



Q1 2022 Report

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- **Forward-looking statements**

- This presentation may contain certain forward-looking statements and forecasts based on uncertainty, since they relate to events and depend on circumstances that will occur in the future and which, by their nature, will have an impact on Sedana Medical's business, financial condition and results of operations. The terms "anticipates", "assumes", "believes", "can", "could", "estimates", "expects", "forecasts", "intends", "may", "might", "plans", "should", "projects", "will", "would" or, in each case, their negative, or other variations or comparable terminology are used to identify forward-looking statement. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied in a forward-looking statement or affect the extent to which a particular projection is realized. Factors that could cause these differences include, but are not limited to, implementation of Sedana Medical's strategy and its ability to further grow, risks associated with the development and/or approval of Sedana Medical's products candidates, ongoing clinical trials and expected trial results, the ability to further commercialize Sedaconda ACD and Sedconda (isoflurane), technology changes and new products in Sedana Medical's potential market and industry, the ability to develop new products and enhance existing products, the impact of competition, changes in general economy and industry conditions and legislative, regulatory and political factors.
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A close-up photograph of a patient lying in a hospital bed, receiving inhaled sedation. The patient's eyes are closed, and they are wearing a white oxygen mask. A clear plastic device, labeled 'sedanda ACD-S', is connected to the mask and a white corrugated tube. A healthcare professional in blue scrubs is visible in the background, attending to the patient. The scene is brightly lit, suggesting a clinical setting.

Our Purpose

To improve life during
and beyond sedation

Our Vision

To make Inhaled Sedation a
global standard therapy for
critical care patients

Q1 2022 Highlights

Financial performance

- Net sales of **SEK 34 million** (-25%), explained by a significant decline in the number of ventilated ICU patients in Q1
- Sales **higher than pre-Covid-19 levels** as more clinics are equipped for inhaled sedation
- Gross margin of **68%** (up from 64%), driven by lower transportation costs and positive impact from the market mix
- Cash balance of **SEK 779 million**

Launch in Europe underway

- First bottles of **Sedaconda (isoflurane)** shipped to customers in Q1
- Sedaconda (isoflurane) is now available in **Germany, Sweden and the Netherlands**
- **NICE guidance** recommending inhaled sedation with Sedaconda ACD as cost-effective

