Capital Markets Day

October 1, 2013

Anders Lönner
Disclaimer

Statements included herein that are not historical facts are forward-looking statements. Such forward-looking statements involve a number of risks and uncertainties and are subject to change at any time. In the event such risks or uncertainties materialize, Meda’s results could be materially affected. The risks and uncertainties include, but are not limited to, risks associated with the inherent uncertainty of pharmaceutical research and product development, manufacturing and commercialization, the impact of competitive products, patents, legal challenges, government regulation and approval, Meda’s ability to secure new products for commercialization and/or development and other risks and uncertainties detailed from time to time in Meda AB’s interim or annual reports, prospectuses or press releases.
Entering the next phase

- From SEK 13 MM own product sales to ~ SEK 13 Bn
- From 1% to around 30% EBITDA margin
- From 4 markets to direct presence in over 55 countries
- > 30 sizeable acquisitions (corporates and product rights)
Today’s presenters and agenda

Anders Lönnner
CEO of Meda AB

- Introduction

Jörg-Thomas Dierks
President & Regional Director US

- Meda – global overview
- Closing remarks

Maria Carell
Country Manager Russia

- The US – a good opportunity for Meda with Dymista and Aerospan

Elena Kartasheva
Global Head of Marketing

- Meda’s possibilities in Russia – an emerging market with strong growth

Hans Tritschler
Head of OTC International

- Dymista – the new drug of choice for allergic rhinitis

Dirk Groen
Country Manager Netherlands

- SB12 / CB12 – the internationalization
Meda 2013
Capital Market Day

Dr. Jörg-Thomas Dierks

October 1, 2013
Meda is one of the fastest growing pharmaceutical companies of the last decade.

The capability to generate this level of growth while at the same time increasing the profitability around 30% is uncommon in the pharmaceutical industry.
Growth in the past was mainly driven by acquisitions with 2 main effects:

- Geographic expansion
- Building of the product portfolio
Meda is now present in 81% of the pharmaceutical world market with its own organisations!
A product portfolio of a pharmaceutical specialty company – completed by own developments – has been built up.
2012: Meda generates growth which is not driven by acquisitions

- **Focus on the emerging markets**
  - Strengthen organizations in order to better exploit market potential

- **Roll out of the Nordic OTC portfolio throughout Europe**
  - CB-12, Naloc and Endwarts was launched in main European countries e.g. Germany, France, Austria, Netherlands, Ireland, Belgium, Switzerland, UK

- **Develop/register/launch or re-launch in area of expertise**
  - Register and launch Dymista® in the US/EU and selected emerging markets (Allergy)
  - Roll out of EpiPen® in Europe (Allergy)
  - Relaunch out of Elidel® worldwide (Dermatology)
  - Register Zyclara® in Europe (Dermatology)
  - Register Acnatac® in Europe (Dermatology)

RESULT: overall growth rate of 23%

RESULT: overall growth rate of 319%

Done!
• Continue that which was successfully started in 2012
  – Maintain strong growth in the emerging markets
  – Continue to expand OTC business and accelerate growth
  – Start launch of Zyclara® in Europe
  – And especially: Focus on Dymista® as one of Meda’s new leading brands and the US-market
But there is more that you have to know about Meda!
The Meda way

• Create dedicated team with people that can make a difference.

• Objective driven!

• Fast decision making – no big committees

• Work across our borders

• Improve steadily

• Focus on the client
Meda in 2015/2020 – what is our ambition?

- Strong focus on Dymista® in Rx, further product launches
- Roll out of the OTC portfolio
- Emerging markets
- Improve position as global player in our speciality areas

Growth
Thank you for your attention!
The US market – a good opportunity for Meda with Dymista and Aerospan

October 1, 2013
DYMISTA®
(azelastine hydrochloride and fluticasone propionato) Nasal Spray
137 mcg/50 mcg per Spray
Nasal Spray Market – Growing 4.3% CAGR and USD 3 billion in Value
MEDA US has Unique Opportunity

**Patanase LOE**
**June 2013**
- Astepro 0.15% gains share (recent pediatric indication approval lends value)

**Potential Nasacort OTC**
**January 2014**
- Minimal impact – product has limited market share
- SAR patients seek **rapid** relief & control

**Nasonex LOE**
**July 2014**
- Dymista becomes leading brand (market constricts)
  - SOV increases for every dollar invested
  - Opportunity for preferred formulary status
Dymista Poised to Become #2 Brand Behind Nasonex

Nasonex, current market leader, but Dymista about to overtake Veramyst to become the #2 brand.

