



Company Presentation



October 2020

Vision

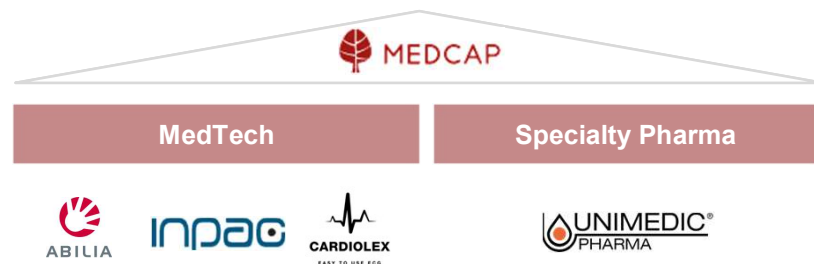
We create value and contribute to improved life quality in Life Science



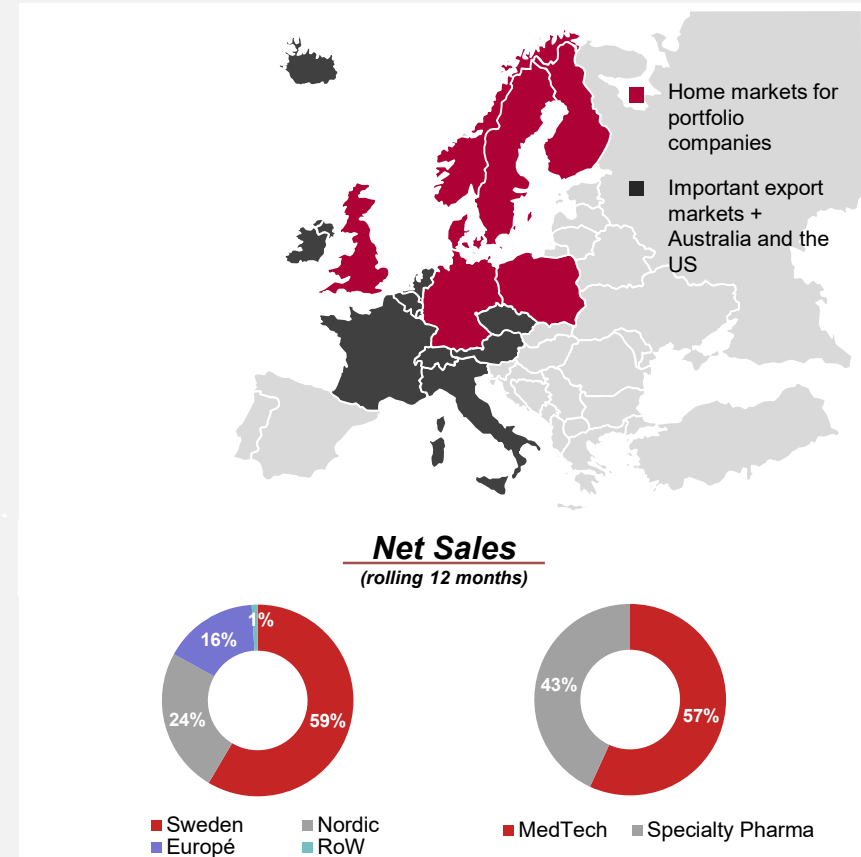
Introduction

About us

- Decentralised investment company in Life Science
- Value creation through active ownership
- 2 business segments: MedTech and Specialty Pharma
- Sales: 801 MSEK (c. 77 MEUR)
- Employees: ~ 280
- Listed on Nasdaq Stockholm Small Cap



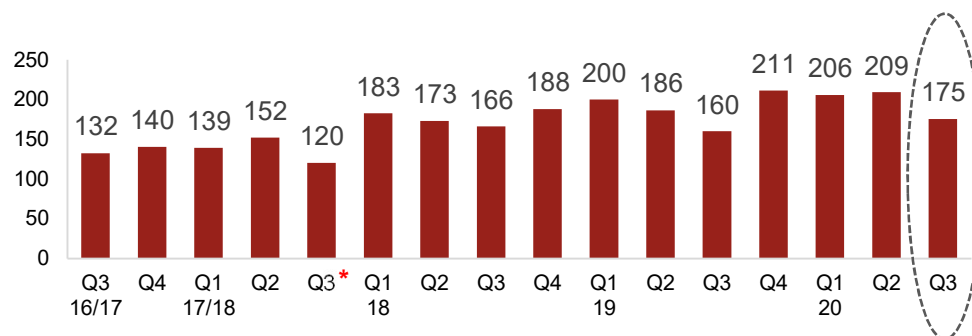
Geographical split



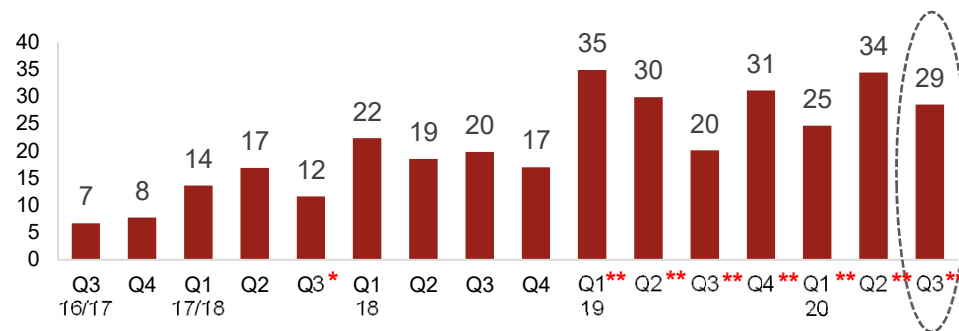
Third quarter (Q3 2020)

Financials

Net sales per quarter (MSEK)



EBITDA per quarter (MSEK)



* Q3 2017/18: two months
** Excluding IFRS16 effect



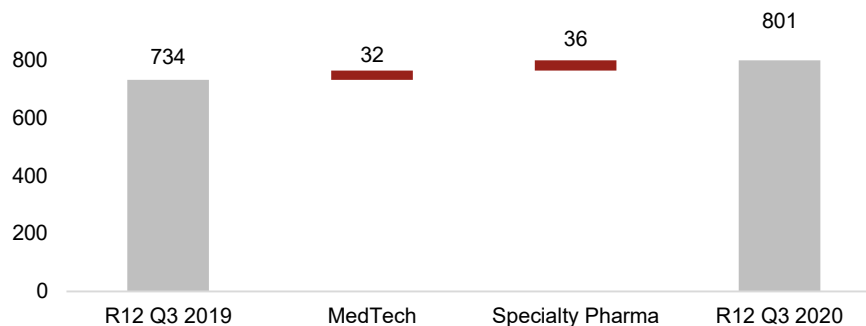
Comments

- 1 Sales growth in Q3 compared to previous year driven by both segments
- 2 Group revenue growth in Q3 of 10% and EBITDA increased by 42%, excluding the effect of IFRS16 implementation of 6.6 MSEK
- 3 Positive sales and profit development in the MedTech segment was driven by Cardiolex' acquisition of Amedtec (from 1 Nov 2019) and Abilia's acquisition of Somna (from 1 Feb 2020). The quarter was also negatively impacted by the continued weak development in Abilia's Norwegian business (Covid-19 lock-down).
- 4 Strong growth in sales and profit in Specialty Pharma compared to previous year. The development was mainly driven by strong market demand but also partly due to strong growth in CDMO and some increased demand (although lower than in previous quarter) related to Covid 19. The growth in the Nordic specialty pharma portfolio continues.

