

Hearing med Jorgen Drejer, CEO och Thomas Feldthus, styrelsemedlem Saniona AB

Jørgen and Thomas: Welcome to this web-hearing for Saniona. At our end we have Jorgen Drejer, CEO, and Thomas Feldthus. You can put forward your questions in Swedish or English as you prefer. We will respond in English. Best regards Jorgen and Thomas

Lise: Hej! Kan ni ge mig tre argument till varför jag skulle investera i er emission? (2014-03-11 15:27:05)

Jørgen and Thomas: We have a world-class team within our field of research. We have an interesting pipeline of research and development programs. We have over the last 16 months shown that we can transform these assets into valuable deals through the extension of the Janssen collaboration, the new deal with Pfizer and the innovative set-up together with Atlas Ventures. The bottom line is that our team is in front within their field, they have significant experience with collaboration with large pharmaceutical companies, and they know the requirements of the pharmaceutical industry. There is a reason why so many large pharmaceutical companies have decided to collaborate with this team not only once but several times. (2014-03-14 10:07)

Olf P: Behandling av smärta, vilken typ av smärtbehandling har ni patent på? (2014-03-12 15:27:14)

Jørgen and Thomas: Our lead program within pain is directed mainly towards neuropathic pain. Neuropathic pain is caused by the damage of the nerves and is very difficult to treat. Only around half of the patients will obtain some relief with existing therapy. We have patents around compounds, which interact as modulators of specific subtypes of GABA receptors. We have published that a prototype compound from these series is highly effective in preclinical models of neuropathic pain without classical side effects of GABA modulators such as sedation and muscle incoordination. One compound from the series has been taken into phase one clinical studies and - as expected - showed a very benign side effect profile. (2014-03-14 10:08)

Axl14: Hur ser bolaget ut om fem år? (2014-03-14 08:31:22)

Jørgen and Thomas: We have high ambitions. We trust that we over the next couple of years will create value for our shareholders. We see the listing at AktieTorget as a way to realize this value creation and as a step stone for a listing at small cap OMX Stockholm within the coming years. We have the fundament in place to follow this exciting path. With a world-class team within our field of research, with a fully equipped state-of-the-art laboratory and with 15 research and development programs in our bag. We hope that we are listed at small cap OMX and that several programs have moved into the clinics and that we have entered into additional partnerships in 5 years. (2014-03-14 10:09)

Elinor: Ni har idag samarbete med Jenssen, Atlas Ventures och Pfizer. Finns möjligheten att ni kan få ytterligare samarbetspartners eller är era framtida intäkter enbart beroende av hur ni presterar enligt avtalen med era nuvarande partners? (2014-03-14 08:31:37)

Jørgen and Thomas: We have 15 research and development programs, which we intend to partner with 3rd parties. We have already shown that we can transform some of our research programs into valuable deals through the extension of the Janssen collaboration, the new deal with Pfizer and the innovative set-up together with Atlas Ventures. We have a well-established network, which we have developed over the last two - three decades both within the global pharmaceutical industry and among the global venture capitalist servicing this market. Therefore, we are confident that we will be able to continue to establish value-creating collaborations for our partners as well as our shareholders. (2014-03-14 10:10)

Peter: Hej, hur kommer ni att säkerställa att aktiemarknaden känner till och uppmärksammar Saniona? Finns så många bolag nu. (2014-03-14 09:54:33)

Jørgen and Thomas: We believe that communication is key for a successful listing. We have strengthened our internal capabilities upon appointment of Leif Andersson to the board. Leif is a Sweden

and has an indebt knowledge and experience within communication. He has work has journalist on many of the papers in Scandinavia and he is a founder of Sund Komminikation, which was acquired by Grayling. We will ensure that we will have analyst coverage, and will communicate about the company regularly. Furthermore, we will participate in future investor events in Sweden. (2014-03-14 10:10)

Alfred: Hur många fler partneravtal förväntar ni er under året. Har ni pågående förhandlingar med läkemedelsbolag kring detta? (2014-03-14 10:06:15)

Jørgen and Thomas: We cannot comment specifically on this. What we can say is that we have been in this industry for more than 25 years and developed very good contacts to the most important players in the market. So there should be a good possibility that there will be more partnerships later. (2014-03-14 10:12)

Moderator: Vad kommer ni att använda pengarna till? (2014-03-14 10:08:37)

Jørgen and Thomas: We are listing Saniona at AktieTorget with the aim of accelerate the growth and activities of the company. The proceeds will enable us to mature some of our programs for partnering and to invest in 2 specific programs in order to select at least one lead candidate for further internal development. The goal of these activities is to mature our assets for partnering and build more value into selected programs before out licensing to the pharmaceutical industry. (2014-03-14 10:15)

Lars P: Varför emission och notering i Sverige och inte i Danmark? (2014-03-14 10:13:59)

Jørgen and Thomas: There are fundamental differences between Denmark and Sweden. First of all, Sweden has the infrastructure in place. Sweden has well functioning platforms, Sweden has analysts who cover small cap companies, Sweden has corporate finance companies, who are geared to run these small transaction. None of this exist in Denmark. Second, the culture appears to be different. A significant part of the Swedish households invests in listed companies. Danes tend to let their bank or pension manager take care of this. However, fund managers are always looking at large caps since they need to invest large amounts whereas private investors also are interested in small caps. So there is a market for small cap companies in Sweden and not in Denmark. So in short, Sweden has the infrastructure and the market for small cap as opposed to Denmark. (2014-03-14 10:16)

