

# BIONOR

## THIRD QUARTER 2015 RESULTS





# AGENDA

- CLINICAL AND OPERATIONAL HIGHLIGHTS
- STRATEGIC UPDATE
- FINANCIAL REVIEW AND OUTLOOK

## HIGHLIGHTS Q3 2015

- The company revitalized its strategic focus on Vacc-4x and development plans based on a “Shock & Kill” clinical strategy
- Bionor announced 16 July 2015 a new agreement with Celgene securing a continued supply of romidepsin for use in BIOSKILL (Bionor Shock and KILL), a planned Phase II proof of concept clinical trial of Bionor’s proprietary therapeutic vaccine, Vacc-4x, together with romidepsin
- In September 2015, the results from Part A of the REDUC clinical trial were published for the first time, in the peer-reviewed journal PLOS Pathogens. Full results from Part B of the REDUC trial are expected year-end 2015
- After the balance sheet date, on 30 October 2015, Bionor announced a strategic augmentation of its Clinical Advisory Board to emphasize the company’s focus on functional HIV cure
- Net cash flow in Q3 2015 was NOK -19.8 million (Q3 2014: NOK 35.5 million)
- Cash and cash equivalents at 30 September 2015 was NOK 35.7 million (30 September 2014: NOK 103.7 million)
- Bionor’s available funding will take the company to finalization of REDUC and preparation of the BIOSKILL trial. The company is currently working to strengthen its working capital situation either by equity, debt, bonds, or a combination thereof.

# STRATEGIC UPDATE





**BIONOR'S STRATEGY IS TO ADVANCE VACC-4X  
IN COMBINATION WITH OTHER MEDICINES IN  
ORDER TO CONTRIBUTE TO A POSSIBLE  
FUNCTIONAL HIV CURE**



