



# Annual General Meeting

14 July 2016

Imagine where we can go.

# Forward-looking statements



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# Unique company with a platform for success



## Interventional Medicine portfolio built

- Unique products that address high unmet patient needs in Oncology, Vascular and Pulmonology

## Commercial infrastructure in place

- Direct sales presence in the US, EU and Asia
- Sales teams for Spec Pharma, Varithena<sup>®</sup>, PneumRx, EKOS and Interventional Oncology

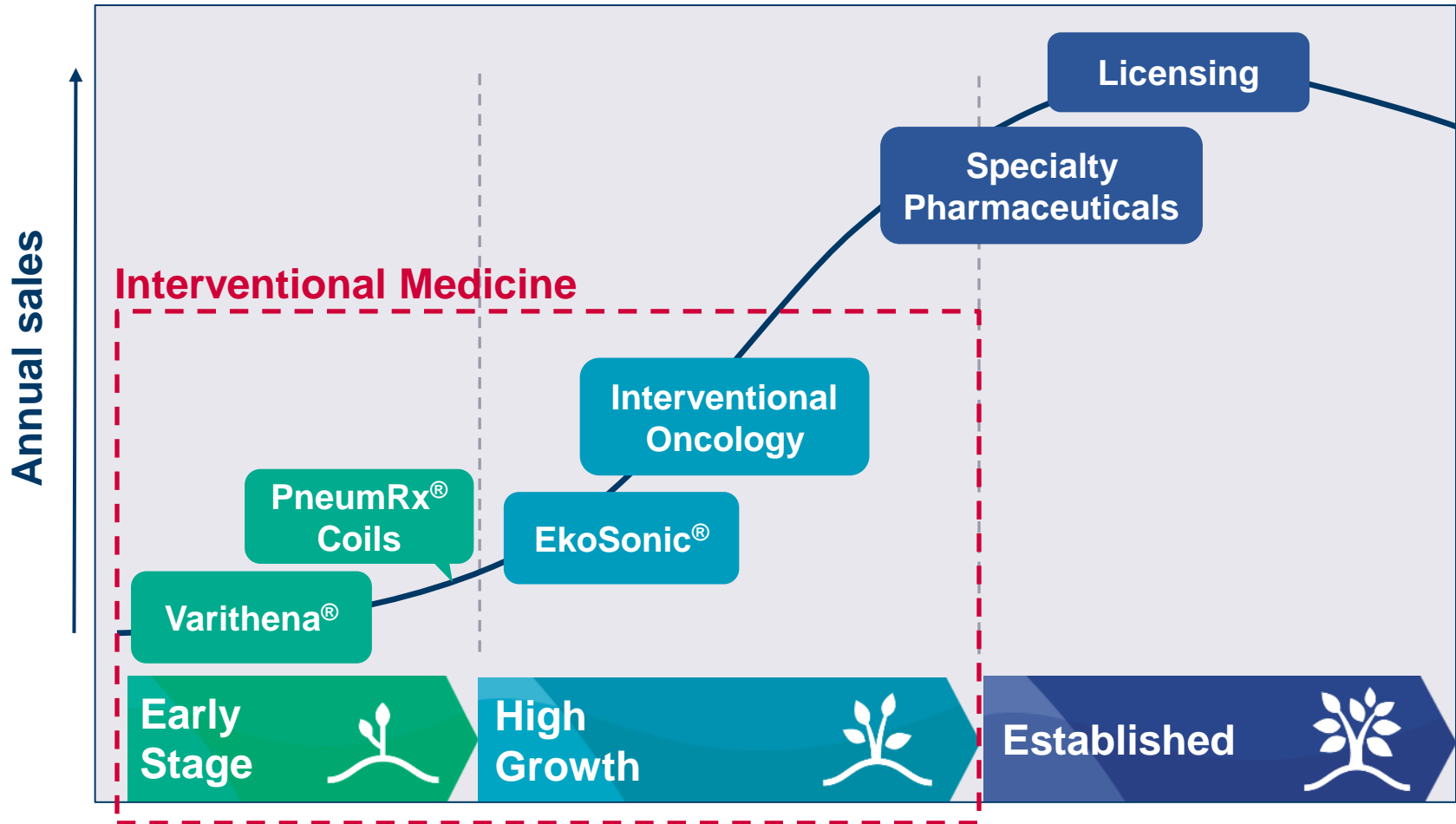
## Strong financial underpin secured

- Increasing cash generation enabled by Specialty Pharmaceuticals and Licensing businesses
- Balance sheet strength