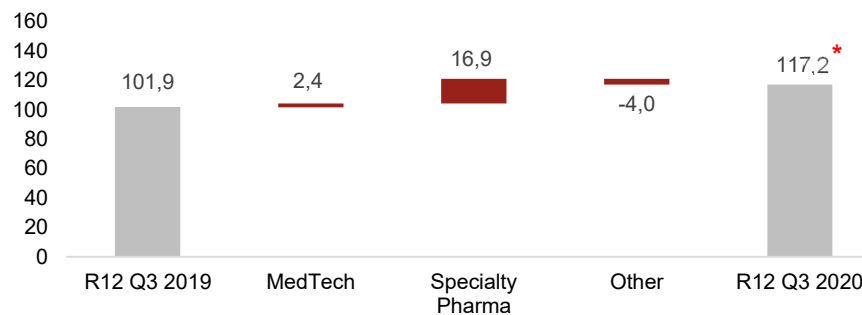
R12 update (development vs last year)

Financials

Net Sales vs. last year (MSEK)



EBITDA vs. last year (MSEK)



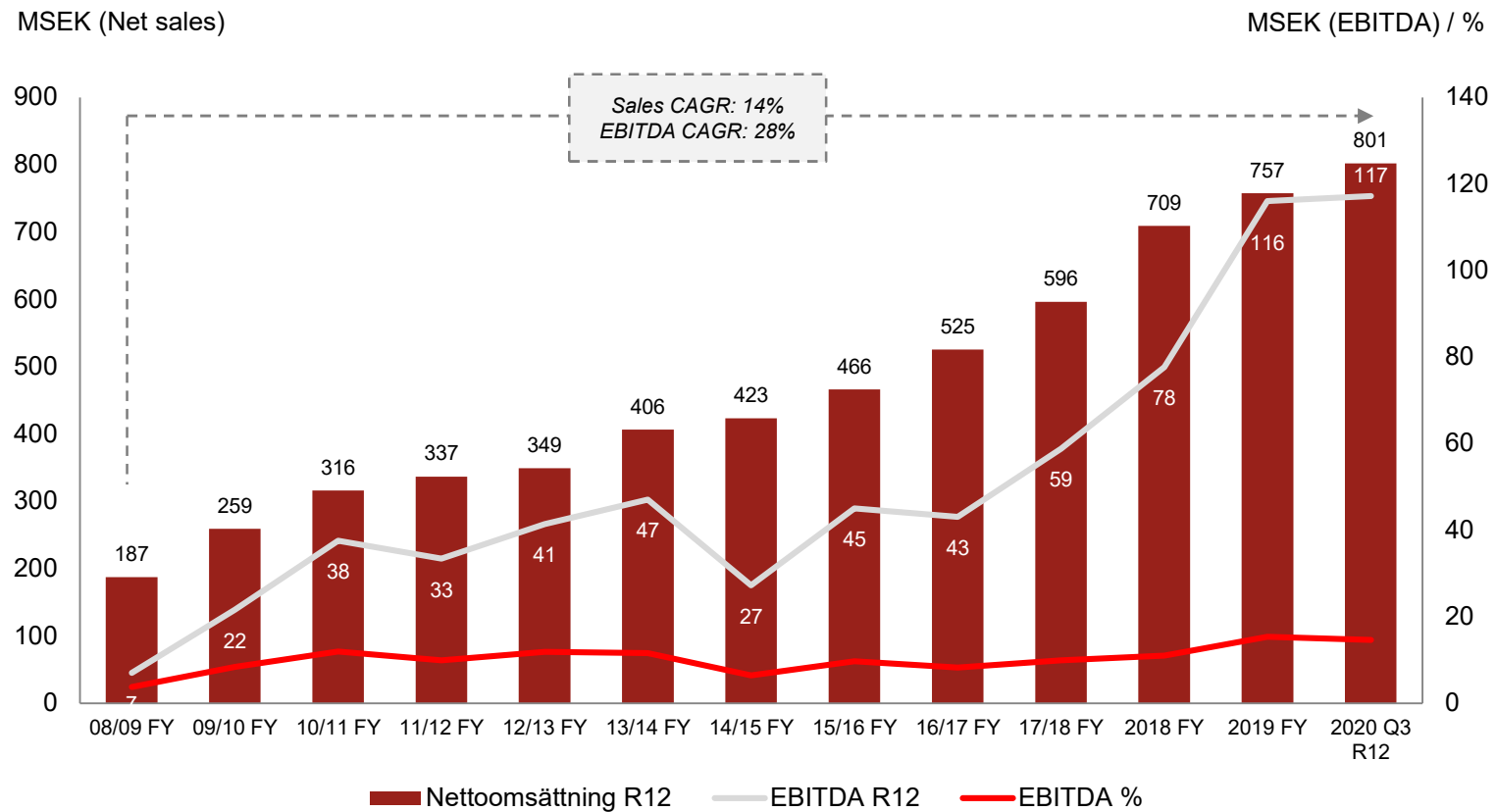
* Excluding IFRS16

Comments

- 1 Profit increased by 15% and sales by 9% compared to the equivalent period previous year
- 2 Positive sales development in both MedTech and Specialty Pharma
- 3 R12 EBITDA increased by 2% for MedTech. The development was mainly driven by strong sales growth and increasing margins in Cardiolex. The acquisitions of Somna and Amedtec contributed since Nov 19 and Feb 20, respectively. Abilia impacted negatively by continued lock-down in Norway.
- 4 R12 EBITDA increased by 104% for Specialty Pharma. The development was primarily driven by the growth CDMO volumes and strong demand in the Nordic Specialty pharma portfolio. The margin improvement during the quarter demonstrates the scalability of the cost base in addition to the continuous positive business mix effect