# **BIONOR IS WELL POSITIONED TO ADVANCE VACC-4X TO EXPECTED MAJOR VALUE INFLECTION POINTS AND POSSIBLE PARTNERING**

FIRST MOVER POTENTIAL

TARGETING GLOBAL HIV MARKET WITH SIGNIFICANT COMMERCIAL POTENTIAL

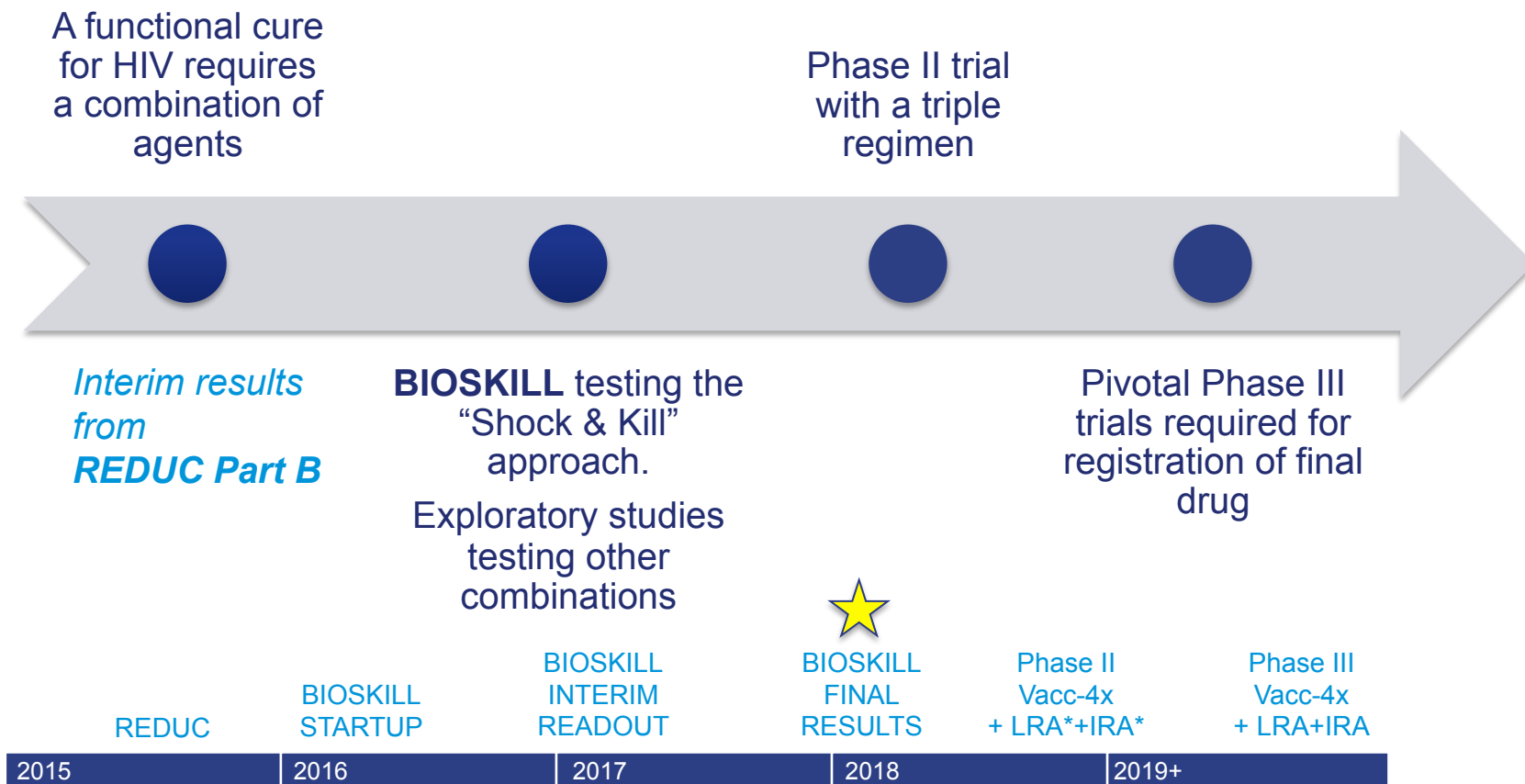
FULL PROPRIETARY RIGHTS TO ALL PRODUCT CANDIDATES

STRONG BOARD & MANAGEMENT

INTERNATIONAL CLINICAL ADVISORY BOARD WITH WORLD-LEADING KOLs

A CLEAR DEVELOPMENT STRATEGY

# ANTICIPATED OUTLINE FOR ADVANCING TOWARD A FUNCTIONAL HIV CURE



\* LRA: Latency Reversing Agent; IRA: Immune Regulating Agent



# BIOSKILL: A PROOF OF CONCEPT PHASE II CLINICAL TRIAL AS A STEP TOWARD ADVANCING A FUNCTIONAL HIV CURE

- **BIOSKILL** (BIOnor Shock and KILL) is intended to provide clinical proof of the indicative findings from the REDUC study that a “Shock & Kill” approach combining Vacc-4x with romidepsin may:
  - Shock latent HIV out of the reservoirs
  - Control activated HIV in the blood
  - Reduce latent reservoir size... showing that the combination of Vacc-4x and an HDACi\* has the potential to be a valid approach to functional HIV cure

 **NEXT STEP TO VALUE CREATION - BIOSKILL is expected to lead to major value inflection point**





# CLINICAL ADVISORY BOARD STRENGTHENED WITH ADDITIONAL FUNCTIONAL HIV CURE EXPERTS

**Bionor has assembled an international Clinical Advisory Board with world-leading key opinion leaders in HIV/AIDS treatment**

- Jürgen Rockstroh, Bonn, Germany (Chairman)
- Angus Dalglish, London, UK
- Steven G. Deeks, San Francisco CA, USA \*
- Christine Katlama, Paris, France \*
- Daniel Kuritzkes, Boston MA, USA \*
- Dag Kvale, Oslo, Norway
- Giuseppe Pantaleo, Lausanne, Switzerland
- Barry S. Peters, London, UK
- Richard Pollard, Sacramento CA, USA
- Lars Østergaard, Aarhus, Denmark

