



Interim report for Bactiguard Holding AB (publ)

Corporate registration number 556822-1187

Third quarter (July-September 2014)

- Revenues amounted to SEK 28.1 (32.5) million, a decrease of 14 % over the corresponding quarter last year
- EBITDA amounted to SEK 2.2 (4.7) million, a decrease of 53 % over the corresponding quarter last year
- Reported net profit for the quarter amounted to SEK -15.7 (-5.1) million, corresponding to SEK -0.47 (-0.26) per share. Net profit for the quarter has been negatively affected by market valuation of the bond with SEK -6.8 million (+9.0 million). This effect is of an accounting nature, and has no effect on cash flow.
- Operating cash flow for the quarter amounted to SEK -21.8 (0.5) million, corresponding to SEK -0.66 (0.02) per share (major payments related to the IPO on Nasdaq Stockholm have had a negative effect on operating cash flow)

Nine-month period (January-September 2014)

- Revenues for the period amounted to SEK 93.8 (83.2) million, an increase of 13 % over the corresponding period last year
- EBITDA for the period, excluding costs related to the IPO, amounted to SEK 17.2 (14.8) million, an increase of 16 %
- Net profit for the period amounted to SEK -79.4 (-22.3) million, corresponding to SEK -3.17 (-1.12) per share and has been negatively affected by costs associated with the IPO and market valuation of the bond totalling SEK 48 million. Market valuation of the bond has no effect on cash flow and is of a pure accounting nature
- Operating cash flow amounted to SEK -12.4 (-9.1) million, corresponding to SEK -0.5 (-0.46) per share

Key events during the third quarter

- Bactiguard expands in Europe through a new distributor agreement regarding Portugal

Key events after the end of the third quarter

- Strengthening of the marketing organization
- Repurchase of bonds in the market

Key figures	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Full year
	2014	2013	2014	2013	2013
Revenues, SEKm	28,1	32,5	93,8	83,2	131,1
EBITDA, SEKm	2,2	4,7	14,2	14,8	40,0
EBITDA margin, %	8%	14%	15%	18%	31%
EBITDA*, SEKm	2,2	4,7	17,2	14,8	40,0
EBITDA margin*, %	8%	14%	18%	18%	31%
Operating profit, SEKm	-5,3	-2,9	-8,2	-6,4	11,2
Net profit for the period, SEKm	-15,7	-5,1	-79,4	-22,3	-3,4
Operating cash flow**, SEKm	-21,8	0,5	-12,4	-9,1	-54,2
Earnings per share***, SEK	-0,47	-0,26	-3,17	-1,12	-0,17
Op. cash flow per share****, SEK	-0,66	0,02	-0,50	-0,46	-2,71
Equity ratio, %	62%	17%	62%	17%	20%
Net debt, SEKm	62,3	447,6	62,3	447,6	479,5
Number of shares at the end of period*****	33 302 373	20 000 000	33 302 373	20 000 000	20 000 000
Weighted average number of shares*****	33 302 373	20 000 000	25 007 242	20 000 000	20 000 000

*EBITDA adjusted for IPO costs

**Cash flow from operating activities after investments and changes in working capital

***Net profit for the period / Weighted average number of shares during the period, issue-adjusted

****Operating cash flow / Weighted average number of shares during the period, issue-adjusted

*****Adjusted for split

Comments from the CEO

Bactiguard is in a development phase, where we expand our market presence, invest in our sales- and marketing organization, develop our product portfolio and explore the possibilities of adding new licensing businesses. We have a solid platform in our current licensing business, which generates revenues of 80-90 million SEK per annum, and an interesting growth business in our own portfolio of solutions for infection prevention in healthcare. Sales generated by our own portfolio are initially much more volatile and will, in the ramp up period, fluctuate significantly between quarters. As deliveries to more markets commence and repeat orders are generated, we will enter a more stable growth phase.

Market activity was somewhat slow in the third quarter due to seasonality. In terms of revenues and earnings, the third quarter was weaker than the same period last year. During the third quarter 2013, Bactiguard made a substantial delivery to Iraq, which led to a very strong quarter and affects the comparison. We are currently in intense negotiations in Iraq to secure deliveries in a longer term perspective. The need for infection prevention solutions is substantial but, given the political situation in the country, the timing of future deliveries is difficult to assess.

One of our strategic priorities is investing in the sales- and marketing organization to support our distributors and develop direct sales. Since the end of June, we have strengthened competence in the company by recruiting a regional sales director for Europe and a marketing director, who will also focus on developing direct sales in the Swedish market. Preparations for the start of sales in new markets are intense. We have developed our sales training modules and conducted training activities in South America, India and the Middle East. The market launch in South America is now ongoing, with focus on Brazil.