## Unlocking growth opportunities

- Investing in geographic expansion, indication expansion and product innovation
- Accelerating growth through acquisitions

# Balanced portfolio of cash-generative, high growth and investment assets



# Financial highlights

## £100m of cash generation



	2015/16 (£m)	2014/15 (£m)	Change
<b>Revenue</b>	<b>447.5</b>	367.8	22%
<b>SG&amp;A</b>	<b>141.4</b>	124.8	13%
<b>Contribution</b>	<b>165.3</b>	128.3	29%
<b>R&amp;D investment</b>	<b>77.2</b>	68.3	13%
<b>Underlying operating profit<sup>1</sup></b>	<b>93.0</b>	67.9	37%
<b>Adjusted EPS<sup>1</sup></b>	<b>21.9p</b>	15.7p	39%
<b>Cash generation from operations</b>	<b>101.8</b>	62.7	62%
<b>Closing cash</b>	<b>140.4</b>	73.8	90%

<sup>1</sup>Excluding acquisition adjustments and reorganisation costs

# Continued strong revenue growth



		2015/16 (£m)	2014/15 (£m)	Change (%)	Change at CC <sup>1</sup>
<b>Interventional Medicine</b>					
<b>Interventional Oncology</b>	Beads (7% CC) / TheraSphere® (22% CC)	91.4	75.5	21%	16%
<b>Interventional Vascular</b>	EkoSonic®	45.4	33.9	34%	25%
	Varithena®	1.0	1.0	-	-
<b>Interventional Pulmonology</b>	PneumRx® Coil	12.4	2.3	nm	nm
	<b>Total Interventional Medicine</b>	<b>150.2</b>	112.7	33%	27%
<b>Specialty Pharmaceuticals</b>					
	CroFab®	67.9	61.8	10%	2%
	DigiFab®	47.0	44.7	5%	(1%)
	Voraxaze®	16.6	14.3	16%	11%
	Vistogard®	1.3	0.2	nm	nm
	Other	0.3	0.1	nm	nm
	<b>Total Specialty Pharmaceuticals</b>	<b>133.1</b>	121.1	10%	3%
<b>Licensing</b>					
	Zytiga®	118.9	105.2	13%	5%
	Lemtrada™	19.8	4.9	nm	nm
	Two-Part Hip Cup	13.7	13.8	(1%)	(9%)
	Others	11.8	10.1	17%	12%
	<b>Total Licensing</b>	<b>164.2</b>	134.0	23%	14%
<b>Total</b>		<b>447.5</b>	<b>367.8</b>	<b>22%</b>	<b>14%</b>

<sup>1</sup>At constant currency GBP vs USD (\$1.51 vs \$1.61 in prior year)

# Financial outlook

## Revisions following 'Brexit' vote



<b>Revenue</b>	Range: <b>£510m - £540m</b> ( <i>prev. £485m - £515m</i> )
<b>Gross Margin</b>	Blended c.70%
<b>SG&amp;A</b>	<b>£165m - £175m</b> ( <i>prev. c.£160m - £170m</i> )
<b>R&amp;D</b>	<b>£90m - £100m</b> ( <i>prev.c.£85m - £95m</i> )
<b>Effective tax rate</b>	c.15% for the FY; ongoing utilisation of tax losses c.27% ETR anticipated over medium/long term
<b>FX sensitivity</b>	Guidance set at \$1.35/£ <i>+/- \$0.05 = c.£15m movement on full year Group revenue</i>

# Strong momentum in 2015/16



## Commercial

- ✓ Interventional Oncology direct sales in EU and Canada
- ✓ First patients in Singapore, Hong Kong and South Korea treated with TheraSphere®
- ✓ First treatments and tenders won in China for DC Bead®
- ✓ LC Bead LUMI™ approval
- ✓ Health Canada approval for Varithena®
- ✓ New oncology antidote sales team established following Vistogard® approval

## Clinical

- ✓ REVOLENS study meets all endpoints
- ✓ RENEW study meets all endpoints
- ✓ TARGET study initiated to evaluate <sup>90</sup>Y dosimetry for TheraSphere®
- ✓ Successful Copperhead study for CroFab®