\* New member

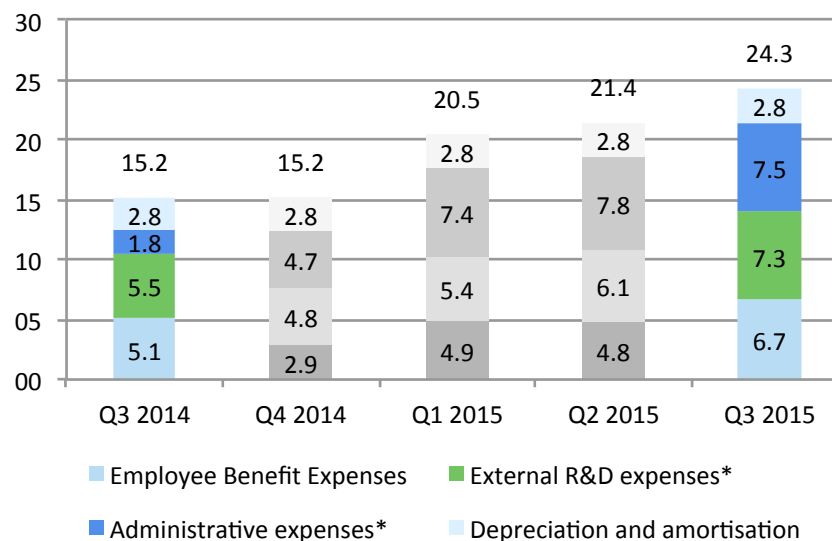
# FINANCIAL REVIEW



# INCOME STATEMENT

- Q3 Employee Benefit Expenses amounted to NOK 6.7 million (Q3 2014: NOK 5.1 million)
  - Hiring of new Executive Management
- Q3 Other operating expenses was NOK 14.8 million (Q3 2014: NOK 7.4 million)
  - Company infrastructure
  - Increased R&D expenses (REDUC Part B and BIOSKILL trials)
- 9M Employee Benefit Expenses amounted to NOK 16.4 million (9M 2014: NOK 10.9 million)
- 9M Other operating expenses was NOK 41.4 million (9M 2014: NOK 35.5 million)

## TOTAL OPERATING EXPENSES NOK million



\*) External R&D expenses + Administrative expenses  
= Other operating expenses

## CORE COST BASE

In NOK millions	Q3 2015	Q3 2014	9M 2015	9M 2014	FY 2014
Employee Benefit Expenses	6.7	5.1	16.4	10.9	13.8
+ Other operating expenses	14.8	7.4	41.4	35.5	45.1
- External R&D expenses	7.3	5.5	18.7	25.4	30.2
<b>Core cost base</b>	<b>14.2</b>	<b>6.9</b>	<b>39.0</b>	<b>21.0</b>	<b>28.6</b>

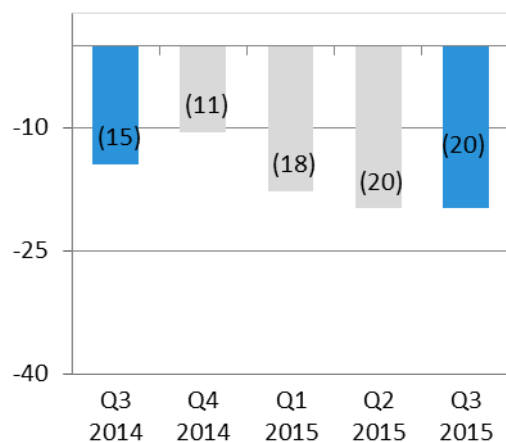
- Monitoring of financial performance and basis for financial outlook
- Costs required to run the company, excluding external R&D expenses, which can vary over time
- Increase in core cost base compared to 2014 related to invigoration of company strategy, management and infrastructure to maintain first mover potential to advance toward a possible functional HIV cure

Due to rounding differences certain summations might not add up. Please refer to note 4 on page 16 in the Q3 2015 Interim Financial Report for further specification of external R&D expenses

# CASH FLOW AND NET CASH

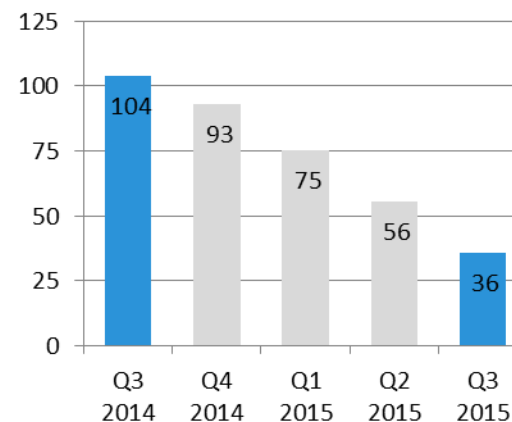
## CASH FLOW FROM OPERATING ACTIVITIES

NOK million



## NET CASH

NOK million



- Cash flow from operating activities was NOK -19.9 million (Q3 2014: NOK -14.5 million)
- Net cash flow was NOK -19.8 million (Q3 2014: NOK 35.5 million)
  - Issue of share capital in Q3 2014 of NOK 50.1 million

- Cash at hand at period end NOK 35.7 million (Period-end 2014: NOK 103.7 million)



## UNCHANGED FINANCIAL GUIDANCE FOR 2015

- For the full year 2015, Bionor expects the core cost base to be in the range of NOK 55–63 million
- Bionor's available funding will take the company to finalization of REDUC and preparation of the BIOSKILL trial. The company is currently working to strengthen its working capital situation either by equity, debt, bonds, or a combination thereof.



# Q&A

## Further information

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