

## Bactiguard Holding AB's report for the first quarter 2023

### Continued focus on growth and transformation

#### First quarter 2023, January-March

- Revenues amounted to SEK 61.2 (55.2) million, an increase of 11%. Adjusted for currency effects, revenues decreased by 4%.
- Operating loss amounted to SEK 18.7 (16.6) million, an increase of SEK 2.1 million.
- EBITDA amounted to SEK -6.6 (-4.0) million, with an EBITDA margin of -10.8% (-7.2%).
- Net loss for the period amounted to SEK 22.1 (16.5) million.
- Loss per share, before and after dilution, amounted to SEK 0.63 (0.47).
- Cash flow from operating activities amounted to SEK -7.7 (-11.9) million, corresponding to SEK -0.22 (-0.34) per share.

#### Key events during the first quarter

- In January, the first MDR (Medical Device Regulations 2017/745) product approval was announced, following a comprehensive authorization process. The MDR approval relates to the latex BIP Foley Catheter which is an indwelling urinary catheter with Bactiguard's unique infection prevention technology.
- Bactiguard Wound Care was launched in UK and Ireland.

#### Key events after the end of the quarter

- Zimmer Biomet received ZNN Bactiguard regulatory approval in Japan.
- Mikael Sander was appointed Head of Bactiguard Product Portfolio BPP, joins Bactiguard's management team.

### CEO statement

#### Continued focus on growth and transformation

*Following an eventful 2022, revenues for the first quarter 2023 came in at SEK 61 million, an increase of 11 percent compared to Q1 2022 (-4 percent when adjusted for currency effects). EBITDA for the quarter amounted to SEK -6.6 million (Q1 2022: SEK -4.0 million). Even with continued investments in organizational enhancements, indirect costs remained relatively flat at SEK -50 million compared to Q4 2022.*

#### Positive progress within licensing

We continue our efforts to further strengthen the license business, where the biggest potential for Bactiguard lies, and our strategic focus on new license partners and deepened collaborations is a crucial part of diversifying the long-term license revenue base and ultimately, reach more patients - the pipeline of potential license partnerships is strong and the goal to sign 1-2 more license partners per year stays firm.

License revenues were stable and in line with Q1 2022. For five consecutive quarters, including Q1 2023, revenues from our largest license partner BD (Becton Dickinson) have been very strong. However, we anticipate an adjustment over the coming quarters as they have now built up a significant stock in-house.



The trauma collaboration with Zimmer Biomet is progressing well and according to plan. The ZNN Bactiguard's regulatory approval in Japan was an important milestone being a first step towards commercial launch in a market where preventing infections is a high priority.

The Zimmer Biomet development project on their broader orthopaedics portfolio progresses well and according to plan and is an excellent example of how a successful collaboration and partnership, in this case within trauma orthopaedics, leads to a further expansion of our infection prevention technology. The development project with Dentsply Sirona is also progressing but the initial development phase will, however, take longer than estimated at the announcement in 2022. In Q1, the license revenues from the new development projects in broader orthopaedics and dental were related to development work. It is important to note that royalty revenues are generated once the projects advance into formal license agreements and products are commercially launched.

In January, we received our first MDR product approval. This is not only an important product approval, but it also signifies that Bactiguard's Quality Management System fully complies with the rigorous standards set forth by the MDR. This is a competitive advantage for us, both in licensing and for future BIP product regulatory approvals.

### **Bactiguard launches Wound Care in the UK and Ireland**

The aggregated BPP revenues increased by 6 percent in Q1 which is modest but we are confident that sales will pick up once the reorganized sales team structure settles. The investments made in the Nordics and India continue to pay off with yet another strong quarter.

Bactiguard Wound Care extended their market reach by entering the UK and Ireland in Q1. A publication in the Wounds Asia journal confirmed enhanced wound healing when using Bactiguard's Wound Care products which reinforces that Bactiguard's purpose of preventing infections is relevant across our entire offering.

### **Transformation journey continues**

Bactiguard's transformation continues and to strengthen BPP and License, Mikael Sander has been appointed Head of Bactiguard Product Portfolio. Mikael will focus on BPP operational excellence and be a senior resource in the License team. He brings vast experience from over 30 years within the global medtech industry and joins Bactiguard's Management Team. With the investments made in our Technology Development team last year, now under the leadership of Chief Technology Officer Sathish Subramaniam, we are even better equipped to further develop how we can apply Bactiguard's coating to new medical devices and new materials.

### **Outlook**

A key focus in 2023 is to further develop the US go-to-market strategy for Bactiguard's technology. We are investigating potential avenues, whether it be through forging collaborations with current and future license partners or with distribution partners. We will also continue our efforts to gain FDA approvals for products with Bactiguard's infection prevention coating, including our own portfolio (for example central venous catheters and endotracheal tubes). All this combined are both key drivers and prerequisites for achieving Bactiguard's future growth and profitability.

With the organizational investments made in 2022, we are confident in our strategy and about seizing the opportunities behind the global healthcare trends within our strategic therapeutic areas which in total has a market size of around USD 80 billion.

Anders Göransson, CEO

*Bactiguard Holding AB's (publ) report for the first quarter 2023 is available as a PDF at [www.bactiguard.com](http://www.bactiguard.com)*

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**Presentation of Bactiguard Holding AB's report for the first quarter 2023**

An audiocast for investors, analysts and media will be held at **11:00 CEST today, April 27, 2023**. CEO Anders Göransson and CFO Carin Jakobson will present the report and answer questions.

**To participate in the audiocast, please use this link:**

[www.bactiguard.com/report/q1-2023/](http://www.bactiguard.com/report/q1-2023/)

**About Bactiguard**

Bactiguard is a global medtech company with a purpose to prevent infections. We provide safe, cost-effective, and easy-to-use infection prevention technology and solutions across five therapeutic areas – orthopedics, urology, intravascular/critical care, dental, and wound care.

Bactiguard's unique technology is based on a thin noble metal coating that prevents bacterial adhesion and biofilm formation on medical devices. Bactiguard's solutions are biocompatible and make a positive impact by decreasing patient suffering, saving lives and healthcare resources, and fighting antimicrobial resistance, one of the most serious threats to global health and modern medicine.

Bactiguard operates through license partnerships with leading global medtech companies, such as BD and Zimmer Biomet, differentiating their medical devices with our technology, and through the Bactiguard Product Portfolio (BPP). BPP includes coated medical devices such as catheters and trauma implants, and wound care products and sutures.

Bactiguard is headquartered in Stockholm, has production in Sweden and Malaysia, and around 210 employees. Listed on Nasdaq Stockholm, the company reported revenues of 253.5 MSEK in 2022.

Read more about Bactiguard [www.bactiguard.com](http://www.bactiguard.com)

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