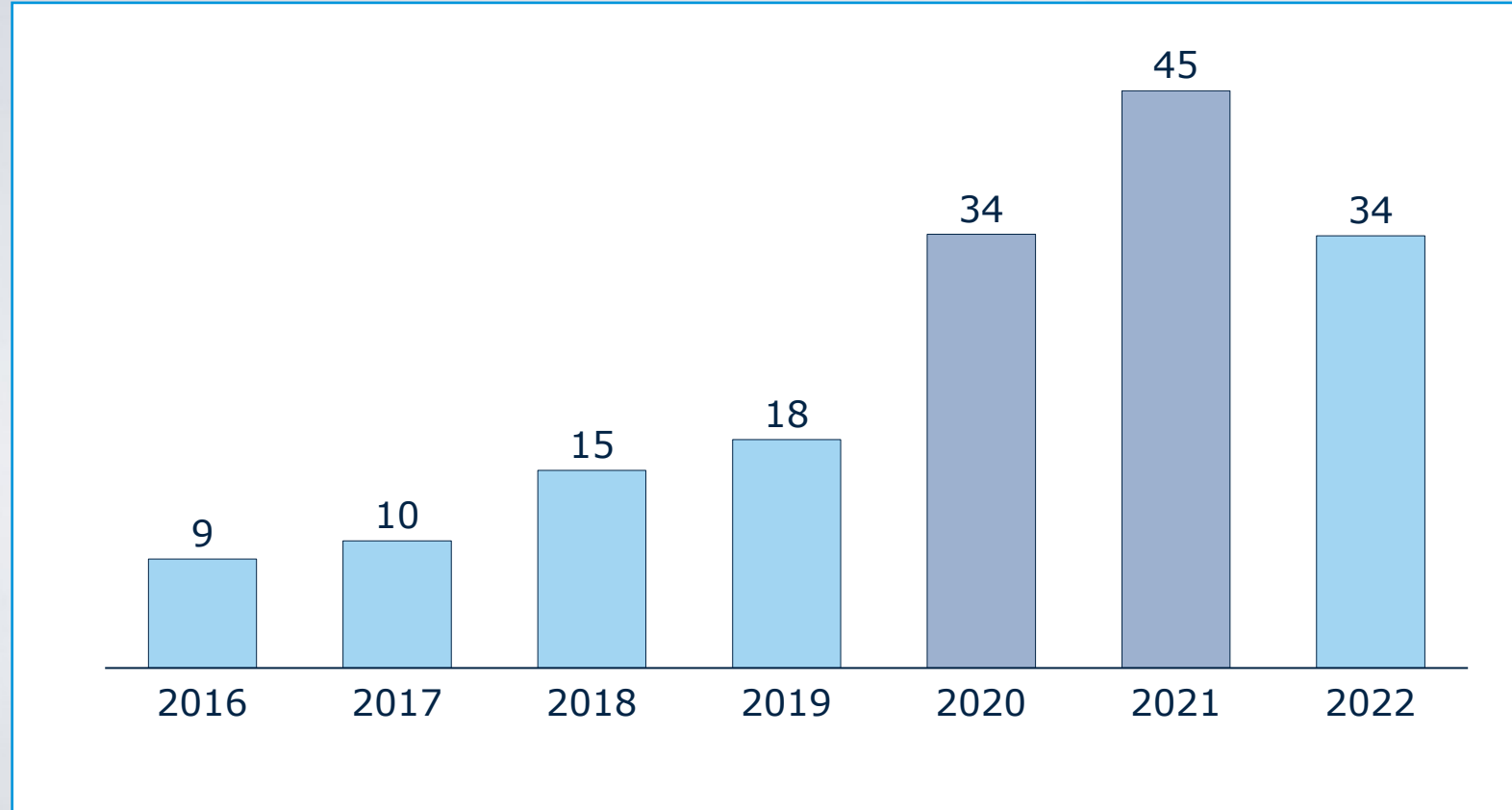
U.S. studies initiated

- United States represents the **largest commercial opportunity**
- **First patient enrolled** in INSPIRE-ICU 1 trial, in line with ambitious time plan
- **Planning for organizational build-up** in United States ongoing

In Q1, sales have declined after the Covid-19 years 2020 and 2021, but levels are higher than pre-Covid

Q1 net sales over time

SEK million



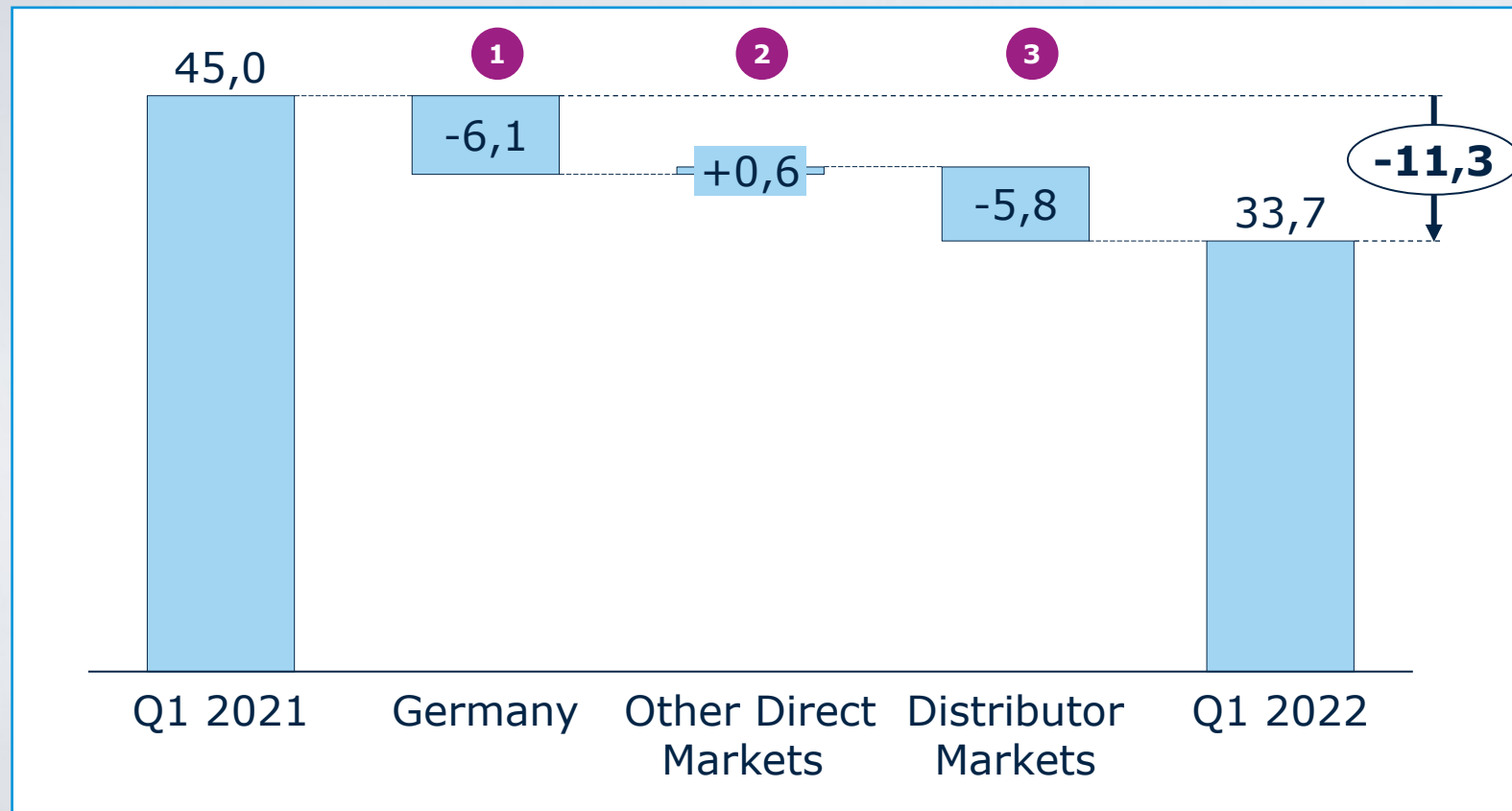
Comments

- Covid-19 resulted in a trend-break in the long-term sales development
- Lower sales in 2022 due to a significant decline in ventilated ICU patients (both Covid and non-Covid)
- Higher level than the long-term trend as Covid-19 has led to more clinics using inhaled sedation