Dymista TRx share: Branded 6.4% / Overall 1.5%
Dymista Market Share in Called-On Prescribers

Dymista weekly TRx share continues to grow within called-on prescribers.

Dymista fastest growing branded product in the category
Significant Growth and Opportunity – Monotherapy ICS Market

**Mono Therapy ICS Market – Sales** ($ in billions)

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales ($ billions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>$948</td>
</tr>
<tr>
<td>2006</td>
<td>$968</td>
</tr>
<tr>
<td>2007</td>
<td>$1,141</td>
</tr>
<tr>
<td>2008</td>
<td>$1,206</td>
</tr>
<tr>
<td>2009</td>
<td>$1,283</td>
</tr>
<tr>
<td>2010</td>
<td>$1,392</td>
</tr>
<tr>
<td>2011</td>
<td>$1,656</td>
</tr>
<tr>
<td>2012</td>
<td>$1,822</td>
</tr>
</tbody>
</table>

CAGR 07–11 10%

**Mono Therapy ICS Market – TRx** (TRx in millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>TRx (in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>9.0</td>
</tr>
<tr>
<td>2006</td>
<td>8.5</td>
</tr>
<tr>
<td>2007</td>
<td>9.2</td>
</tr>
<tr>
<td>2008</td>
<td>9.6</td>
</tr>
<tr>
<td>2009</td>
<td>10.5</td>
</tr>
<tr>
<td>2010</td>
<td>11.0</td>
</tr>
<tr>
<td>2011</td>
<td>11.5</td>
</tr>
<tr>
<td>2012</td>
<td>12.1</td>
</tr>
</tbody>
</table>

CAGR 07–11 6%

**Source:** IMS Sales and NPA; 2012 estimated based on YTD August 2012 data

- **2006 SMART Trial Results**
- **Combi – 2nd Black Box Label**
Aerospan Overview

• NDA has been approved by FDA

• CMC Supplement to NDA approved September 12, 2012 clearing product for commercialization

• Market intelligence confirms Aerospan profile may drive significant prescribing:
  – Better delivery of drug via (built-in spacer) improves efficacy, safety, and lung deposition
  – Data from a key safety study indicated no significant impact on growth velocity (specifically in children); study included in the label
  – Built-in spacer addresses unmet need associated with hand-breath coordination and convenience of not having to wash device
Aerospan – Designed for Efficient Delivery and Convenience

- “Built-in” spacer
- Addresses “unmet need” in asthma market
- Patients get medication they need where it’s needed
### MEDA US – Aerospan Opportunity

**Most monotherapy competitors have a combination**
- Competitors not focused on growing monotherapy brands, but rather on combination indication for COPD

**Only active promotion is QVAR (Teva)**
- Allows for focused effort vs. single competitor
- Opportunity for comparable SOV (efficient ROI)

**QVAR LOE**
- QVAR LOE July 2015
- Flovent LOE June 2021
- No ANDA pathway for AB-rated generics
- Generic intrusion unlikely in this category
- Payor landscape remains favorable to brands

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While the asthma market is crowded and competitive, it is stable, with consistent growth, less potential for generic intrusion, hence strong branded opportunity.
Aerospan Summary

- Fully approved, launch ready
- Large and growing market, almost ~$2B
- Strong and unique protection from generics
- Differentiated from competitors
- Low promotional noise for monotherapy ICS products
- Managed care favorable towards asthma category and inhaled steroids
MEDA US Opportunity – “ONE Airway Optimization”

- High unmet need
- High volume markets
- High co-morbidity diseases
- High overlap of targets
- Synergistic messaging
- Synergistic sales force footprint
- Optimized resources
- Efficient approach to market

MEDA US, uniquely positioned to capitalize on the US market dynamics to maximize future opportunities.
Thanks for your time!
MEDA opportunities in Russia
an emerging market with strong growth

October 1, 2013
Pharmaceutical market in Russia

2013 estimated Pharma market sales: EUR ~17 billion

Global ranking

<table>
<thead>
<tr>
<th>Rank 2012</th>
<th>Rank 2015</th>
<th>Rank 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 USA</td>
<td>1 USA</td>
<td>1 USA</td>
</tr>
<tr>
<td>2 Japan</td>
<td>2 China</td>
<td>2 China</td>
</tr>
<tr>
<td>3 China</td>
<td>3 Japan</td>
<td>3 Japan</td>
</tr>
<tr>
<td>4 Germany</td>
<td>4 Germany</td>
<td>4 Brazil</td>
</tr>
<tr>
<td>5 France</td>
<td>5 Brazil</td>
<td>5 Germany</td>
</tr>
<tr>
<td>11 Russia</td>
<td>10 Russia</td>
<td>8 Russia</td>
</tr>
</tbody>
</table>