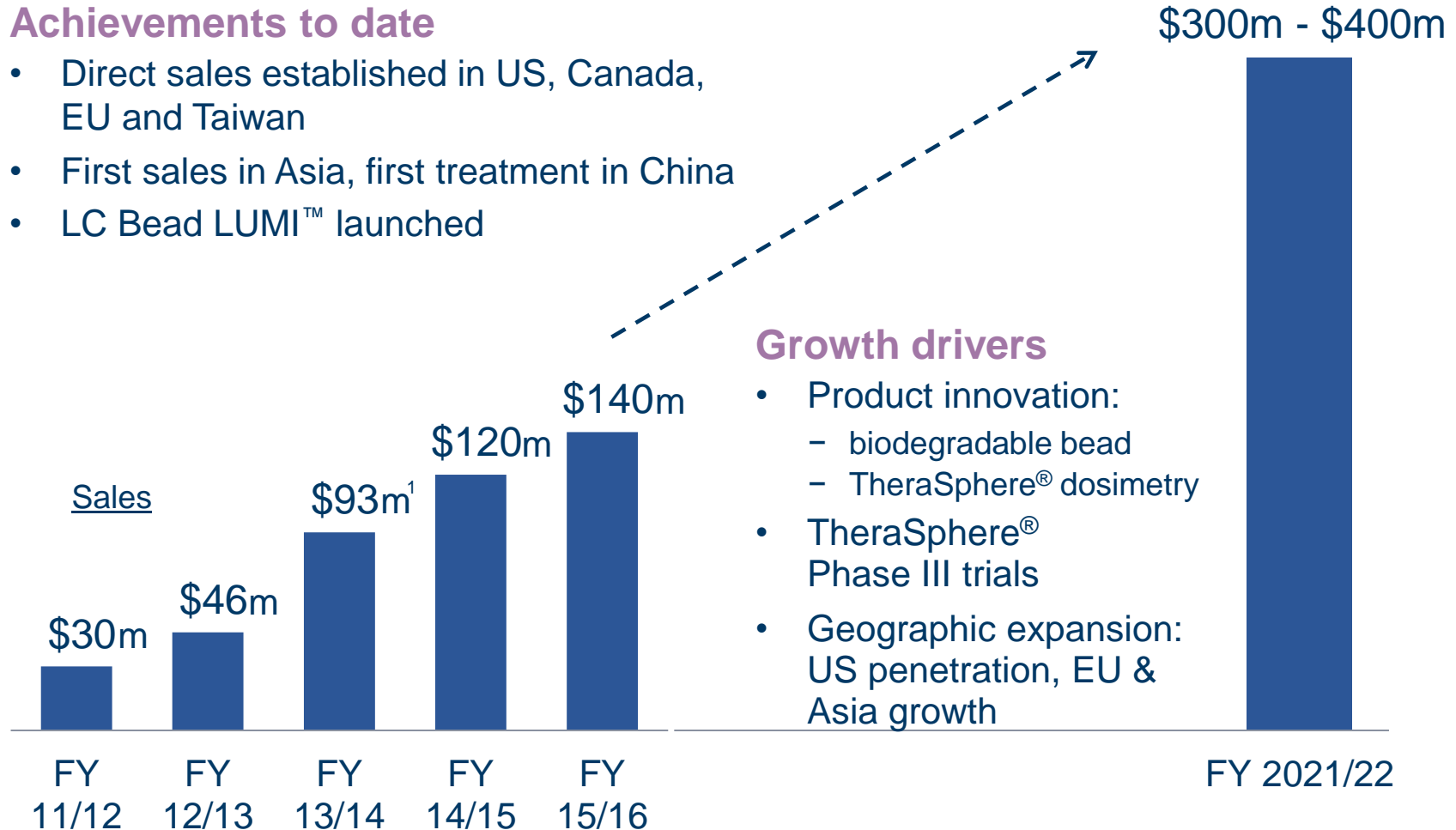
# Interventional Oncology

Building on our leadership



## Achievements to date

- Direct sales established in US, Canada, EU and Taiwan
- First sales in Asia, first treatment in China
- LC Bead LUMI™ launched



## Growth drivers

- Product innovation:
  - biodegradable bead
  - TheraSphere® dosimetry
- TheraSphere® Phase III trials
- Geographic expansion: US penetration, EU & Asia growth

<sup>1</sup>Includes BTG TheraSphere® sales from acquisition in July 2013 to 31 March 2014



