

INTERIM REPORT JANUARY – MARCH 2018

TELEPHONE CONFERENCE

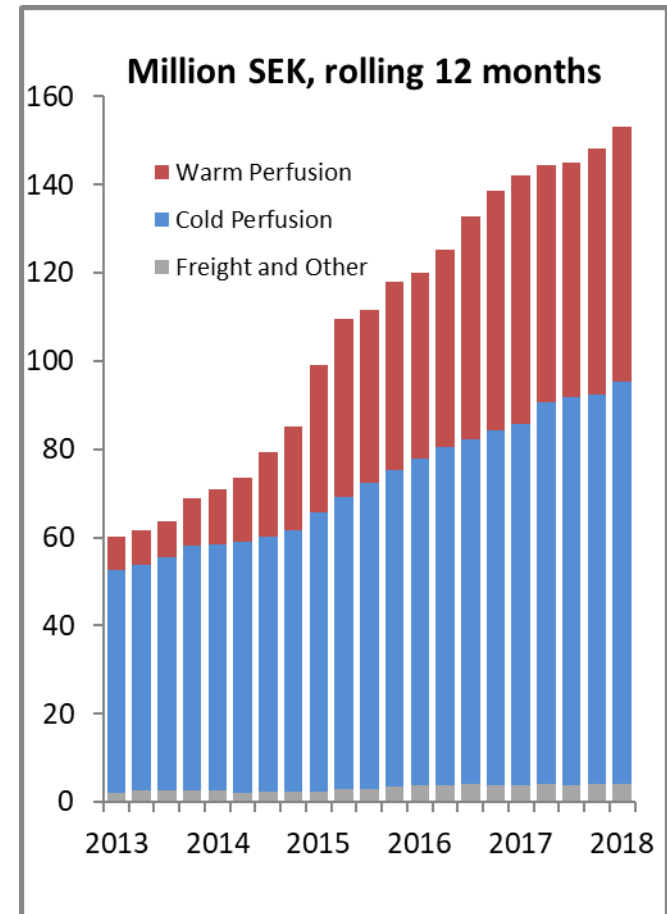
**“NO ONE SHOULD HAVE TO DIE
WAITING FOR A NEW ORGAN”**

April 26, 2018

MAGNUS NILSSON, CEO
CHRISTOFFER ROSENBLAD, CFO

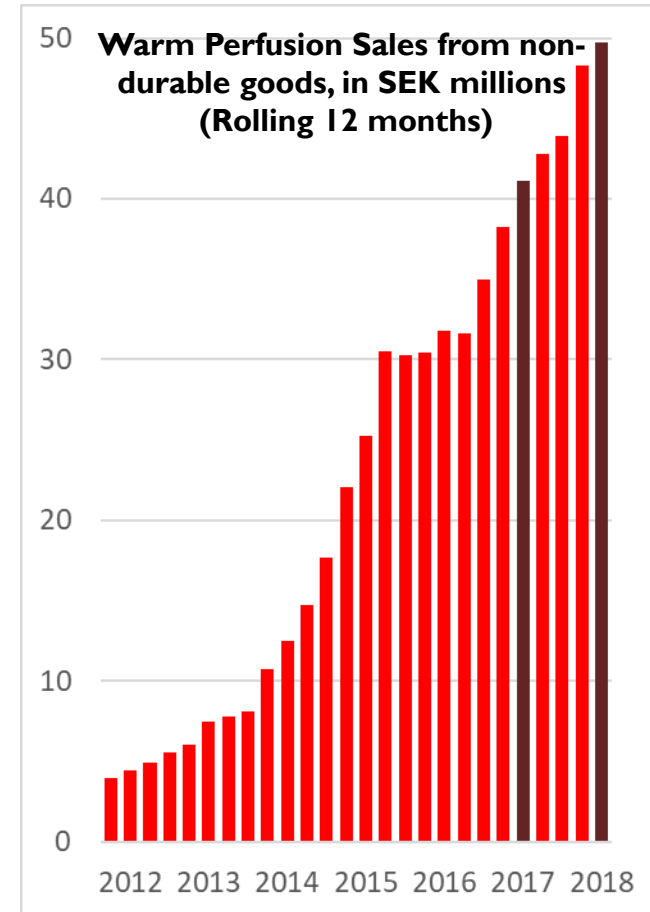
HIGHLIGHTS 2018 – Q1

- **Net sales exceeded SEK 150 million per rolling 12 months for the first time.**
- **Cash flow from operating activities was SEK 9.2 (-2.0) million. Intangible investments SEK 8.7 (6.0) million.**
- **2 XPS™ were delivered during the quarter.**
- **XVIVO's prototype of a heart transplantation machine has been completed for technical testing.**



SALES HIGHLIGHTS 2018 – Q1

- **Net Sales grew +18% in local currencies to 42.5 MSEK.**
- **Net Sales non-durable goods increased by +17% in local currencies to 37.9 MSEK.**
- **Second strongest quarter in Warm perfusion, after a strong Q4 2017.**
- **Rolling 12 months Warm perfusion growth of +21% (YoY).**



PROFIT & LOSS

	2018 Jan- Mar	2017 Jan- Mar	2017 Whole year
(SEK Millions)			
Net sales	42.5	37.5	148.3
Net sales non-Durable goods	37.9	33.6	141.0
Gross profit	30.1	27.1	113.4
Gross Margin %	71%	72%	76%
Gross Margin non-Durable goods %	77%	80%	78%
Selling expenses excl. items eff. comp%	-24%	-30%	-29%
Admin. expenses excl. items eff. comp%*	-11%	-13%	-13%
R&D exp. excl. Amort. & items eff. comp%*	-21%	-19%	-18%
Items effecting comparability*	0%	-4%	-2%
R&D Amortization %*	-6%	-7%	-7%
Other income/expenses %	-1%	-2%	-2%
Operating Result %	7%	0%	5%
EBITDA excl. items eff. comp.*	7.2	5,0	24.8
EBITDA excl. items eff. comp%	17%	13%	17%
EBITDA	7.2	3.7	22.0
EBITDA %	17%	10%	15%

**Sales non-durable
+17% local currencies**

**Customer support
build up, cost lower
due to vacancies filled
in end of Q1**

**Lung Tx business
profitable despite high
investments in
Marketing and R&D**

Items effecting comparability: 2018 0 (1.4) MSEK. R&D Amortization : 2018 2.7 (2.6) MSEK.