The sales gap vs. 2021 is explained by lower sales in Germany and Distributor Markets

Sales bridge Q1 2021 vs. 2022

SEK million



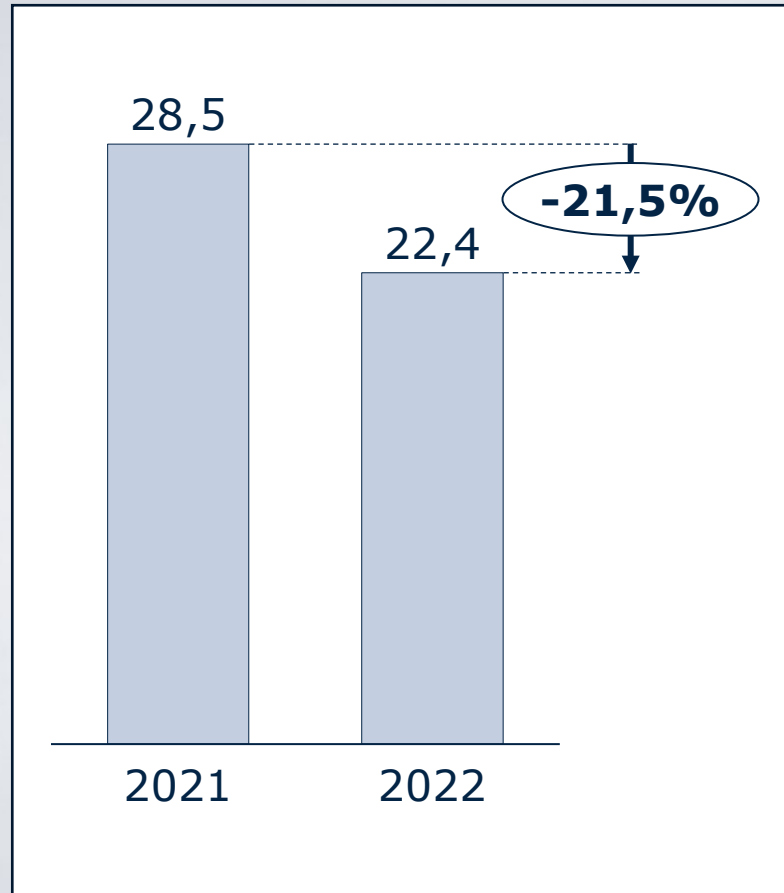
Comments

- **Germany:**
Q1 sales of 22.4 MSEK (-22% vs. Q1 last year)
- **Other direct markets:**
Q1 sales of 5,6 MSEK (+12% vs. Q1 last year)
- **Distributor markets:**
Q1 sales of 5.6 MSEK (-51% vs. Q1 last year)