# Interventional Oncology

Game-changing technology: LC Bead LUMI™



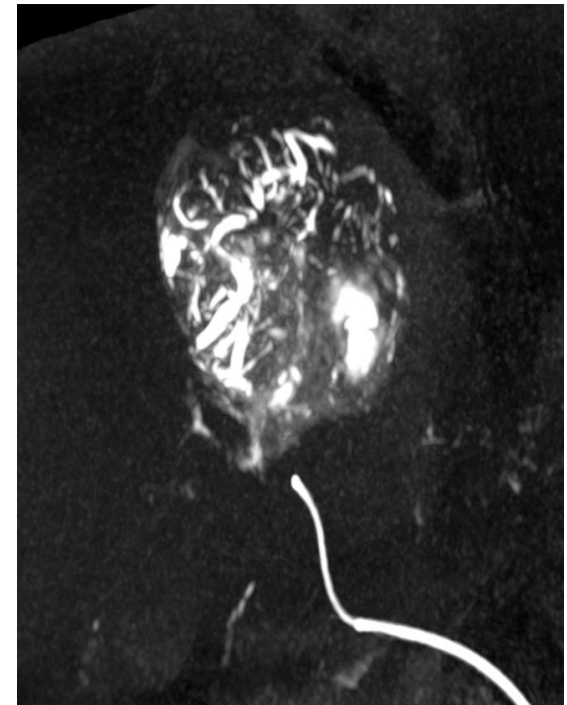
***"This is a game-changing tool... this is what we call precision targeting of tumours"***

Edward Kim MD, Director of Interventional Oncology, The Mount Sinai Hospital

***"It allows interventional radiologists like me to refine treatment as we go, with the subsequent prospect of improved outcomes for patients"***

Raj Narayanan, Associate Professor of Clinical Radiology, University of Miami

LC Bead LUMI™



***"It is reassuring for the clinician and the patient to know that the treatment was delivered exactly where it was aimed, and where it was needed"***

Bradford Wood, MD, Director of the NIH Center for Interventional Oncology



# Interventional Oncology

Acquisition of Galil Medical



## Going beyond liver cancer

- Visual-ICE® is the market leader in cryoablation
  - Precision destruction of tumours using ultra-low temperature technology
- Products approved in a broad range of oncology and other indications
  - Main use today in kidney cancer; potential to expand use into bone and lung metastases based on 2 clinical studies
- Potential to open up commercial possibilities with other BTG call points
  - EKOS in pulmonary embolism, PneumRx
- Potential to leverage existing relationship with referring urologists
- Platform to exploit broader healthcare opportunities within oncology





# Interventional Oncology

At the forefront of a new landscape



147k available patients:  
**Potential \$1.3bn**  
global market

BTG target  
2021/22:  
**\$300m - \$400m**

BTG sales  
2015/16:  
**\$140m**

## Personalised / Precision medicine

- LC Bead LUMI™
- TheraSphere® dosimetry study (TARGET)
- Visual-ICE®

## Outside the liver

- Benign tumours, gastric embolisation
- Kidney, lung, bone

## Immuno-oncology

- Systemic immuno therapy + locoregional therapy
- Cryotherapy and radiotherapy have the potential to assist in 'immune priming'

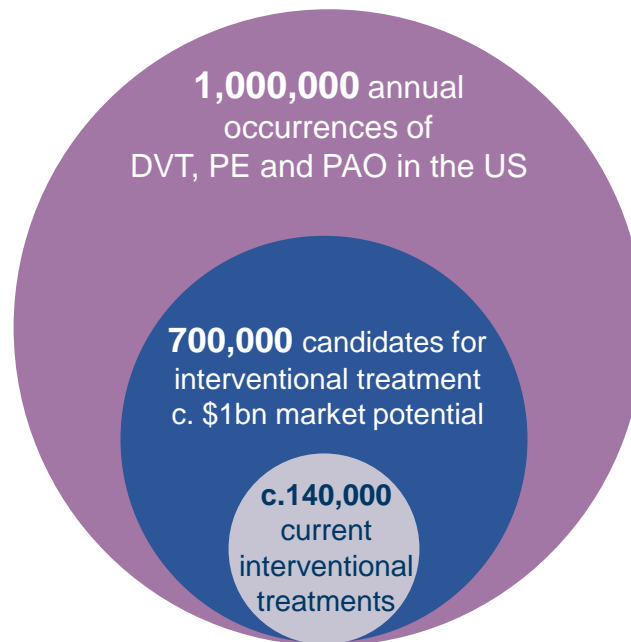


### Build on leadership in pulmonary embolism

- Only c.8% of PEs treated interventionally in 2015
- Add to clinical evidence, enhance links with Interventional Cardiologists