Russian Market will become the 8 biggest in the world by 2017

- Government plan to improve the nation’s health status
- Healthcare reform will foster increased pharmaceutical consumption
Market long term forecast
The market is expected to grow with 10% in the coming years

Total pharmaceutical market sales
RUR billion, 2005-2016E

Drivers

- Price increases for products not included in the EDL* (mainly retail)
- Expansion of the DLO* in medium term
- HC reform and implementation of the state guarantees for healthcare
- Introduction of Drug insurance in 2018

Source: BMI data. EDL-Essential Drug List
DLO-name of reimbursement system in Russia
Company sales development

We have outperformed the market in our segments during last years

MEDA sales growth vs. market comparing to YAG
H1’11 - H1’13 (MAT periods) in value

Growth drivers:

New launches in 2012 / 2013
- Elidel
- Dermatix
- Aldara
- CB12
- Rheumon

Sales Force boost
- SF team was strengthened with >70% more people during last 2 years

Geographical expansion
- Entering new cities (15 in 2011, 40 today, even more in future)

Source: IMS data
Market aggregated from ATC-4 groups: C07AB, S01XA, M01AB, A01AD, D11AX, A16AX, D06BB, G01AF, S02DA, C02LA, G02CX, S01GX, D11AH, B05ZA, R01AC, P01BA, D11AF
Company segmentation
MEDA well positioned in the different market segments

Portfolio is balanced between Rx and OTC products; the split between sales channels is organically coming from our target market areas.

Rx/OTC split, MEDA vs. market, H1’13 MAT

- Rx: 57%
- OTC: 43%

Channels split, MEDA vs. market, H1’13 MAT

- Retail: 88%
- Hospital: 12%
- DLO: 10%
- MEDA: 88%

MEDA segmentation:

- Rx: 57%
- OTC: 43%

Medication segmentation:

- Retail: 88%
- Hospital: 12%

Source: IMS data, sales in EUR
Major brands development
MEDA is performing above the market in most of leading brands

TOP MEDA brands annual growth vs. their markets
H1’13 / H1’12 (MAT periods) in value

<table>
<thead>
<tr>
<th>Brand</th>
<th>Sales growth vs. YAG</th>
</tr>
</thead>
<tbody>
<tr>
<td>Solcoseryl®</td>
<td>19% 14%</td>
</tr>
<tr>
<td>Thioctacid® (100)</td>
<td>868% 5%</td>
</tr>
<tr>
<td>Otinum®</td>
<td>10% 25%</td>
</tr>
<tr>
<td>Allergodil®</td>
<td>0% 25%</td>
</tr>
<tr>
<td>Dermatix®</td>
<td>250% 18%</td>
</tr>
</tbody>
</table>

The growth is driven by existing brands:
- Solcoseryl
- Thioctacid (100)
- Otinum
- Allergodil

...and best in class launches:
Dermatix, Aldara, CB12

YAG: year average growth
Sales development

Company sales in history and plan
EUR million, 2010-2013

Main growth drivers:
- Increased Sales force
- New launches
- Improved Sales Force Effectiveness
- Clear Marketing Strategy and focused marketing programs
- Development of existing portfolio
Thanks for your time!
Dymista
the new drug of choice for allergic rhinitis

October 1, 2013
Dymista®
drug of choice
for allergic rhinitis*

Dr. Hans Tritschler (Germany)
**Allergic Rhinitis:**
*What are we talking about?*

- A very irritating disease with nasal and ocular symptoms
  - Nasal irritation, discomfort and pain
  - Sleep disturbance and daytime sleepiness
  - Poor performance at work/school
  - Reduced quality of life

**EXCEEDS THAT OF ASTHMA!**

Bousquet et al, 2008; Lamb et al, 2006
Allergic Rhinitis is a worldwide epidemic

- Allergic rhinitis is a worldwide epidemic which occurs in over 500 million people around the world (& rising)

25% of the population suffer from allergic rhinitis in Europe
30% of the population suffer from allergic rhinitis in the US
What is currently available to treat Allergic Rhinitis (AR)?