To expand our market presence in Europe is another strategic priority. We review our current distributors and look into alternative ways of doing business in new markets. Recently, we signed a new distribution agreement for Portugal. We have also entered an agreement with a distributor in Iran and an initial order, comprising all products in our portfolio, was shipped in the third quarter.

In order to pave the way for market expansion, we systematically work to get our products approved in more markets and engage in clinical studies. Product approval processes are for example ongoing in China. The Chinese process has been ongoing for a long time and in the summer of 2014 we reached an important milestone by receiving approval from an expert panel, based on a technical and clinical review. An administrative examination is now ongoing and once this process has been completed, which we expect before the end of this year, a decision on final product approval will be made. We continuously engage in clinical studies and in the near term plan to initiate studies in for example India and Sweden. At the same time, we develop our existing product portfolio by adding new variants and initiating development of closely related products, based on market needs.

The pre-study phase in the collaboration with MAQUET Critical Care, which was initiated in the summer with the aim of developing Bactiguard® coated catheters for patients in intensive care, has been completed with positive results. Next step in the process will be entering a development agreement, but this has been pushed back in time due to other project priorities at MAQUET.

Through the IPO in June, we achieved an important goal, namely refinancing the company and securing financial flexibility for expansion and growth. The net debt of the company was significantly reduced and annual interest costs were halved, from 50 to 25 million SEK. Since then, both in the third and fourth quarter, Bactiguard has repurchased bonds in the market and further reduced the outstanding bond loan by a nominal amount of 38.5 million SEK. This will reduce annual interest costs by 4 million SEK and we still maintain a healthy liquidity and financial flexibility.

Bactiguard has never been stronger. At the beginning of December, we will move into our new, integrated head office, production and R&D facility, located next to the Karolinska University Hospital south of Stockholm. This step will make us even better equipped to continued developing our business.

Johan Rugfelt
CEO

Key events during the third quarter

Bactiguard expands in Europe

Bactiguard establishes market presence in Portugal by entering an exclusive distribution agreement with Socime Medical Ltd, covering all products in the Bactiguard infection protection portfolio.

Through this agreement, Bactiguard expands its market presence to 51 countries worldwide. Earlier in the third quarter a distribution agreement for Iran was signed.

Portugal has a population of 10.6 million inhabitants and spends close to 10 percent of GDP on healthcare. Approximately 11 percent of the patients in Portuguese hospitals are affected by healthcare associated infections and multi-resistant bacteria are increasing, like in the rest of the world. Implementing preventive measures to counteract these problems is therefore essential.

The Portuguese market for products within Bactiguard's focus area e.g. Foley catheters, central venous catheters and endotracheal tubes, is currently estimated at approximately 6 MEUR per annum.

Key events after the end of the third quarter

Strengthening of the marketing organization and management changes

Bactiguard strengthens its sales and marketing organization, in line with company strategy, by recruiting Nina Nilsson as Head of Marketing. In addition to marketing, she will also focus on developing sales in the Swedish market. Nina Nilsson has a broad international background in the medical device industry, including both marketing and sales. She has studied medicine at Karolinska Institutet and has a Marketing Diploma from IHM Business School in Stockholm.

The recruitment of Nina Nilsson as head of marketing and Erik Düring as regional sales director for Europe, which was communicated in July, are important steps in strengthening the organization to support the company's distributors and develop the markets where Bactiguard has direct sales.

In November, Hans Ramberg left the executive management of Bactiguard. As an external attorney, Hans Ramberg will continue serving as legal counsel to Bactiguard.

Repurchase of bonds in the market

During October, Bactiguard repurchased bonds in the market amounting to a total nominal value of SEK 20 million. Together with the repurchases which were conducted during the third quarter, the total nominal value of the repurchased bonds amounts to SEK 38.5 million, which means that the outstanding bond loan now amounts to a nominal value of SEK 189 million.

Consolidated revenues and earnings

Revenues

Bactiguard has three revenue streams:

License revenues

License revenues are attributable to sales of products under license, which currently includes the group's licensing agreement with C.R. Bard, Inc. (Bard) regarding Foley catheters for the USA, Japan, the UK, Ireland, Canada and Australia.

Territorial fees

Territorial fees are attributable to the compensation received when entering into a contract with a distributor that obtains exclusive rights to sell Bactiguard's products on a distinct geographical market.


Sales of BIP products

The BIP portfolio currently includes sales of the BIP Foley, BIP ETT and BIP CVC products.

Other revenue

Comprises mainly foreign exchange differences and any other operating income.

