

Bactiguard maintains clear growth strategy and updates financial targets

Bactiguard presents updated financial targets for 2025 in connection with the company's financial report for the third quarter of 2020.

Bactiguard's growth strategy for the coming five-year period up to 2025 is based on a continued roll-out of Bactiguard's technology, with a focus on new license agreements and a broader product portfolio.

"We are confident in the strength of Bactiguard's technology for various types of medical applications, both for short-term and long-term use. We have several interesting licensing projects ongoing and see new, exciting business opportunities. The strategy of establishing one or two new license agreements per year and expanding the use of our own portfolio for infection prevention remains unchanged," says Cecilia Edström, CEO.

Bactiguard's technology is efficient and safe. The aim is to sign 1-2 new license agreements per year, with focus on orthopedic and dental implants, as well as different types of products for the urinary tract, blood stream and airways for the global market.

Bactiguard's product portfolio for infection prevention (BIP portfolio) continues to be broadened through the development of new products and areas of use. In 2020, the product portfolio was expanded with advanced disinfection and wound care through the acquisition of Vigilenz. We now have a broader base and better market coverage in Europe, the Middle East, India, Southeast Asia and China. To accelerate growth, we invest in the sales and marketing and take a step forward in the value chain, in order to better control activities and priorities.

"With Bactiguard's unique technology for infection prevention, scalable business model, broader product portfolio and market coverage, the ambition is to grow sales by 20 percent per year and generate an EBITDA margin of 30 percent," Cecilia Edström continues.

Updated long-term financial targets for the period up to 2025:

Growth

Average revenue growth of 20% per year over a five-year period (unchanged)

Profitability

EBITDA margin of at least 30 percent at the end of the five-year period 2025 (unchanged)



Dividend

A long-term goal to achieve a dividend of 30–50% of profit after tax, taking into consideration the company's financial position. The company is in an expansion phase and will therefore in the coming years prioritize growth over dividends. (unchanged)

Bactiguard will continue to expand its operations by strengthening its sales and marketing organization, developing its product portfolio and entering into new licensing agreements in more therapy areas, as well as by selective acquisitions.

The equity ratio target is no longer relevant and therefore excluded. Bactiguard's equity ratio has for a longer period exceeded 30 percent by good margin over a long period.

Bactiguard's long-term financial targets should not be regarded as a forecast, but rather as an ambition which the board and management consider to be reasonable long-term expectations of the company.

This information is information that Bactiguard Holding AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out below 2020-11-05, at. 07.55.

Bactiguard Holding AB (publ) publishes the interim report for the third quarter on Thursday, November 5, 2020 at 08.00. CEO Cecilia Edström and CFO Gabriella Björknert Caracciolo present the third quarter results and updated financial targets at 11.00. The presentation can be followed at www.bactiguard.com.

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About Bactiguard

Bactiguard is a Swedish medical device company with a mission to save lives. To achieve this mission, we develop and supply infection prevention solutions which reduce the risk of healthcare associated infections and the use of antibiotics. This way, we save significant costs for healthcare and the society at large.

The Bactiguard technology prevents bacterial adhesion and biofilm formation on medical devices. Bactiguard offers the technology through licence agreements and our BIP (Bactiguard Infection Protection) portfolio of products. Through our licence partner BD, urinary catheters with Bactiguard's coating are market leading in the USA and Japan. Bactiguard's own product portfolio of urinary catheters, endotracheal tubes and central venous catheters prevent some of the most common infections, which appear in the urinary tract, the blood stream and the respiratory tract.

Bactiguard is in a strong expansion phase in the European markets, China, India and the Middle East as well by establishing license agreements in new therapeutic areas. Recently, Bactiguard completed the acquisition of Malaysian Vigilenz, a manufacturer and supplier of medical devices and consumables, primarily within wound care and infection prevention.

Following the acquisition, Bactiguard has about 180 employees around the world. Its headquarters and one of three production facilities are located in Stockholm, the other two in Malaysia.

Bactiguard is listed on Nasdaq Stockholm. Read more about Bactiguard at www.bactiguard.com