1 Germany's performance is affected by a contraction of the addressable market

Net sales in Germany

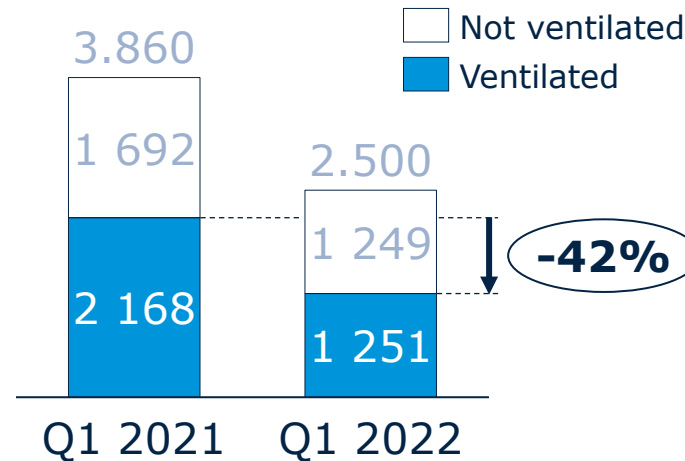
Q1 2022, SEK million



Market dynamics

Ventilated patients in German ICUs

Covid-19 patients per day



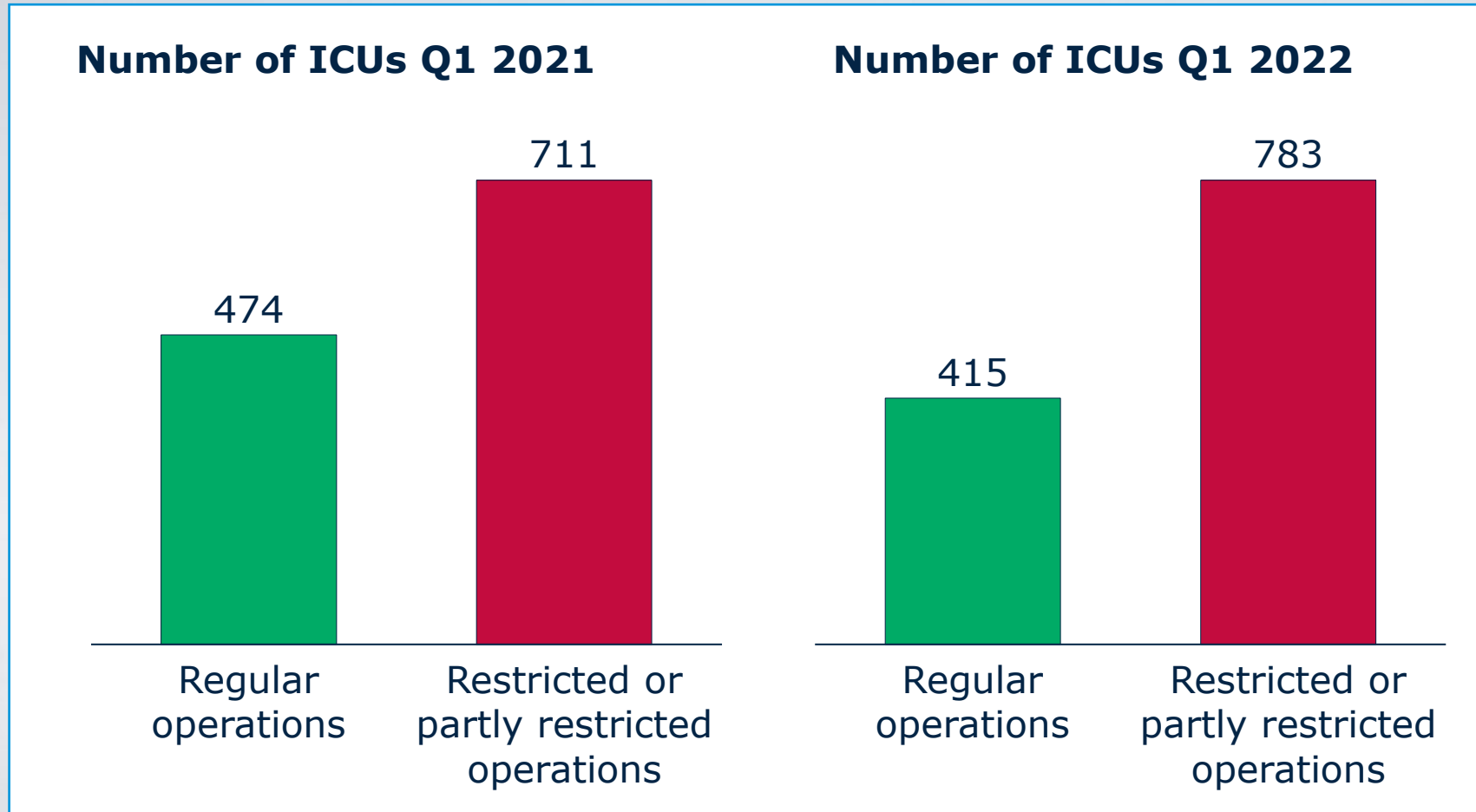
Other patients

No official statistics available, but numbers have also declined significantly for other patients

- Less elective surgeries due to high level of staff absence in hospitals
- Less community-acquired infections due to continued hygiene measures

- Omikron variant leading to less severe cases
- Trend has continued into April (currently ~80% less ventilated patients than 2021)