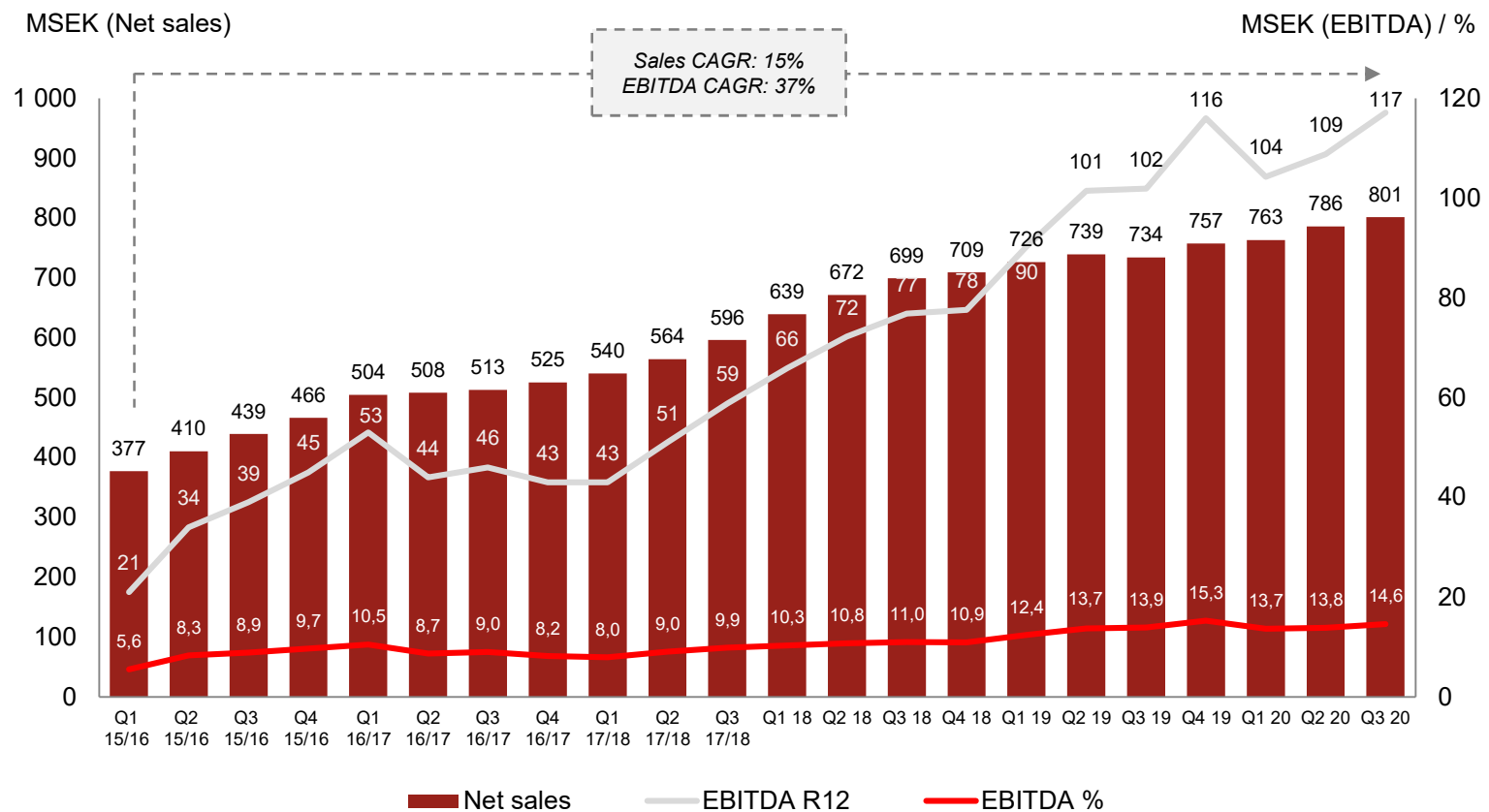
Sales and EBITDA – MedCap over time

Sales, EBITDA and EBITDA margin development over time

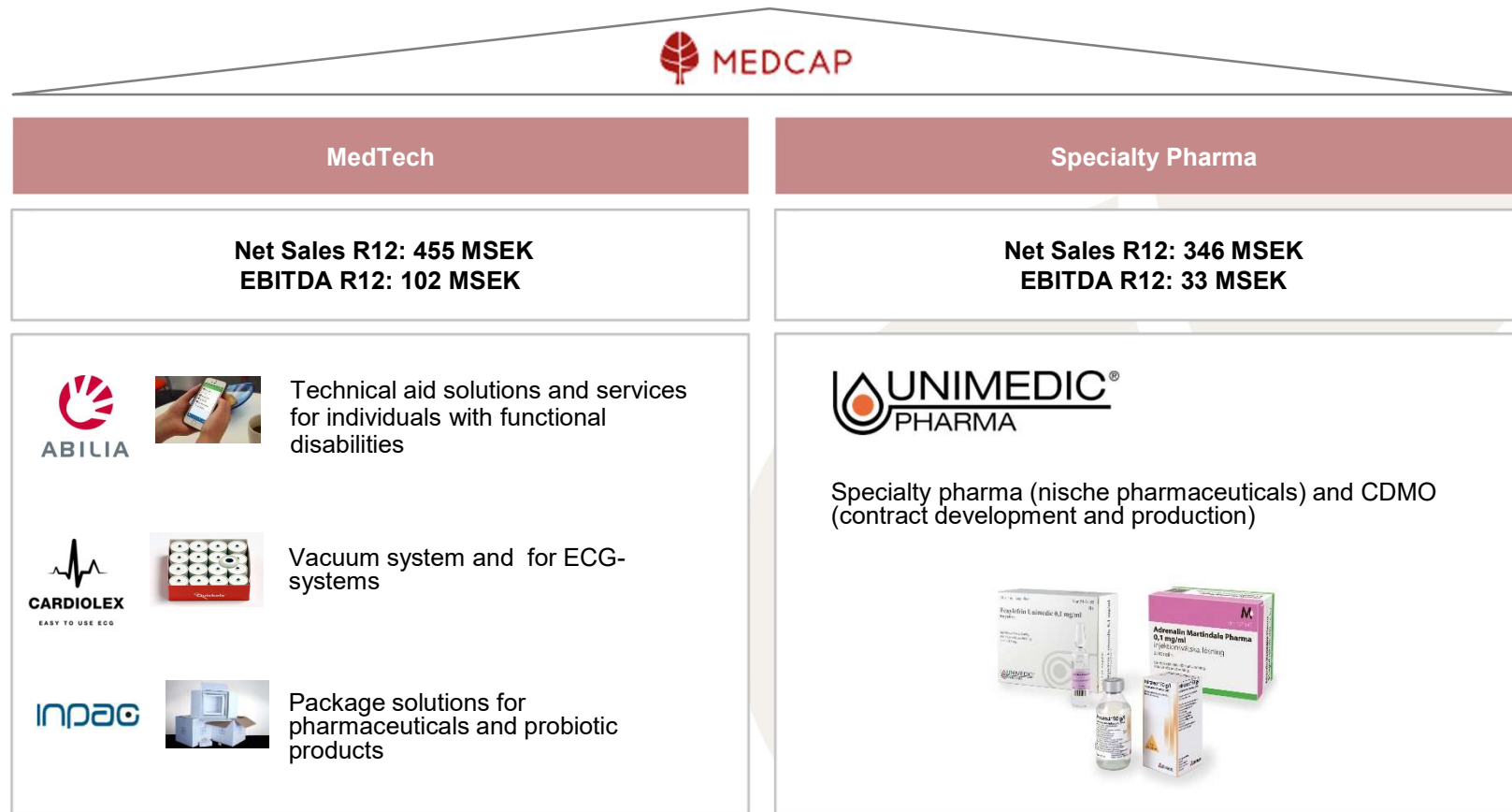


Sales and EBITDA – R12 per quarter

Sales, EBITDA and EBITDA margin development Q1 15/16 – Q3 20



Overview of segments



Investment strategy

Investment strategy



Small and mid-sized
Private life science companies



Central/Northern Europe
Located companies with international potential



Relationship
Based investments



0-500 MSEK (5-50 MEUR)
In investment size



Majority
Ownership



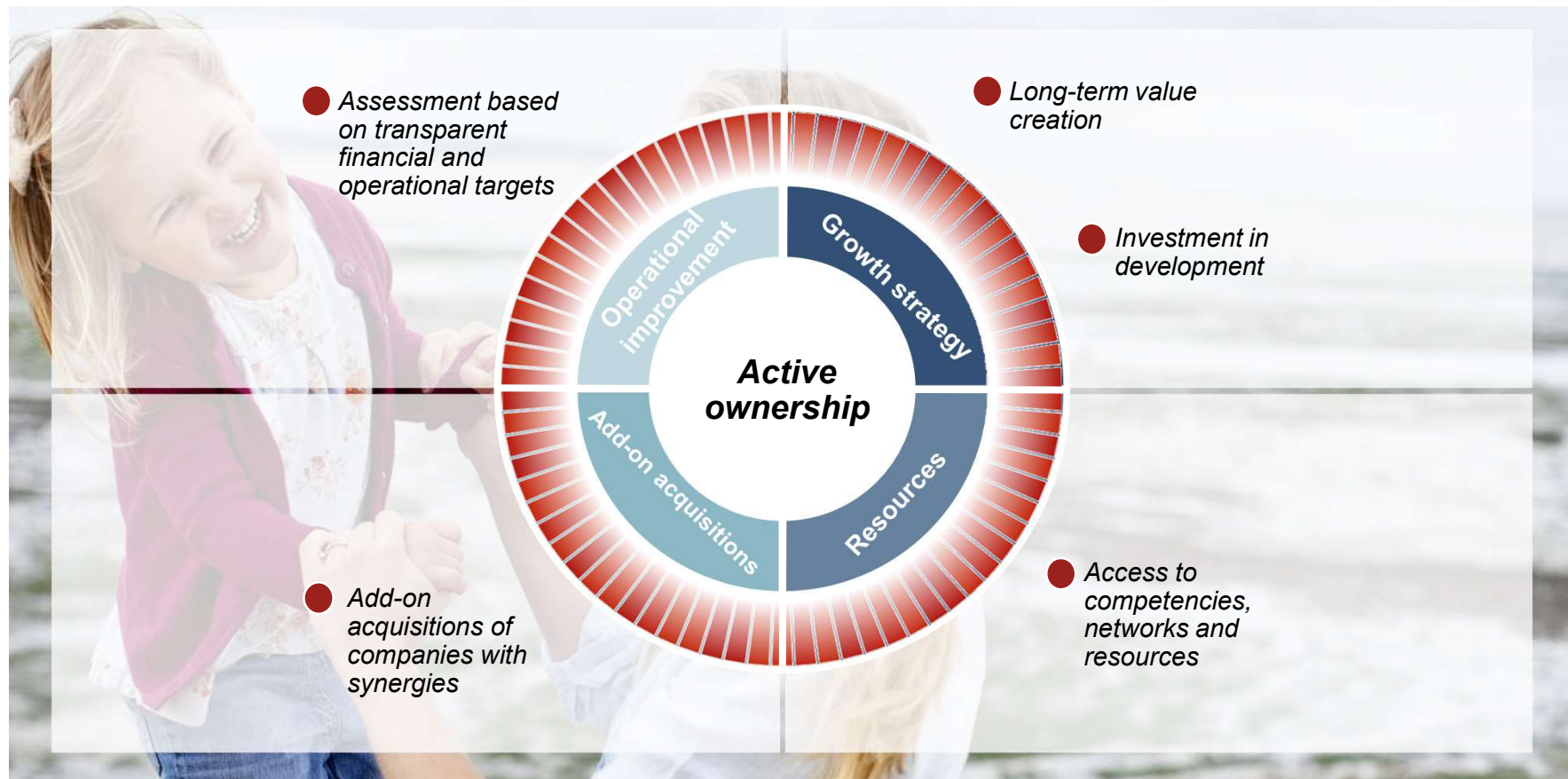
Unlimited
Ownership period



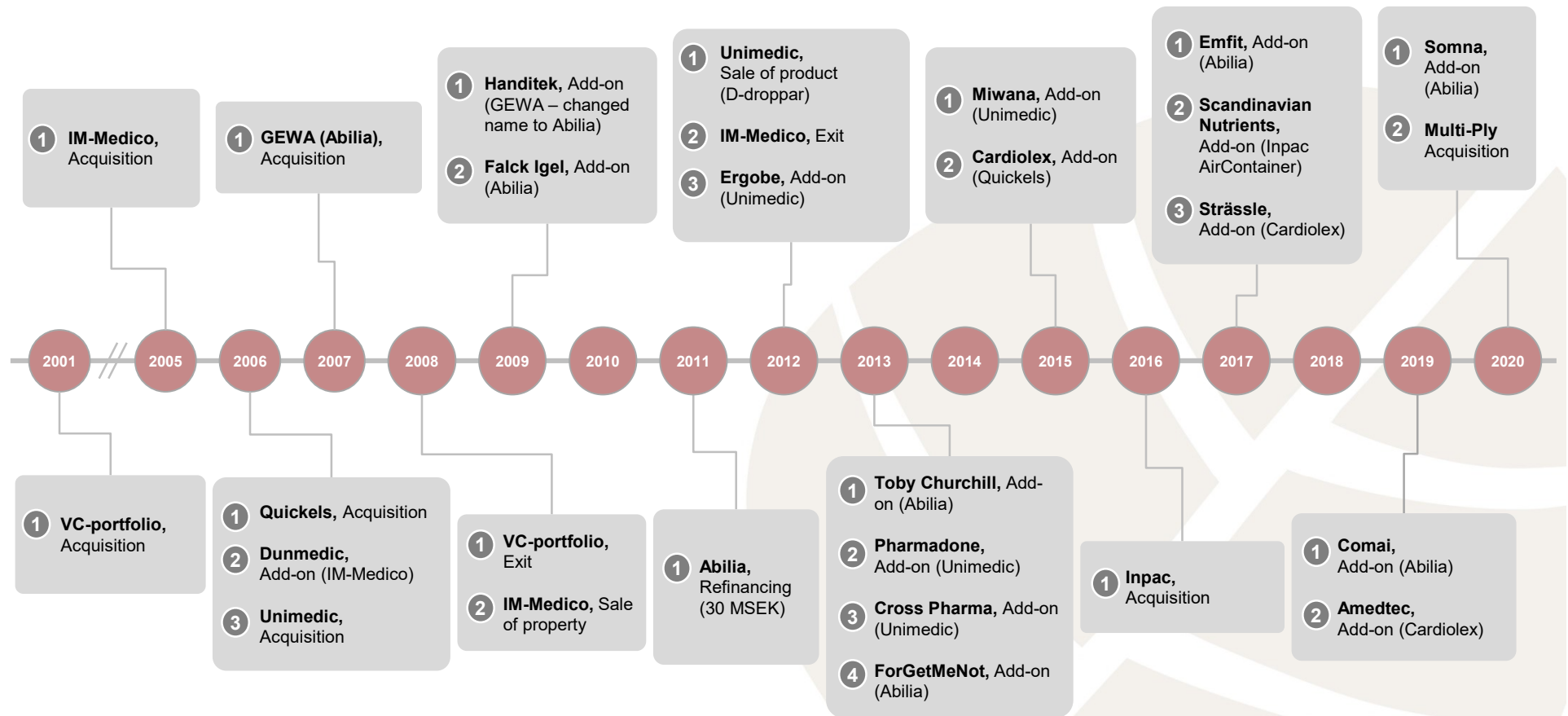
Targeting
5 – 10 core investments

Value creation through active ownership

MedCap's ownership model: Combines the larger company's strengths with the smaller company's entrepreneurial spirit



Acquisitions and exits since the start



Financial Targets

Focus on growth

Net sales in 3-4 years

1,500 MSEK



Annual EBITDA growth*

15%



Net debt / EBITDA*

<3x

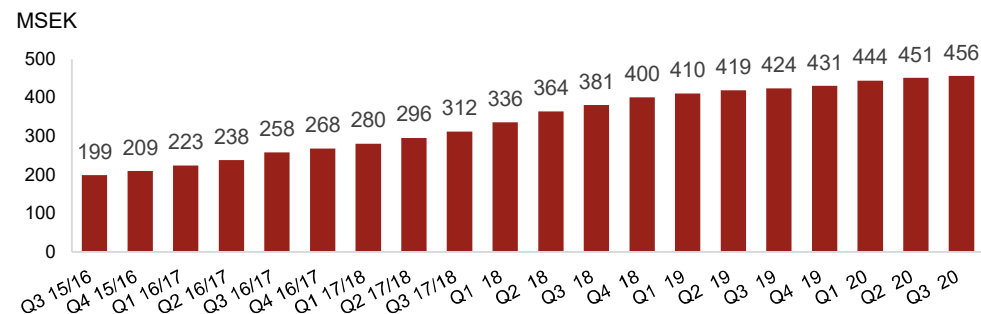


**Average over economic cycle*

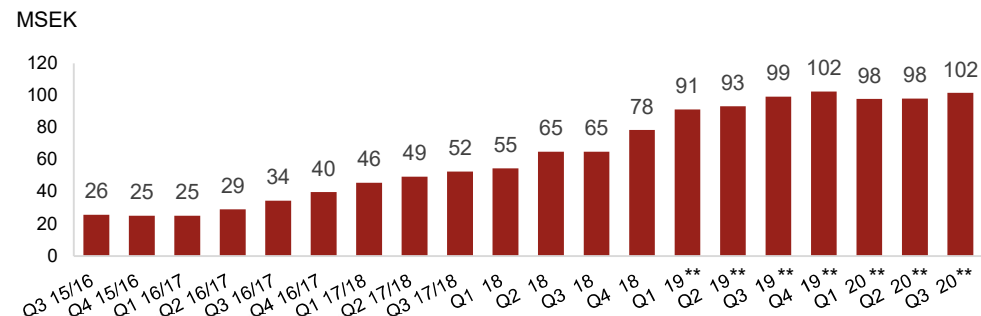
MedTech – Operating and financial update

Financials 2020 Q3