ISHLT CONGRESS

International Society of Heart and Lung Transplantation

- **The upgraded XPS™ drew much attention and appreciation.**
- **Results were presented from the first transplantation using the new heart preservation technology developed by Professor Steen.**
- **Clinics from all over the world showed great interest.**



XPS UPGRADE PROGRAM

- **Improved usability – e.g. Barcode scanner**
 - **Functions added to simplify the EVLP process and improve ease of use for the surgical team.**
- **Improved output – e.g. Online scale for continuous measuring of the weight of the lung**
 - **More parameters to ensure that the surgical team can take more informed decisions.**



PRODUCTS & MARKETS FOR FUTURE GROWTH

XVIVO - FUTURE GROWTH OPPORTUNITIES



Expansion of Lung transplantation indication, EVLP improvement projects, increase of DCD



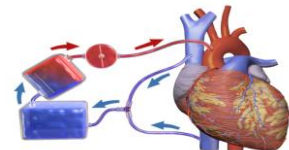
Heart Transplant project, early clinical phase



STEEN Solution™ for Liver Transplant, early clinical phase



ITT* - Drug administration to isolated organs (e.g. Cancer) with STEEN Solution™, early clinical phase



PrimECC improve clinical proof, late clinical phase

* ITT or Isolated Tissue Therapy is a therapy where one part of the body is isolated for treatment in order to avoid side effects.

LUNG TRANSPLANTATION

XPS & STEEN Solution only FDA (HDE) approved device for warm perfusion of marginal lungs

NOVEL study & Post Approval Study (PAS) :

- 110 + 110 patients included
- Follow-up 1 year – May 2018
- Study analysis ongoing
- PMA application submission – May 2018

- PAS (Post Approval Study)
 - 126 + 126 inclusion completed
 - Follow-up 3 years

- Restrictions on patients and recipients removed since PAS inclusion finalized



LUNG TRANSPLANTATION

Next steps for lung warm perfusion (EVLP)

XVIVO will continue to clinically develop EVLP:

- Use of DCD* donors for transplantation
 - controlled / uncontrolled
- Ex Vivo Infection therapy through EVLP e.g. Pneumonia therapy and virus reduction
 - 17 Hep C infected lungs transplanted
- Investigate immunological response with EVLP targeting long term survival
- New markers and online parameters for better decision making



*Donation after Circulatory Death

XVIVO - HEART TRANSPLANTATION

Heart perfusion and preservation solution and device developed by Prof. Steen

First clinical started with new technology:

- First patient transplanted with the new technology (new solution and new machine)
- Proof of concept study with 6 patients.
- Now approved for air transportation

Safe orthotopic transplantation of hearts harvested 24 hours after brain death and preserved for 24 hours

Stig Steen, Audrius Paskevicius, Qiuming Liao & Trygve Sjöberg

Pre-clinical proof of concept studies indicate:

- No non-oxygenated time -> Better organ quality
- Longer preservation time possible (24h in pigs)
- Myocardium tests on hearts preserved and not preserved showed similar results.

Main focus of next phase in heart transplant area:

- Prototype for international study ready for technical testing.
- Production development of heart perfusion solution.



PRIMECC – STUDY INCLUSION FINALIZED

PRIMECC® developed to avoid side-effects when priming heart-lung machines:

- Patent granted in EU, USA, China & Japan.
- CE marked Class III Medical Device.
- Inclusion of 40+40 patients completed 2018.
- Analysis of key parameters completed

Next steps:

- Expert review of study results ongoing.
- Follow up studies for key findings - planning ongoing.



SUMMARY OTHER NEW INDICATIONS

Liver transplantation:

- Results from first clinical study on 20 patients with STEEN Solution shows good clinical results.
- Marginal (DCD) Liver study planned to start in Canada on 2 centers - Preparations ongoing.



Isolated Tissue Therapy – Cancer

- Proof of concept study perfusing lungs in vivo for treatment of cancer is ongoing.
- Second patient successfully treated and followed up.



OUTLOOK 2018 - FOCUS AREAS

Thoracic Surgery

- Lungs - Continue to increase footprint and use of EVLP technology
- Lungs - PMA application and submission in May
- Lungs - Reinforced clinical development of EVLP
- Lungs – Hepatis C infected donors study
- Heart - Accelerating Heart transplant project with aim of international clinical study
- PrimECC – Expert review of PrimECC clinical data and start of clinical documentation program (US application + Marketing)

R&D - New indications

- Liver - STEEN Solution™ clinical development for Liver Tx
- Kidney – continued pre-clinical studies with STEEN Solution
- ITT - Isolated tissue therapy (Cancer / STEEN Solution™ IVLP)

→ Long-term goal is to solidify position in Thoracic surgery and build new a new business in new indications using the STEEN Solution technology.

XVIVO PERFUSION

Patients die waiting for an organ transplant

XVIVO has a Patented, Approved and Documented technology to make more organs available for the benefit of patients

XVIVO has the experience, capability, competence and technology to expand into more indications/markets