1 Even more German ICUs had restricted operations in Q1 2022 than last year

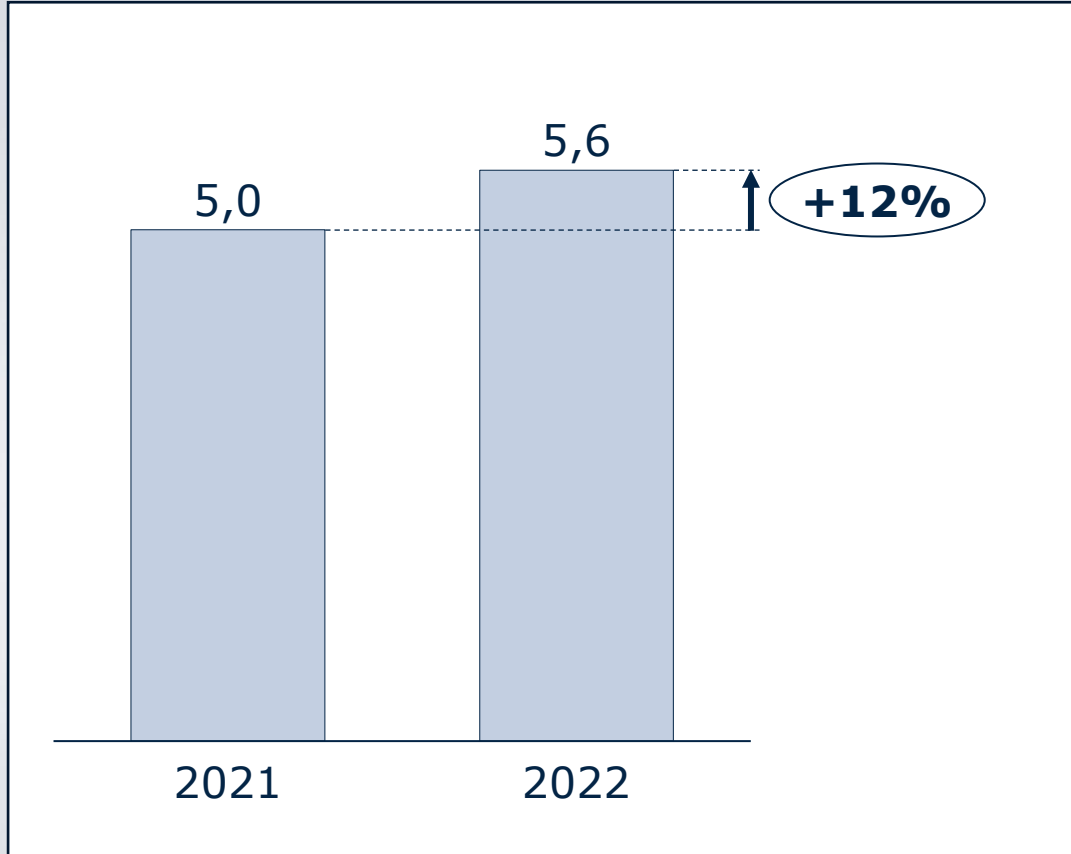


- German ICUs have a maximum number of patients per nurse:
 - Day shift: 2 patients per nurse
 - Night shift: 3 patients per nurse
- Due to staff shortage (omikron, burn-out, high turn-over after Covid-19), majority of ICUs had to...
 - Reduce capacity
 - Restrict access

2 Other direct markets: growth driven by Spain, France and UK

Net sales in Direct Markets (excl. Germany)

Q1 2022, SEK million



Market dynamics

Similar dynamics as in Germany...

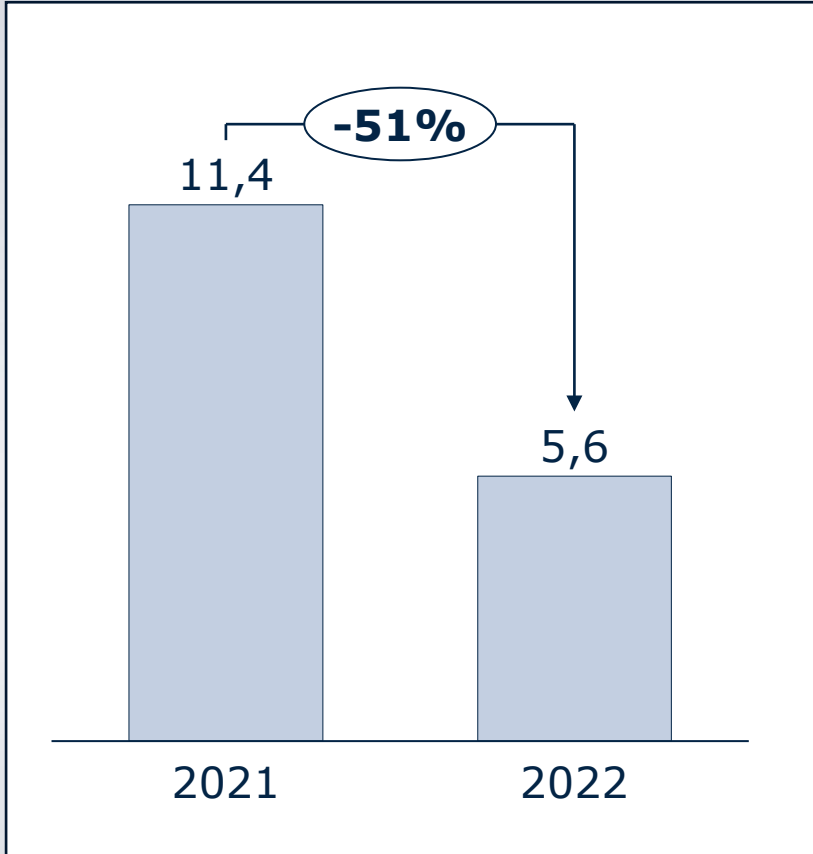
- Less ventilated patients and reduced ICU capacity across direct markets
- (Partly heavily) restricted access to ICU customers

... but offset by underlying growth

- Good momentum, especially in Spain, France and UK
- Comparably low levels in some countries in Q1 2021 (due to stock-up in the first Covid-19 winter)

3 Distributor Markets: decline is explained by South America

Net sales in Distributor Markets
Q1 2022, SEK million



Sales growth/decline Q1, 2022 vs. 21
SEK million



3 Overall, we are seeing good momentum in our distributor markets

Recent progress...