### Increase market penetration

- 60%+ US hospital penetration and rising
- Establishing patient referral programmes and treatment protocols



### EU, RoW expansion

- Approved in Mexico, Argentina, Chile
- Regulatory approval anticipated in Brazil, Colombia

c.20% CAGR in interventional treatments since 2013



# PneumRx<sup>®</sup> Coils

Shaping a new therapy



- New area of medicine with exciting commercial potential
- PneumRx began the journey with the development and CE mark of the coil
- Under BTG's leadership, we have expanded commercially in EU and built on the data
  - REVOLENS & RENEW trials completed; all end points met
  - Now have data on c.500 patients in total from 3 trials
- Therapy development
  - Establishing referral pathways
  - Getting the right patient to the right physician
  - Integration to the standard of care for severe emphysema
- Securing reimbursement
  - Using clinical data to expand reimbursement coverage



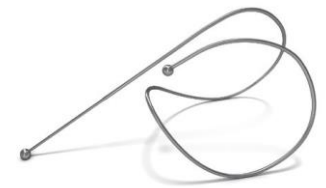


# PneumRx<sup>®</sup> Coils

RENEW data support US PMA application



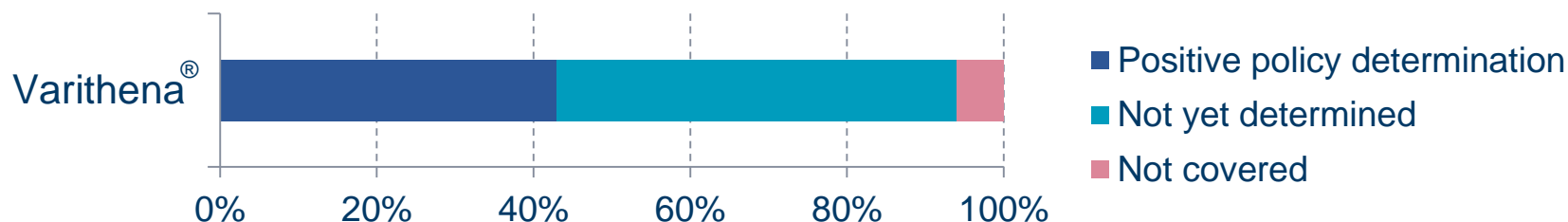
- Largest collection of data on endoscopic intervention of mainly GOLD Stage IV patients: 5-year follow-up on 315 patients
  - Presented at ATS and published in JAMA on 15 May 2016
  - Met primary and all secondary endpoints
    - 14.6m benefit vs control patients in change in 6MWT (primary endpoint); 8.9 point improvement vs control in QoL measured by the SGRQ (a secondary endpoint)
  - Sub-group analysis identifies best responders: patients with RV  $\geq$  225% had mean:
    - 29.1m (heterogeneous) / 20.7m (homogeneous) benefit vs control patients in change in 6MWT; 10.9 point / 10.1point benefit vs control in SGRQ
    - Also had 12.3% (heterogeneous) / 8.3% (homogeneous) benefit vs control in FEV<sub>1</sub>
- Anticipate completing rolling PMA submission at end of 2016
  - Decision to add usability testing data to already submitted module on device principles of operation as a result of ongoing dialogue with FDA





- Number of physicians in training/trained = 792 (429 in May '15)
- Early signs of smoother reimbursement process

### Nationwide coverage by payer



- Number of lives covered & claims paid = c.91m (c.50m in May '15)
- Other developments
  - Success in treating venous leg ulcers
  - Emergence of NTNT segment
  - Launch in Canada in H2'16
  - Progressing wider RoW expansion