Net Sales – Rolling 12 months



EBITDA* – Rolling 12 months



*) Adjusted, excluding management fees from the mother company.

**) Excluding IFRS16 which was implemented in Q1 2019

Comments

- 1 The companies included in the MedTech segment primarily sell different types of medical equipment and products
- 2 The segment consists of the subsidiaries Cardiolex, Abilia and Inpac AirContainer
- 3 Net sales for the rolling 12-months period increased by c. 8 percent during the second quarter compared to the same period last year, primarily driven by strong growth in Cardiolex
- 5 However, negative impact in Abilia's Norwegian business during first 9 months of 2020 due to Covid-19 lock-down
- 6 The German ECG company Amedtec was part of the Group from 1 November 2019 and the Swedish assistive technology company Somna from 1 February 2020
- 7 R12 EBITDA increased by 2 percent compared to the same period last year
- 8 Net working capital for the segment was 96 MSEK (78 MSEK) as per 30 September 2020

MedCap acquires MedTech platform in the UK – Multi-Ply





Company and transaction overview

- MedCap acquired the company Multi-Ply Components Limited on 29 October 2020
- Cash payment of 5.5 MGBP with earnout of up to 3.3 MGBP based on the company's future financial performance (20 months)
- Multi-Ply is a UK based leading niche manufacturer of carbon fibre components for MedTech devices, mainly in the area of digital imaging
- The company was founded in 1987 and has over the years successfully established long-term strategic partnerships with leading mammography and x-ray providers
- Turnover of c. 5.9 MGBP and EBITDA-margin of c. 18% for 12 months ending 30 June 2020 (average annual growth of c. 15% during the past few years)
- 72 employees and own manufacturing in Preston, UK
- Multi-Ply represents a new MedTech platform within a highly attractive niche segment within the MedCap group
- Multi-Ply benefits from the generally increased demand for carbon fibre products resulting in fewer relevant manufacturers dedicated to high-demand products for medical applications
- A key value creation opportunity relates to the planned significant increase in production capacity as a result of moving into a new state-of-the-art production facility (financed by the sellers and planned during 2021)



Multi-Ply products / solutions



		% of sales
<i>Mammography</i>		41%
<i>Digital X-Ray</i>		52%
<i>Envelopes</i>		3%
<i>X-ray tables</i>		3%