Q4



Approval of Sedaconda ACD in **Turkey** (10.000 ICU beds)



Approval of Sedaconda ACD in **Argentina** (8.000 ICU beds)



Filed for Marketing Authorization of Sedaconda ACD in **China**

Q1



Approval of Sedaconda ACD in **Brazil** (26.000 ICU beds)



Approval of Sedaconda ACD in **Indonesia** (30.000 ICU beds)

... and several possible launches in 22/23



With convincing clinical and health-economic benefits, our target is to become standard of care



Clinical benefits (SED-001 2021)

- **Non-inferior** sedation to propofol
- 29% **lower opioid requirements** during treatment
- More commonly observed **spontaneous breathing**
- **Shorter** and more **predictable wake-up times**
- **Well tolerated** for sedation in the ICU



Health-economic benefits (NICE 2022)

- Sedaconda ACD is recommended as a **cost-saving option** for delivering inhaled sedation in an intensive care setting
- Cost savings compared with intravenous sedation of **almost £3,834** per adult patient¹

¹ 30-day time horizon for adult patients needing mechanical ventilation for 24 hours or longer in intensive care

Outlook – several growth horizons ahead



	Launch 2022	Grow 23-25	Expand 2025+
Market	<ul style="list-style-type: none"> Some (more) quarters may be affected by lower ICU capacity and access restrictions 	<ul style="list-style-type: none"> Normalization to pre-Covid levels and market growth in line with demographics (assuming no new wave) 	<ul style="list-style-type: none"> Addition of US market (largest commercial opportunity)
Company	<ul style="list-style-type: none"> Full focus on commercial execution Launches of Sedaconda (isoflurane) 	<ul style="list-style-type: none"> Drive towards standard of care in as many accounts as possible 	<ul style="list-style-type: none"> Launch in United States Further grow European business
What to expect	<ul style="list-style-type: none"> Sedaconda available in all major direct markets by year end Increasing penetration of inhaled sedation and gradual shift to on-label isoflurane 	<ul style="list-style-type: none"> 500 MSEK sales in Europe in 2025¹ Majority of off-label isoflurane converted 	<ul style="list-style-type: none"> Sales guidance (incl. US) to be given closer to launch 40% EBITDA in steady state after US launch Current cash level sufficient to finance US launch

¹ Changed from 2024

The first patient has been enrolled in our US clinical trials



INSPIRE·ICU

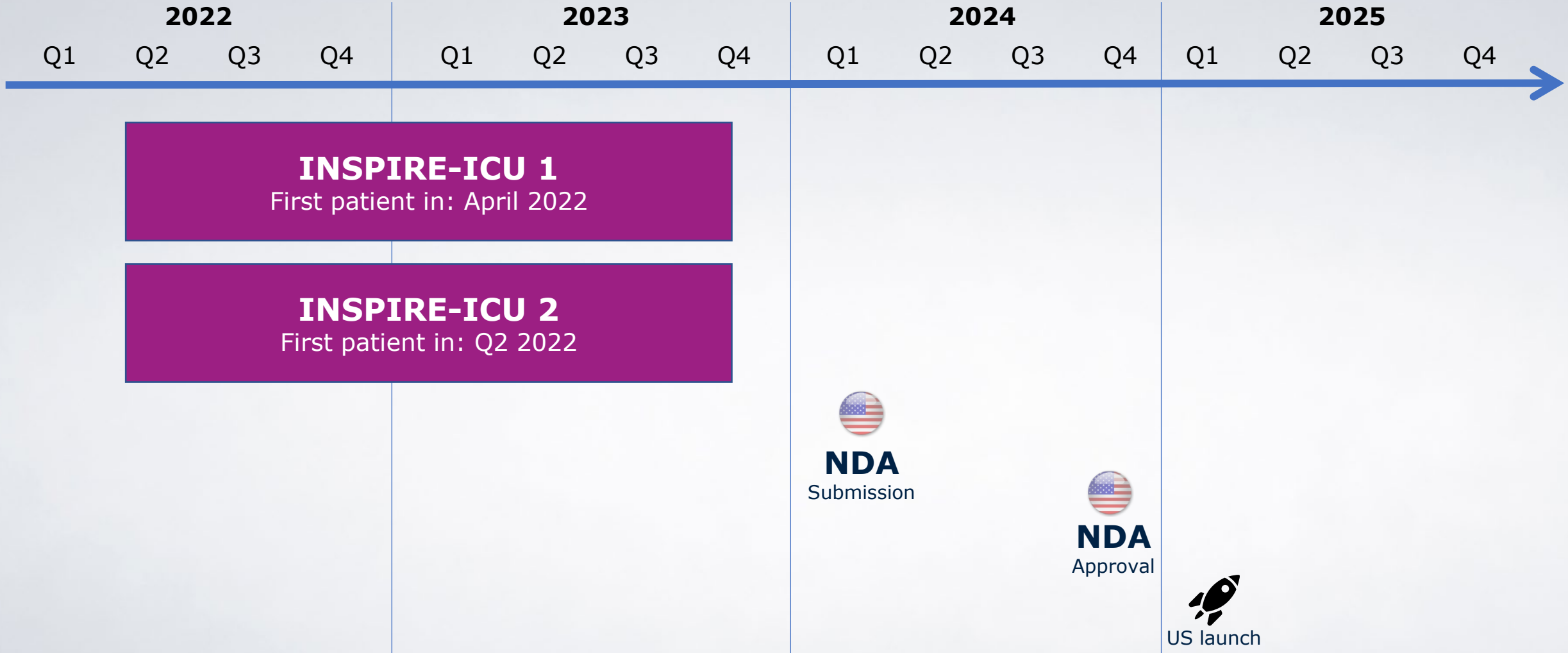
First patient in.