Moderator: Biotekbolag behöver omfattande finansiering. När kommer nästa emission? (2014-03-14 10:09:24)

Jørgen and Thomas: We will use a significant amount of the proceeds to perform specific pre-clinical development activities on 2 internal programs with the aim of selecting at least one of them for pre-clinical and clinical development within the next 12 months. We expect to raise additional capital upon selection of this lead candidate for further pre-clinical development, presumably in the range of SEK 20M per lead candidate. (2014-03-14 10:18)

Lars P: Hur mycket eget kapital har tillförts koncernen innan denna emission? (2014-03-14 10:17:32)

Jørgen and Thomas: We have raised about 2 million SEK in equity. (2014-03-14 10:19)

Moderator: När kommer nästa emission? (2014-03-14 10:13:51)

Jørgen and Thomas: We have now significant cash and income under our existing partnerships that we will be able to sustain the operation and planned activities under our collaboration agreements for at least 12 months. Therefore, the proceeds from this public offering will primarily be used for new internal initiatives. The objective is to identify a lead candidate for internal development within the next 12 months and our plan is to raise additional capital when we have identified this lead candidate. (2014-03-14 10:21)

Moderator: Hur kommer ni att tjäna pengar? (2014-03-14 10:14:08)

Jørgen and Thomas: Our partners are currently financing the company through funding of the research at Saniona. We expect that we in future will receive significant income through milestone payments and in long terms royalties, when our products reach the market. (2014-03-14 10:27)

Moderator: Hur ser er affärsmodell ut? (2014-03-14 10:13:58)

Jørgen and Thomas: We have many research and development programs and would need to collaborate with 2rd parties in order to get the programs to the market. Our objective is to find the best model for bringing each program forward to the benefit of our shareholders and partners. We are currently considering 3 models for the individual programs: 1) research and development collaborations; 2) internal development for later out-licensing; and 3) spin outs. We will create value for our shareholders by entering into early stage research and development collaborations such as our partnerships with Janssen and Pfizer. This model is relative low risk, since the partner typical finance the research at Saniona. The upside comes in terms of milestone payments and royalties on product sales. We have a strong network and track record of accomplishment for making such partnerships. In addition to this, we will create value for our shareholders by performing internal development of selected programs in order to add further value to these programs before out-licensing to 3rd parties. We are in this case assuming some of the risk since we will invest in the programs before out-licensing. We will in exchange receive a higher percentage of the upside in terms of milestones and royalties on product sales when the program is out-licensed to 3rd parties. Finally, we will create value for our shareholders by spinning out specific programs in new entities. These spinouts could take different forms. The spinout could be financed by venture capital such as Ataxion, which we established together with Atlas Ventures. We are in exchange receiving an ownership in the new company and will as a shareholder be rewarded upon the exit by the venture capital firm. Furthermore, we are in this case also entitled to royalties on products sales. (2014-03-14 10:29)

Arne: I memorandumet beskrivs att ni förvärvat stora tillgångar från NeuroSearch. Kan man vänta sig att de håller måttet eller måste ni förvärva nya inom de kommande åren? (2014-03-14 10:28:14)

Jørgen and Thomas: The existing research and development programs would require significant resources and could be foundation for several companies. We have an excellent research team that has participated in driving the innovation within ion channels for years in the pharmaceutical industry. In addition, we have collaboration with leading academic groups in Europe and the US of which some is funded by public grants. Based on this, we expect that our team will make new inventions within our field of research, which will lead to new and unique research and development programs in future. (2014-03-14 10:37)

Jørgen and Thomas: We are going to prolong the hearing for another 10 minutes.

Lars P: Hur stora intäkter ger befintliga partneravtal per år och i hur många år? (2014-03-14 10:24:41)

Jørgen and Thomas: We are not in a position to comment specifically on how much we are going to earn on specific contracts. Under the Pfizer agreement we are entitled to USD 52 million in milestones and royalties on product sales. Under the Janssen agreement, we are entitled to €45 million in development milestones, €30 million in commercial milestones and royalties on product sales. In addition to this, we will receive research funding for the activities taken place at Saniona. We make a contribution on the research funding, which will cover some of our overheads. The milestone payment and royalties will go straight to the bottom line. The research period is in general agreed for 1 year with a potential extension. The milestones will be payable over several years in accordance to the potential development of the products by Pfizer and Janssen. (2014-03-14 10:47)

Moderator: Hur gör jag för att investera I Saniona? (2014-03-14 10:09:46)

Jørgen and Thomas: It is quite easy. You can download the teaser or the anmälningssedel at our home page <http://saniona.com/investerare/nyemission-och-listning-pa-aktietorget/> You should then fill in the form and send it to Sedermera by post, fax or email in accordance to the instructions on the form. (2014-03-14 10:49)

Jørgen and Thomas: The hearing now ends, thanks for your interest! We may not have been able to respond to all questions. If you have any further questions you can email me at: tf@saniona.com

Best regards