Value Drivers in MedTech - Abilia

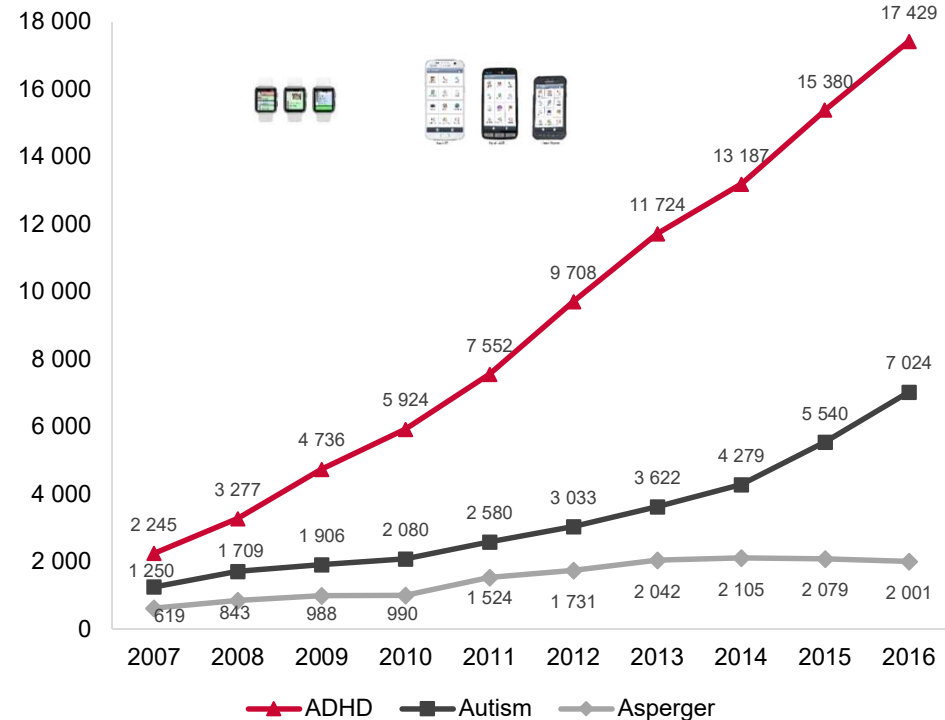
Value drivers

- 1 Since 2000 there has been an accelerating trend with an increasing number of young people being diagnosed with neuro psychological disabilities
- 2 Treatment therapies as well as diagnostic methods have developed rapidly in combination with increased capacity in the established systems
- 3 In Sweden and Norway there is a "tradition" of using (electronic) support for time and structure management. There is also a common understanding in these markets that Abilia's products add significant socio-economic value.



Diagnoses, children 0-14 years (Sweden)

Children 0-14 years in Sweden






Sources: Patientregistret, Socialstyrelsen och Statistiska Centralbyrån

Strong product portfolio and solid market position in MedTech generate long term growth opportunities

Portfolio of attractive MedTech Products



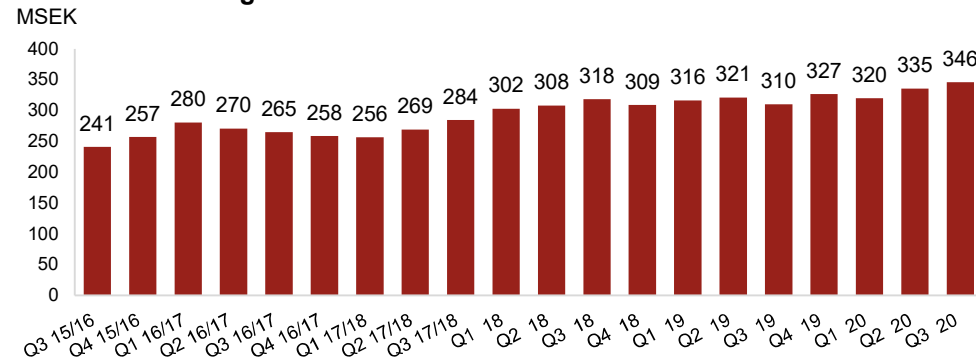
Companies

Company			
Market size	Nordics: 1 BnSEK, Global "very large"	Nordics: 100 MSEK, EU 5 BnSEK	Nordics: 1.2 BnSEK
Dynamics	Low competition in certain niches, high in communication	High competition but attractive situation linked to software solution	Large number of local/regional companies, few global
Customers	Welfare systems / care providers in Nordics and UK	Regions, municipalities, private care providers	Pharma, nutrition and logistics companies
Market position	#1 in Nordics	#1 in Sweden (Cardiolex) #1 in Germany (Strässle)	#1 in Nordics for probiotic products

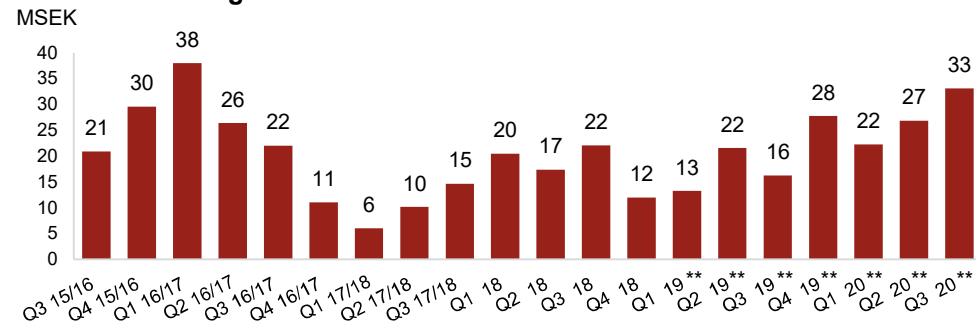
Specialty Pharma – Operating and financial update