**Mild AR:** Oral and intranasal antihistamines e.g. Claritin® (Merck), Azep® (Meda)

**Moderate/severe AR:**

**Intranasal corticosteroids represent the gold standard**
- Mometasone furoate (Nasonex®, Merck)
- Fluticasone propionate (Flixonase®, GSK)
- Fluticasone furoate (Avamys®, GSK)

2012 sales: 8 EUR billion
What are the sales of these drugs (IMS 2012)?

<table>
<thead>
<tr>
<th>Region</th>
<th>(EUR million)</th>
<th>(USD million)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>World</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Oral antihistamines:</td>
<td>4,393</td>
<td>3,400</td>
</tr>
<tr>
<td>• Intranasal corticosteroids:</td>
<td>2,920</td>
<td>2,600</td>
</tr>
<tr>
<td>• Intranasal antihistamines:</td>
<td>384</td>
<td>400</td>
</tr>
<tr>
<td><strong>USA</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Oral antihistamines:</td>
<td></td>
<td>711</td>
</tr>
<tr>
<td>• Intranasal corticosteroids:</td>
<td>411</td>
<td></td>
</tr>
<tr>
<td>• Intranasal antihistamines:</td>
<td>38</td>
<td></td>
</tr>
</tbody>
</table>
We need Dymista® because the clinical picture of allergic rhinitis is changing

Most patients have ‘moderate/severe’ Allergic Rhinitis

Many patients have mixed forms of Allergic Rhinitis
Many patients are becoming poly-sensitized

Evolution of treatment-resistant phenotypes
• Severe Chronic Upper Airway Disease (SCUAD)

EUROPEAN SURVEY
67.2% = moderate or severe
42.5% = persistent disease

- Allergic
- Non-allergic
- Mixed

SCUAD
– approx. 30% of AR patients

Canonica et al, 2007; Settipane, 2001; Mosges & Klimek, 2007; Bousquet et al, 2009
Pie chart: data refers to non-infectious rhinitis; AR: Allergic Rhinitis
Dymista® is faster and more effective in treating “ALL” (nasal and ocular) symptoms

Twice as effective as intranasal FP or AZE in relieving both nasal & ocular symptoms

Superiority of Dymista® is apparent from day 1 and sustained

† p=0.0034 vs Dymista®; ‡ p=0.0001 vs Dymista®

‡ p=0.0001 vs Dymista®; ‡ p=0.0127 vs Dymista®

Meltzer et al, 2013
MP29-02 (n=153); FP: Fluticasone propionate (n=151); AZE: azelastine (n=152); rT7SS: Total of 7 symptom scores (All nasal plus all ocular symptoms); Results expressed as LS mean change from baseline (delta placebo) with 95% CI
Dymista® is 2–3 times more effective in treating the most bothersome symptoms

Better than intranasal Fluticasone or Azelastine

Nasal Congestion

Occular Itching

Hampel et al, 2010
Dymista® (n=153); FP: Fluticasone propionate (n=151); AZE: azelastine (n=152)
Results expressed as LS mean change from baseline (delta placebo) with 95% CI
Dymista® can treat all AR patients regardless of disease severity

### Most severe patients

LS Mean Change from Baseline in rTNSS (Delta placebo)

<table>
<thead>
<tr>
<th></th>
<th>Dymista</th>
<th>FP</th>
<th>AZE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><img src="image.png" alt="Graph" /></td>
<td><img src="image.png" alt="Graph" /></td>
<td><img src="image.png" alt="Graph" /></td>
</tr>
</tbody>
</table>

† \(p=0.0436\) vs Dymista®; ‡ \(p=0.0035\) vs Dymista®

Dymista® (n=77); FP (n=64); AZE (n=68)

### Moderate/ severe patients

LS Mean Change from Baseline in rTNSS (Delta placebo)

<table>
<thead>
<tr>
<th></th>
<th>Dymista</th>
<th>FP</th>
<th>AZE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><img src="image.png" alt="Graph" /></td>
<td><img src="image.png" alt="Graph" /></td>
<td><img src="image.png" alt="Graph" /></td>
</tr>
</tbody>
</table>

† \(p=0.0188\) vs Dymista®; ‡ \(p=0.0002\) vs Dymista®

Dymista® (n=76); FP (n=87); AZE (n=84)

Meltzer et al, 2013
FP: fluticasone propionate; AZE: Azelastine; AR: allergic rhinitis; rTNSS: reflective Total Nasal Symptom Score Results expressed as LS mean change from baseline (delta placebo) with 95% CI
Dymista® is “considered the drug of choice” by leading experts and the Editor of *J Allergy Clin Immunol*.

