Future potential
- Clinical Chemistry
- Hematology
- Immunoassays
- Impedance
- Laser
- Imaging
- Surface Plasmon Resonance
- Spectrophotometry
Addressable market for the spinit® product

*Annual growth 7-8% per year*

USD m

<table>
<thead>
<tr>
<th>Test</th>
<th>Addressable global market (USD m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hematology</td>
<td>215</td>
</tr>
<tr>
<td>HbA1c</td>
<td>282</td>
</tr>
<tr>
<td>CRP</td>
<td>200</td>
</tr>
<tr>
<td>Lipids</td>
<td>349</td>
</tr>
<tr>
<td>Current total</td>
<td>1046</td>
</tr>
</tbody>
</table>

Source: Kalorama 2018, Markets and Markets 2017, broker reports, biosurfit and Boule analysis
The partnership provides access to innovative sensor technologies

- Currently strong development in the field of imaging for cell counting and classification
  - Cameras, computer processors and software (machine learning) are rapidly evolving and becoming less expensive
  - A number of products are being launched (CellaVision DC 1, PixCell, Athelas)

- The spinit® system is currently using imaging for in-flow counting and classification of the cells (5 differential), CE marked protocol

- The spinit® system is currently using Surface Plasmon Resonance and Spectrophotometry for clinical chemistry and immunoassays
Deal structure

• Acquiring 24.99% of company for 5 M EUR, half paid in December 2018, half in January 2019

• Co-investment of 5 M EUR by investment fund 200m, option to take over stake in 2021 for 5 M EUR plus interest

• Option to acquire remaining 50% in 2022. Valuation based on revenues using pre determined formula
Summary of rationale and strategy

- Allowing Boule to respond to key trends in our core customer segment
  - Meeting current and growing customer need of simple to use system, with multiple tests
  - Allowing Boule to take important technology leap that would otherwise be very costly and time consuming (multiple assay platform, imaging technology for hematology)
  - Allowing Boule to take position in new near patient segments (pharmacies/online doctors), a strong trend starting in home markets Sweden and US

- Access to product early in life cycle with interesting growth potential
  - Opportunity for Boule to enter at commercialization stage after >10 years of development work
  - Early commercial stage: The product is CE marked, sales started, product performance is stable after recent improvements, additional protocols under way, large scale manufacturing capacity in place
  - Additional growth potential in veterinary and pharmacy markets

- Strengthens Boule current core business
  - Additional revenue potential through distribution agreement
  - Adds to product portfolio, stronger portfolio provides access to new distributors and strengthens relationships with current distributors
  - Opportunities for package deals, supporting current core products sales, leveraging unique spinit® product features

- Balanced stepwise investment approach
  - Stepwise investment scheme, reducing risk and managing cash flow
  - Risk management: option, but no obligation to make further investments
  - Valuation of final 50% based on business performance, valuation metrics pre-determined

- Efficient coordination and integration
  - No significant integration efforts required near term
  - To a large extent leveraging Boule current distribution channels
Significant additions to the Boule product portfolio

Adding entry level 5 part system to the portfolio
- Strengthens portfolio, logical addition to current products
- Expected to create additional growth and also drive growth for current portfolio (combined tenders, strengthening commercial channel)
- Launch in November 2018

Providing new advanced hematology technology to the decentralized segment
- Advanced imaging technology through collaboration with Cellavision (launch of DC 1 imaging system for decentralized lab)

Strengthening vet portfolio
- New 4 part hematology platform
- Clinical chemistry for veterinary market

Adding new adjacent diagnostic tests for the near patient, (point of care) market
- Distributing point of care CRP testing in US and LATAM
- Clinical chemistry for veterinary market
- Spinit®: Hematology, clinical chemistry, immunoassays
Thank you!