2020 Q3

Net Sales – Rolling 12 months



EBITDA* – Rolling 12 months



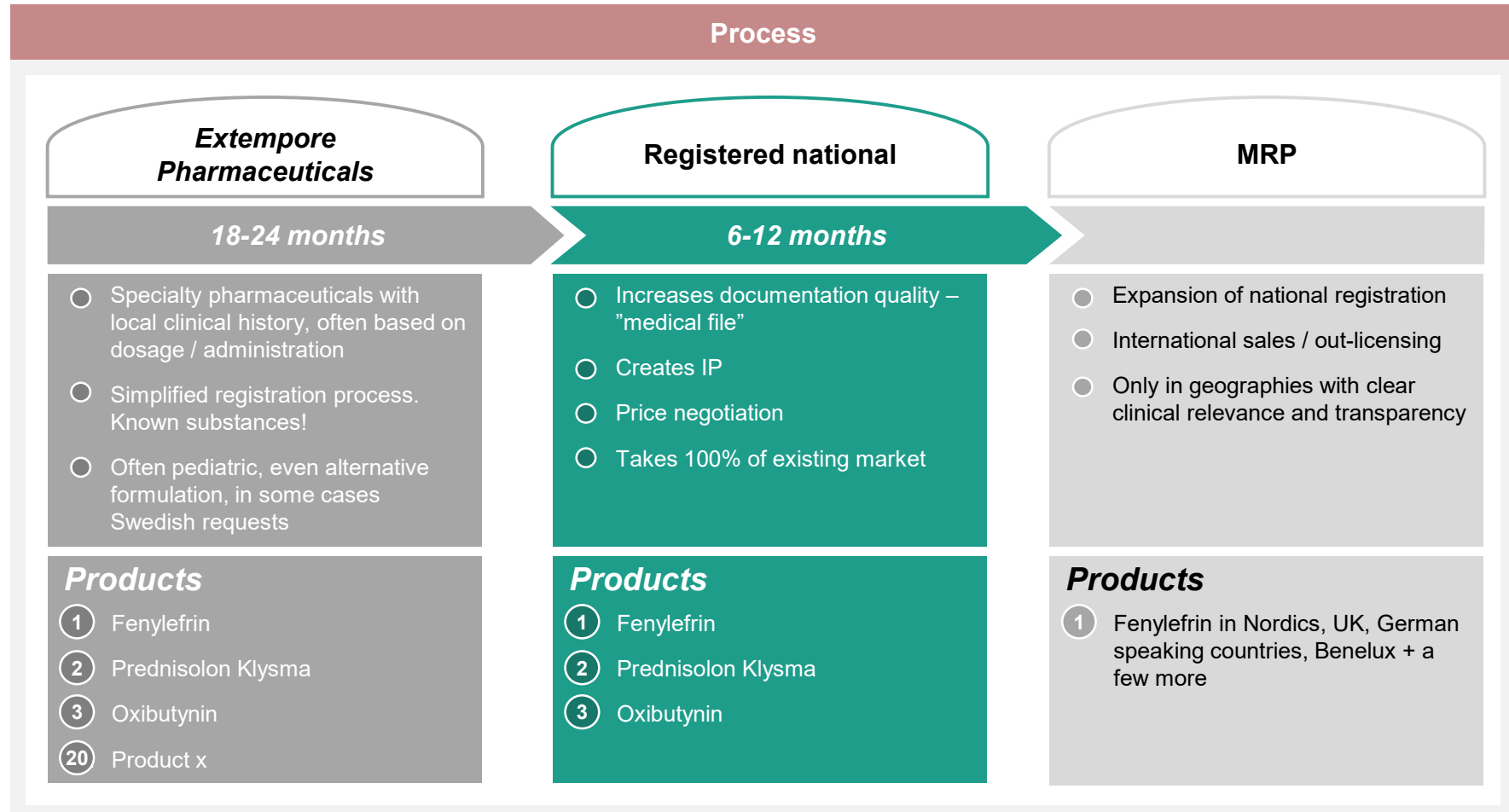
*) Adjusted, excluding management fees from the mother company.

**) Excluding IFRS16 which was implemented in Q1 2019

Comments

- 1 The companies included in the Specialty Pharma segment develop and sell pharmaceutical products within the regulatory classifications registered, extempore and non-license pharmaceuticals
- 2 Net sales for the 12-months rolling period increased by c. 12 percent compared to the same period last year
- 3 Significant growth in CDMO during the quarter and some increased demand (although lower than in previous quarter) related to Covid 19
- 4 Strong development for several products in the Nordic portfolio, +24% increase of 12-months rolling net sales (7 key products)
- 5 EBITDA for the 12-month rolling period increased by 104% compared to the same period last year
- 6 Improved product mix and scalability of the cost base contributed to the positive profit development
- 7 Net working capital for the segment was 80 MSEK (74 MSEK) as per 30 September 2020

Value creating product development process



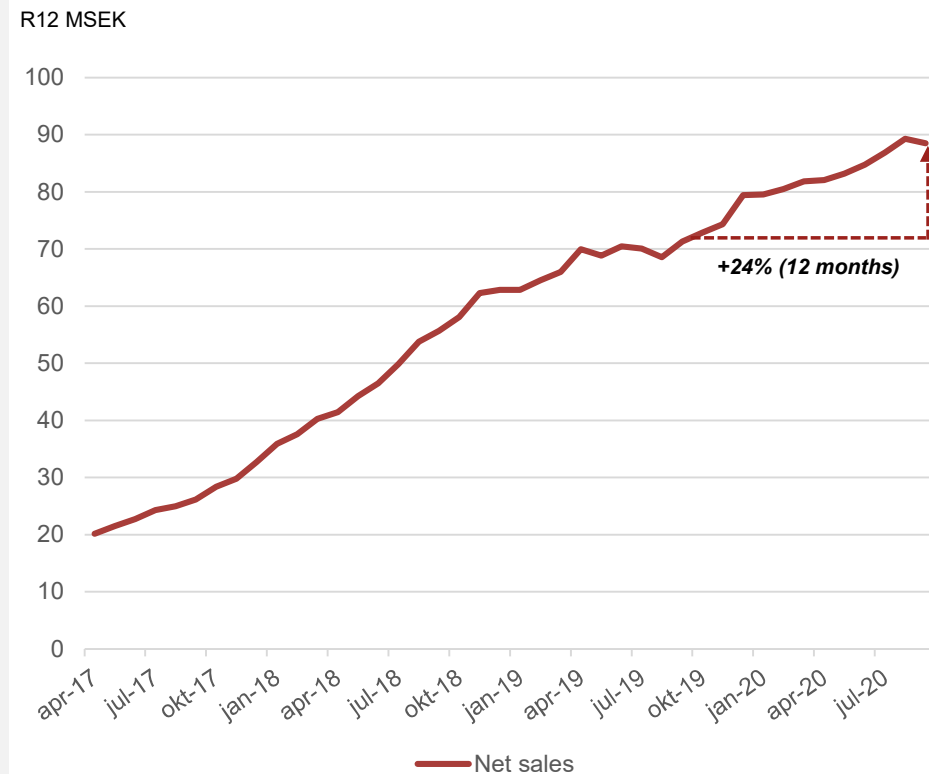
Opportunities in Specialty Pharma

Portfolio of attractive products

Attractive platform of own products, pipeline with new product launches, established expertise in product development and experience from registration processes. Prioritised area for strategic acquisitions.










Strong net sales development for newly launched products¹



¹ Portfolio of seven newly launched products in Specialty pharma (see next page)

Attractive portfolio of own Specialty Pharma products

Product information				
Product		Indication	MAH (Marketing Authorisation Holder)	Launch
Cresemba		Fungal infection	Basilea (Unimedic exclusive in Nordics)	Spring 2017
Fenylefrin		Low blood pressure (anesthetic)	Unimedic (Out-licence partners outside Nordics)	Spring 2015
Efedrin		Low blood pressure (anesthetic)	Unimedic	Fall 2018
Morfin		Pain (intensive care)	Unimedic	Fall 2018
Espranor		Opioid addiction	Martindale (Unimedic exclusive in Nordics)	Spring 2017
Prednisolon - Klysma		Ulcerative colitis	Unimedic	Fall 2018
Oxybutynin		Overactive bladder	Unimedic	Spring 2018

Market

MedTech & Specialty Pharma





MedTech

- 1 MedCap's companies in the MedTech segment primarily sell different types of medical devices and ECG-equipment. The customers are normally healthcare regions, municipalities, healthcare providers and distributors
- 2 In MedTech MedCap is active in growing niches within assistive technology and has a leading position in both the Nordic region and Europe within its niches. In ECG-equipment it is the leading provider of complete ECG systems in Sweden and the leading provider of vacuum ECG in Germany
- 3 In total the European market for assistive technology is approximately 1 Bn SEK and the global market for ECG equipment is approximately 40 Bn SEK

Specialty Pharma

- 1 Specialty Pharma develops and sells pharmaceutical products within the regulatory classes registered, extempore and non-license pharmaceuticals. The customers are primarily pharmacies and pharma companies.
- 2 MedCap is primarily active on the Swedish pharmaceutical market, which during 2015 was 40.6 Bn SEK and consists of c. 12 000 registered pharmaceutical products. In Sweden 99 million pharmaceutical packages were prescribed during 2015. Approximately 90 percent of these are covered by national reimbursement.