# Specialty Pharmaceuticals and Licensing

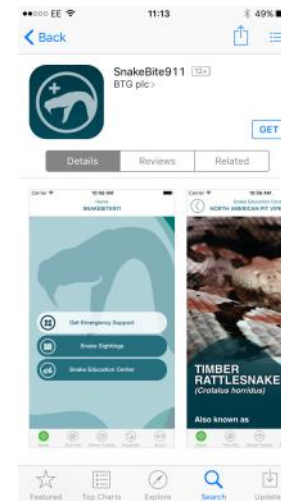


## Specialty Pharmaceuticals

- Vistogard<sup>®</sup> approval
- Building value within the medical community
  - Snakebite911 app
  - Successful Copperhead study

***“The results are clear...the patients who received antivenom got back to doing the activities they enjoy more quickly.”***

Eric Lavonas, MD of the Rocky Mountain Poison and Drug Center

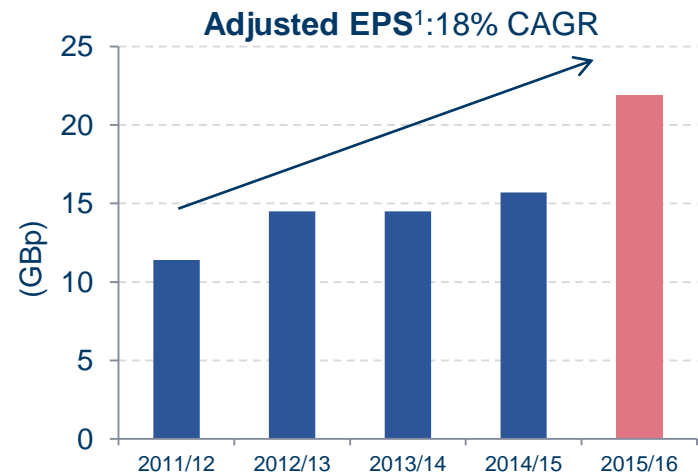
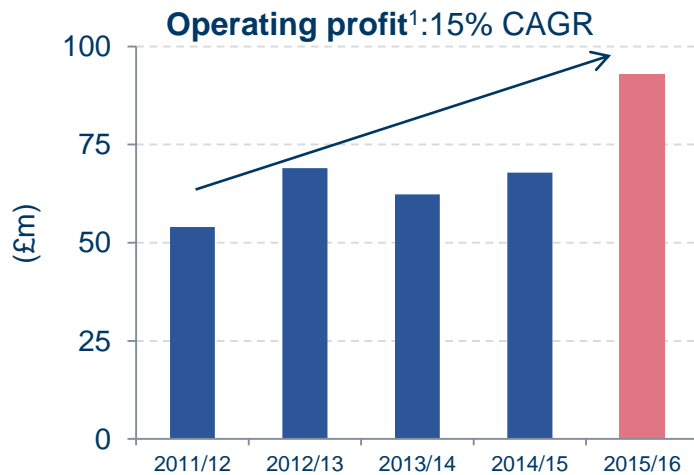
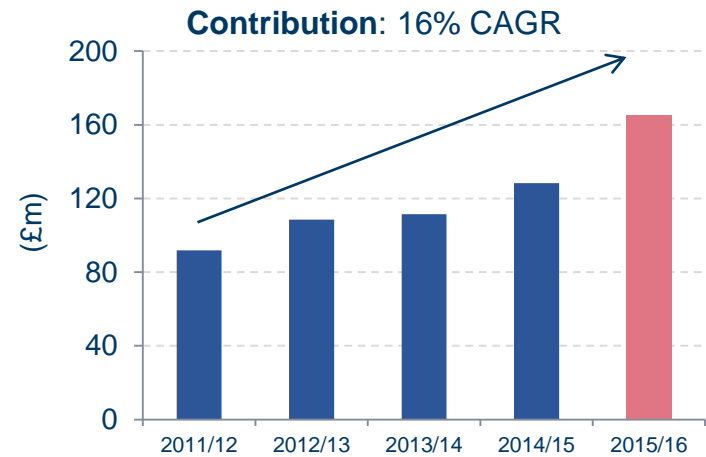
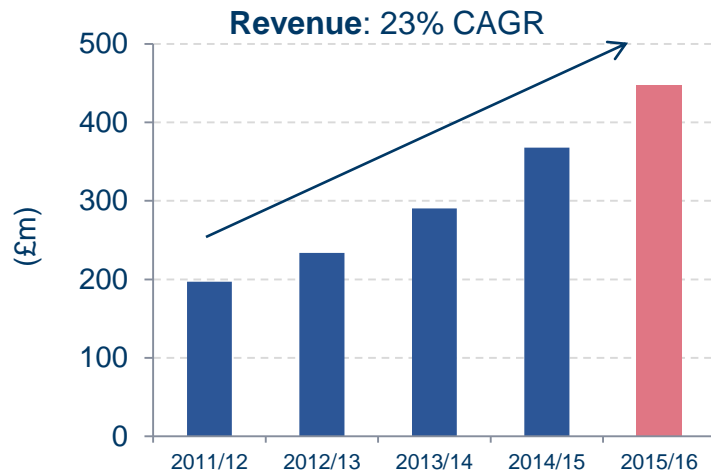