Bactiguard's BIP (Bactiguard Infection Protection) product portfolio includes medical devices in three areas: urinary tract, respiratory tract and blood streams.

BIP Foley	BIP ETT	BIP CVC
 <ul style="list-style-type: none"> BIP Foley is the company's urinary catheter, which uses the Bactiguard coating to reduce the risk of patients contracting catheter-associated infections of the urinary tract. 	 <ul style="list-style-type: none"> BIP ETT is the company's endotracheal tube, which uses the Bactiguard coating intended to reduce the risk of patients contracting ventilator-associated pneumonia. 	 <ul style="list-style-type: none"> BIP CVC is the company's central venous catheter, which uses the Bactiguard coating to reduce the risk of patients contracting catheter-associated blood infections.

Revenue distribution

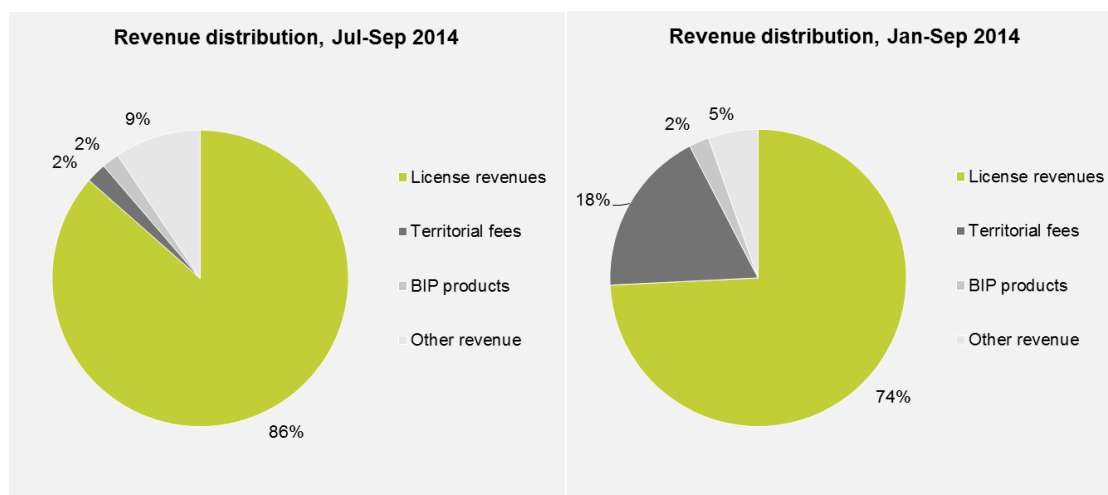
Third quarter (July-September)

Consolidated revenues for the third quarter amounted to SEK 28.1 (32.5) million, which is a decrease of approximately 14 % compared to the same quarter last year. The decrease is largely related to lower revenues from Sales of BIP Products. During Q3 2013 a major delivery was made to Iraq. The bulk of revenues (86 %) came from license revenues. The licensing agreement with Bard provides a stable flow over the years, and the positive difference in license revenues in the third quarter compared with the same period last year is largely related to continued acceleration of orders from Bard and a stronger dollar.

Territorial fees accounted for 2 % of revenues during the quarter, and are largely related to a new exclusive distribution agreement regarding Portugal.

Sales of BIP products amounted to 2 % of revenues in the third quarter, with a large proportion related to revenue from an initial order for Iran, a country for which Bactiguard signed a distribution agreement during the quarter. The agreement does not include any Territorial fees and thus immediately generates direct revenues (Sales of BIP Products). The majority of the other product shipments during the quarter have resulted from product deliveries to distributors against market contribution, and therefore have not generated income.

Other revenues during the quarter (9 %) are largely attributable to exchange rate differences.

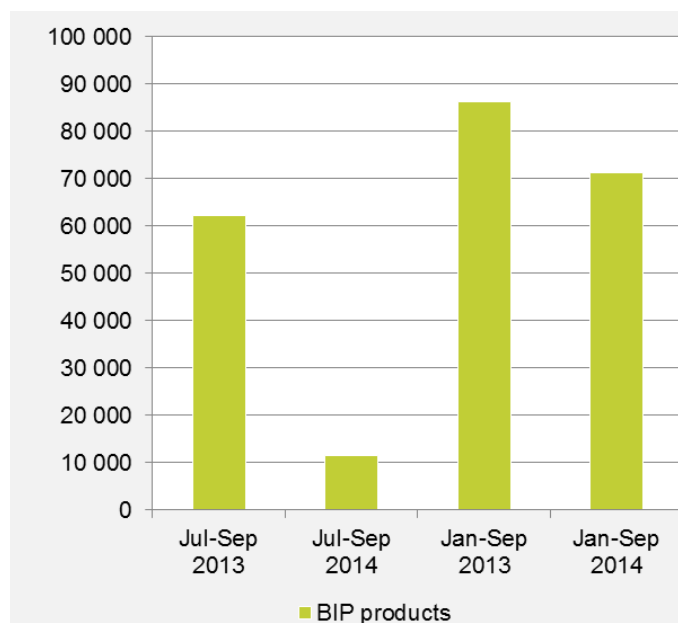


Nine-month period (January-September)

Consolidated revenues for the period January to September 2014 amounted to SEK 93.8 (83.2) million, an increase of 13 % compared to the same period last year. The bulk of the revenue, 74 % (75 %), was attributable to license revenues.