April 2022



- Two identical phase III studies (**INSPIRE-ICU 1&2**) to confirm efficacy and safety of inhaled isoflurane, delivered via Sedaconda ACD, for sedation of adult mechanically ventilated ICU patients, in comparison to IV infusion of propofol
- **470 adult patients** in **25-30 sites** (plus 3-5 “run-in patients” per site)
- **Primary end point:** proportion of time spent within the target range of sedation depth in absence of rescue sedation, as assessed according to the Richmond Agitation Sedation Scale (RASS)
- **Secondary endpoints:** use of opioids, wake-up time, cognitive recovery after end of sedation, and spontaneous breathing effort
- Assessments will be performed by **blinded assessors** to meet the requirements of the FDA

Development program continues to progress according to plan



Commercial impact from the war in Ukraine is limited, but need for new set-up for gas monitor business

Commercial

- No commercial presence in Ukraine
- Very limited (distributor) sales in Russia (0.1% of sales in 2021)



Gas monitor

- Sedana Medical's gas monitor is sourced from a Russian engineering company
- Not a significant sales and profit contributor, but an important enabler for inhaled sedation
- Sufficient supply on stock to satisfy demand for next 12 months
- Started project to supply alternative gas monitor



FINANCIAL HIGHLIGHTS

Financial result in Q1 2022

Net sales **Q1'22:** 34 (45) MSEK, -25% y/y, -28% y/y at constant FX
 FY'21: 159 MSEK

- Sales in Germany decreased by 22% compared to Q1 2021, due to a decline of ventilated patients and restricted operations in intensive care units
- Sales in South America decreased due to artificially high sales in Q1 2021 due to the propofol shortage. Also, stock-up in Q4 2021 in anticipation of another Covid-19 wave that did not materialize resulted in no orders received in January-February
- Other markets: solid growth but from lower base

Gross Profit **Q1'22:** 23 (29) MSEK
Gross Margin **Q1'22:** 68 (64) %

- Improved margin is mainly due to lower transportation costs and to some extent to a positive market mix (lower share of distributor markets)
- Lower shipping costs due to more sea freight

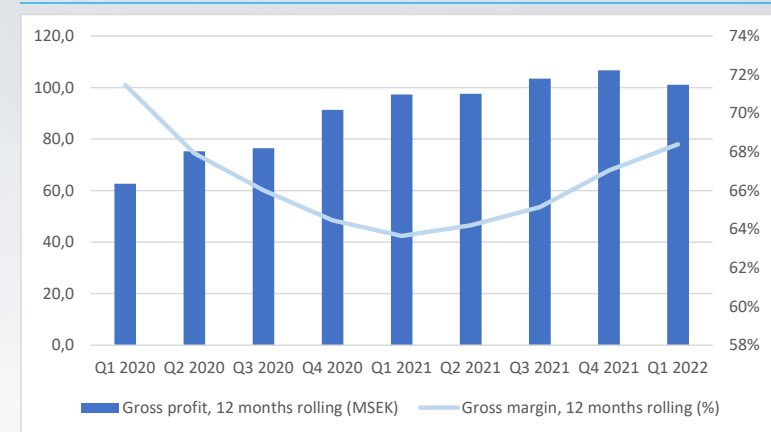
EBITDA **Q1'22:** -16 (-8) MSEK

- Opex (selling, admin, R&D, other) of 45 MSEK in Q1 2022, up vs Q1 2021 (39) but down vs Q4 2021 (51)

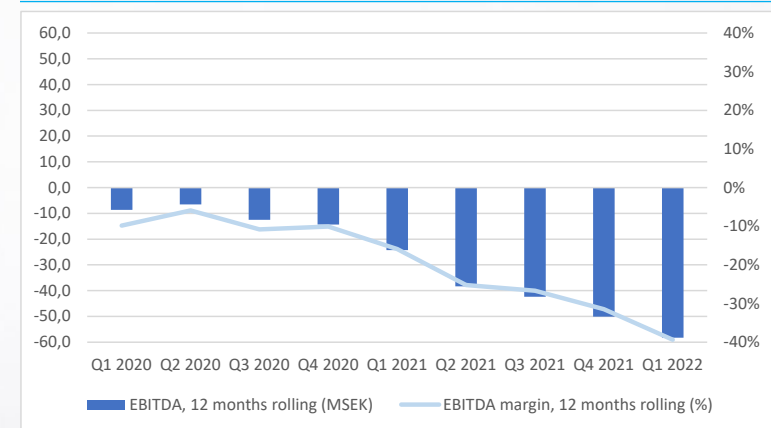
Staff, incl consultants, per Mar 31, 2021: 102 (107 at Dec 31 2021)