MP29–02 can be considered the drug of choice for the treatment of AR.

Leung et al, 2012
AR: allergic rhinitis
Can Meda deliver? Many countries already exceed the market share of Avamys in year 1

Market share of Avamys® in Euros compared to the R1A1 market

<table>
<thead>
<tr>
<th>Country</th>
<th>Market share %</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK</td>
<td>2.4</td>
</tr>
<tr>
<td>Italy</td>
<td>10.2</td>
</tr>
<tr>
<td>Finland</td>
<td>13.4</td>
</tr>
<tr>
<td>Germany</td>
<td>15.1</td>
</tr>
<tr>
<td>Ireland</td>
<td>16.6</td>
</tr>
</tbody>
</table>

UK 10 weeks after launch
Italy 8 weeks after launch
Market opportunity for Dymista®

Dymista is the right product at the right time
Thanks for your time!
CB12 – the Internationalization

October 1, 2013
CB12 – the Internationalization
CB12 / SB12 – An unbeatable formula to treat and prevent bad breath

Zinc Acetate + Chlorhexidine = Synergistic effect for 12 hours
**CB12 / SB12**
– The efficacy is clinically proven and published

<table>
<thead>
<tr>
<th>Study</th>
<th>Year</th>
<th>Methodology</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>ROLLA</td>
<td>2006</td>
<td>Gas chromatography breath analysis</td>
<td>Zinc and Chlorhexidine work synergistically against bad breath</td>
</tr>
<tr>
<td>THRANE</td>
<td>2007</td>
<td>Gas chromatography breath analysis during 3 hours</td>
<td>The Technology is superior to 5 competitors</td>
</tr>
<tr>
<td>THRANE</td>
<td>2009</td>
<td>Gas chromatography breath analysis</td>
<td>The Technology is effective for at least 12 hours</td>
</tr>
<tr>
<td>THRANE</td>
<td>2009</td>
<td>Gas chromatography breath analysis during 3 hours</td>
<td>Zinc and Chlorhexidine work synergistically against bad breath / The Technology is superior to 5 competitors</td>
</tr>
<tr>
<td>GREENMAN</td>
<td>2009</td>
<td>Halimeter and organoleptic analysis during 3 hours</td>
<td>The Technology is superior to 7 competitors</td>
</tr>
<tr>
<td>EROVIC</td>
<td>2010</td>
<td>Halimeter and Oralchroma</td>
<td>The Technology is superior to placebo in patients with confirmed halitosis</td>
</tr>
<tr>
<td>EROVIC</td>
<td>2010</td>
<td>Halimeter and organoleptic scoring 12 hours after rising</td>
<td>The Technology is superior to 4 competitors during 12 hours in patients with confirmed halitosis</td>
</tr>
</tbody>
</table>

- Synergistic activity of Chlorhexidine and Zinc well demonstrated in vivo
- Efficacy maintained up to 12 hours
- Superior efficacy shown against competitor products
CB12 / SB12 – Is positioned as a premium product for the treatment and prevention of bad breath

Premium Position

Short acting Camouflage

Me-too Position

Long acting Treatment

bad breath treatment & prevention

breath freshener
SB12 – Launch in 2007 with successive line extensions
The success factors of the SB12 launches are strong TV advertising and POS advertising.
The marketing efforts are enriched with the proven Meda OTC Marketing Model.

In the model the OTC and RX capabilities of Meda are combined.
2012 – CB12 was launched in an additional 10 countries

- Germany
- Austria
- Switzerland
- Netherlands
- United Kingdom
- Ireland
- Greece
- Belgium
- France
- Italy
2013 – CB12 was launched in an additional 4 countries

- Russia
- Turkey
- Spain
- Portugal
In 2 large OTC markets the launch of CB12 resulted in important marketing prizes for Meda

UK – Number 1 product for Innovative product launch at Boots in 2013

NL – Drugstore Awards, Best Oral Care Launch in 2012
The additional launches combined with the Meda marketing efforts resulted in an impressive sales growth of CB12.

CB12 has grown in 2013 to the 5th largest product of Meda.

* MAT 1H 2013
Meda is exploring other countries to launch CB12

The best treatment of bad breath in the world
Thanks for your time!