## Licensing

- Zytiga<sup>®</sup> (abiraterone acetate) combination use patent granted
- Lemtrada<sup>™</sup> (alemtuzumab) royalties to 2017
- MRC patent expired Dec 2015

# Demonstrating a successful strategy

## Progress on our journey



<sup>1</sup>Excluding acquisition adjustments and reorganisation costs

# Summary

## Enduring value creation



### Scale and resources for long-term value creation

- Expanded pipeline delivering strong organic growth
- Scale and capabilities to leverage new investments
- Leadership in Interventional Medicine therapies
- Expand portfolio/pipeline
- Explore new IM possibilities
- Targeting c.\$1.5bn annual revenue
- Reinvesting to maximise portfolio potential
  - New markets, new therapies and continued product innovation

**Double-digit revenue CAGR from c.\$675m today**

Today

FY 2021/22

Future

# Q & A

# Proxy votes

## Proxy votes

Resolution	Votes for*	% of vote	Votes against	% of vote	Votes Withheld
1. Receive and adopt the account together with the reports of the directors and auditor	324,022,885	<b>99.99</b>	23,503	<b>0.01</b>	1,737,455
2. Approve the annual statement and annual report on remuneration	320,494,564	<b>98.91</b>	3,538,913	<b>1.09</b>	1,750,366
3. Approve the Directors' Remuneration Policy	321,617,060	<b>98.88</b>	3,650,772	<b>1.12</b>	516,011
4. Re-elect Garry Watts	322,747,463	<b>99.42</b>	1,872,426	<b>0.58</b>	1,163,954
5. Re-elect Louise Makin	325,184,779	<b>99.96</b>	118,575	<b>0.04</b>	480,489
6. Re-elect Rolf Soderstrom	325,267,056	<b>99.99</b>	28,767	<b>0.01</b>	488,020
7. Re-elect Giles Kerr	324,483,875	<b>99.75</b>	812,593	<b>0.25</b>	487,375
8. Re-elect Ian Much	325,256,681	<b>99.99</b>	39,147	<b>0.01</b>	488,015
9. Re-elect James O'Shea	325,268,770	<b>99.99</b>	27,058	<b>0.01</b>	488,015
10. Re-elect Richard Wohanka	314,568,133	<b>96.70</b>	10,730,299	<b>3.30</b>	485,411
11. Re-elect Susan Foden	325,271,850	<b>99.99</b>	26,618	<b>0.01</b>	485,375
12. Re-appoint Auditor	318,352,556	<b>97.86</b>	6,953,091	<b>2.14</b>	478,196
13. Fix Auditor remuneration	320,005,554	<b>98.37</b>	5,310,138	<b>1.63</b>	468,151
14. Political Donations	323,724,458	<b>99.51</b>	1,587,536	<b>0.49</b>	471,849
15. Approve the BTG Performance Share Plan	321,545,402	<b>98.86</b>	3,712,410	<b>1.14</b>	526,031
16. Authority to allot shares	323,565,310	<b>99.46</b>	1,742,654	<b>0.54</b>	475,879
17. Approve increase in the limit of non-executive directors' fees	325,090,156	<b>99.93</b>	218,811	<b>0.07</b>	474,876
18. Disapplication of pre-emption rights in respect of up to 5% of Company's issued share capital	325,178,442	<b>99.82</b>	586,515	<b>0.18</b>	18,886
19. Disapplication of pre-emption rights in respect of additional 5% of Company's issued share capital	323,473,488	<b>99.45</b>	1,785,272	<b>0.55</b>	525,083
20. Call a general meeting on not less than 14 days' notice	313,049,033	<b>96.23</b>	12,261,955	<b>3.77</b>	472,855

\* Including votes at the discretion of the Chairman. Percentages shown exclude withheld votes.

# Close of meeting