- Some overlap of employees and consultants during Q4 2021

Gross profit development



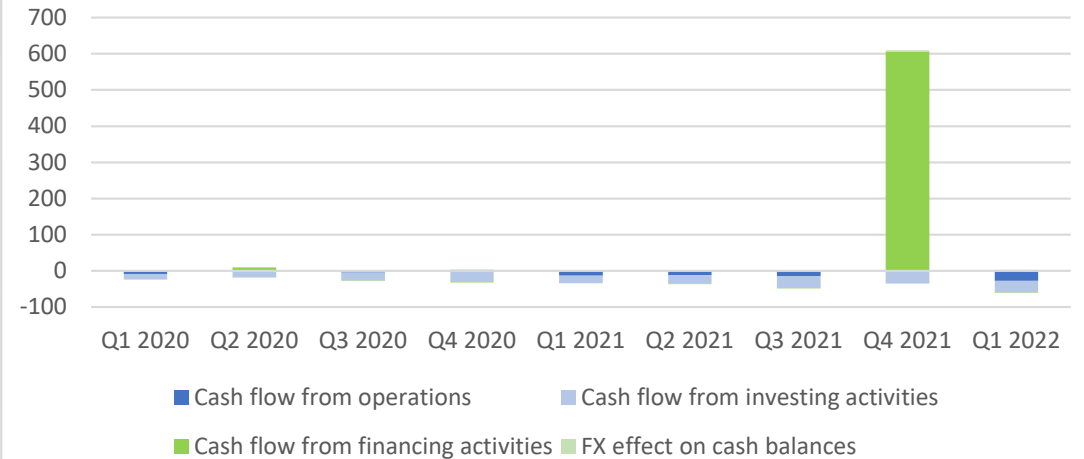
EBITDA development



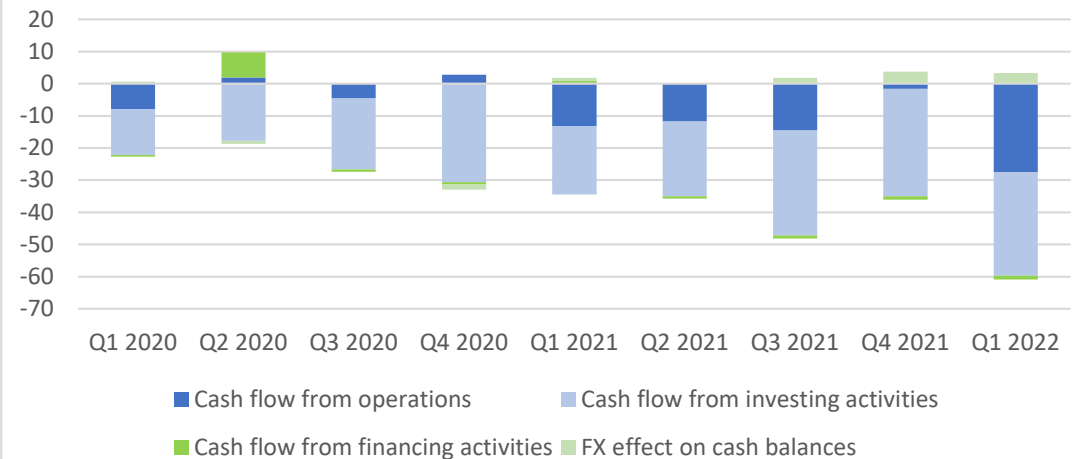
Cash flow and cash balance

- **Cash flow from operations Q1'22:** -28 (-13) MSEK, of which cash flow from working capital of -11 MSEK related to increased inventory levels and lower current liabilities (VAT, bonuses).
- **Cash flow from investments Q1'22:** -32 (-21) MSEK, of which the vast majority is related to expenses for clinical studies and work on registration of Sedaconda ACD and Sedaconda (isoflurane) in the United States, as well as investments related to the paediatric study in the EU.
- **Cash flow for the period Q1'22:** -61 (-33) MSEK
- **Cash balance per Mar 31, 2022:** 779 MSEK compared to 836 MSEK at the beginning of the quarter (including 3 MSEK FX effect)
 - We expect to be fully funded until break-even and through the US launch phase
- **No long-term financial loans / debt free company**
- **Move to Nasdaq main market in Stockholm:** We have finalized an assessment and now have a tentative work plan that should lead to a main market listing end of this year

Cash development, MSEK



Cash development, MSEK (excl Dec'21 capital raise)



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Q&A