Management Team

Management				
Position	 <p>Karl Tobieson CEO</p>	 <p>Kristina Ekblad CFO</p>	 <p>Thomas Bergh Investment Manager</p>	 <p>Johan Folkunger Business Area Manager MedTech</p>
Experience	<p>MSc. Eng., b 1974</p> <p>Experience from corporate finance, business development and active ownership</p> <p>Ownership c. 4.1 %</p>	<p>MSc. Ec., b 1974</p> <p>Experience from finance roles in large corporate organisations, most recently head of accounting at Holmen AB</p>	<p>MSc. Ec., b 1982</p> <p>Experience from Life Science and Investment Banking in London and Stockholm</p> <p>Previously Morgan Stanley och UBS Investment Bank.</p>	<p>MSc. Ec., b 1968</p> <p>Background in various leading position in medtech companies, most recently CEO for Philips Sweden.</p>

Board of Directors

Board of Directors



**Peter von
Ehrenheim**

Chairman of the Board.
Board member (chairman)
of Boule Diagnostics AB,
Sophion A/S, Grönsöo
Säteri AB and Färjsundet
Industri AB



Henrik Blomquist

CEO Bure Equity AB.
Board member of The
Chimney Pot AB and
Valot. Chairman of the
board for Investment AB
Bure och Cavena Image
Products AB.



Anders Hansen

Specialist physician
(psychiatry) and MSc
from Stockholm School
of Economics. Writes
about medical research
for British Medical
Journal. Board member
of Exececutive Health
Sweden AB.



Anders Lundmark

Board member of
Bioservo Technologies,
Tellacq AB, Nordic
Biosite AB and Secure
Appbox AB

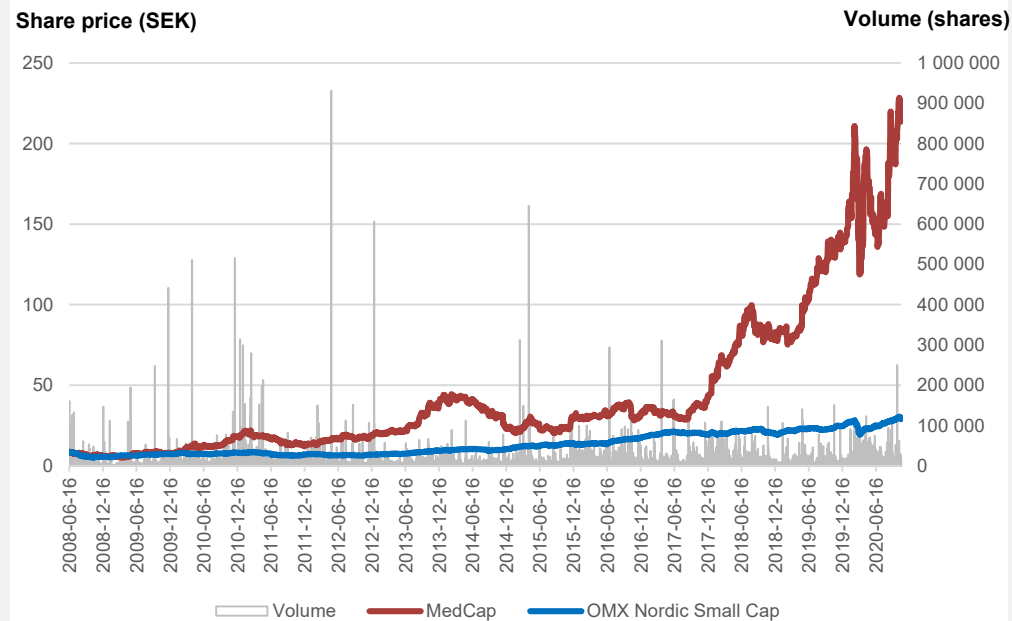


Nina Rawal

Founder of Emerging
Health Ventures,
Previously responsible for
Life Science at
Industrifonden and
Boston Consulting Group

MedCap's share

Share price development



- MedCap listed on Nasdaq Stockholm since February 2016 (since 2004 on Nya Marknaden / First North)
- Per 29 October 2020 the share price was SEK 214,5 which implies a market cap of SEK 3 174 million

Largest shareholders

Name	Shares	Ownership
Bengt Julander (Linc Invest AB)	2 965 946	20,05%
Bure Equity AB	2 956 017	19,98%
Karl Tobieson (incl. related parties and companies)	555 693	3,76%
SEB Nanocap	541 784	3,66%
Swedbank Robur	482 771	3,26%
Lannebo Fonder	417 338	2,82%
Staffan Dufva	402 500	2,72%
Odin Fonder	316 765	2,14%
Handelsbanken AB	310 532	2,10%
Swedbank AB	262 170	1,77%
Other	5 584 713	37,74%
Total	14 796 229	100,0%

Summary: Why invest in MedCap?

Summary

- 1** *Exposure to high quality, non-cyclical assets with market-leading positions and attractive outlooks in terms of growth and profitability*
 - Diversified revenue streams across growing verticals with a high degree of recurring revenues
 - Additional growth fueled by demographic trends
- 2** *Proven track-record of acquiring profitable niche companies at attractive multiples*
 - Credible rationale for small, entrepreneurial led companies to join MedCap's platform of unlimited ownership horizon and active management
- 3** *Long runway for geographic expansion, cross-selling and synergistic collaborations for recent acquisitions*

Financial calendar

Key dates

- Q4 2020, 19 February 2021
- Q1 2021, 7 May 2021
- Q2 2021, 30 July 2021

Financial summary – Segments

EBITDA & Net sales

MSEK	Net Sales			EBITDA*		
	Q3 2020 jul-sep	Q3 2019 jul-sep	FY 2019 jan-dec	Q3 2020 jul-sep	Q3 2019 jul-sep	FY 2019 jan-dec
MedTech	96,8	91,9	430,7	23,8	20,2	103,9
Specialty Pharma	78,5	68,0	326,5	9,0	2,8	27,7
MedCap group	175,3	159,9	757,2	28,5	20,1	116,0
	Net Sales development compared to last year			EBITDA-margin		
MedTech	5,3%	6,1%	7,6%	24,6%	22,0%	24,1%
Specialty Pharma	15,4%	-13,7%	5,8%	11,5%	4,1%	8,5%
MedCap group	9,6%	-3,3%	6,8%	16,3%	12,6%	15,3%

*) Adjusted, excluding management fees from the mother company and excluding IFRS 16.