	Jul-Sep 2014	Jul-Sep 2013	Jan-Sep 2014	Jan-Sep 2013	Full year 2013
License revenues	86%	66%	74%	75%	63%
Territorial fees	2%	0%	18%	5%	5%
BIP products	2%	32%	2%	17%	28%
Other revenue	9%	3%	5%	2%	3%

Product deliveries



During the third quarter of 2014, a total of approximately 12,000 BIP products were delivered, compared to 62,000 in the corresponding period of 2013 when a major delivery to Iraq was made. The full year deliveries in 2013 amounted to just over 190,000 BIP products.

During the nine-month period January-September 2014, a total of approximately 71,000 BIP products were delivered, compared to approximately 86,000 in the corresponding period of 2013.

During the third quarter, product deliveries to Iran were initiated.

Financial results

Third quarter (July-September 2014)

EBITDA for the third quarter amounted to SEK 2.2 (4.7) million. The change compared with the corresponding period last year is largely influenced by lower revenues from sales of BIP products.

Consolidated operating profit for the third quarter of 2014 amounted to SEK -5.3 (-2.9) million. In operational costs which affect operating profit, it is worth noting that a provision for doubtful accounts receivables is included in Other external expenses with SEK 0.3 (7) million.

Financial items for the quarter amounted to SEK -11.7 (-3.4) million. The effects of market valuation of the bond, which have no effect on cash flow, are recognised as financial items in the income statement. During the third quarter of 2014, the market valuation of the bond affected financial items by SEK -6.8 (+9) million. Interest expense related to the bond amounted to SEK -6.3 (-12.4) million in the third quarter.

Consolidated net profit for the third quarter amounted to SEK -15.7 (-5.1) million, with the change in the market valuation of the bond between the two quarters being the main reason for the change in earnings.

Nine-month period (January-September 2014)

EBITDA for the nine-month period January-September amounted to SEK 14.2 (14.8) million. EBITDA for the period was affected by non-recurring expenses of approximately SEK 3 million related to the IPO on Nasdaq Stockholm. Adjusted for these non-recurring expenses, EBITDA amounted to SEK 17.2 million for the period.

Consolidated net profit for the nine-month period amounted to SEK -79.4 (-22.3) million. Net profit is affected by non-recurring expenses related to the IPO by SEK 3 million, the transaction with Noonday regarding termination of option agreement by SEK 14 million as well as effects of market valuation of the bond by SEK 31.1 million. Adjusted for these effects, the consolidated net profit for the nine-month period amounted to SEK -31.4 million.

Cash flow

Third quarter (July-September 2014)

Operating cash flow (cash flow from operating activities after investments and changes in working capital) for the third quarter amounted to SEK -21.8 (0.5) million. Cash flow from operating activities made a positive contribution but major payments, largely related to the IPO on Nasdaq Stockholm, have affected the operating cash flow negatively.

Total cash flow for the third quarter amounted to SEK -82.4 million (-1.9). Of this, repayment of outstanding bank overdrafts and repurchase of bonds amounted to SEK 48 million. Final settlement of the transaction with Noonday regarding termination of an option agreement had a negative impact on total cash flow of SEK 14 million.

Nine-month period (January-September 2014)

Operating cash flow for the nine-month period January to September 2014 amounted to SEK -12.4 (-9.1) million.

Total cash flow for the nine-month period was strongly positive at SEK 147.6 (-2.6) million, as a result of cash flows from financing activities and the new share issues conducted during the period. The private placement with M2 Asset Management AB raised SEK 20 million and the new issue in connection with the listing on Nasdaq Stockholm raised approximately SEK 240 million gross before listing and issue costs.

Investments

Investments in property, plant and equipment during the third quarter amounted to SEK 4.2 (0.7) million, mainly related to the new integrated head office and production facility located next to the Karolinska University Hospital south of Stockholm. Investment in intangible assets amounted to SEK 0.4 (0.8) million for the period. No investments were made in financial non-current assets during the period (-).

Financial position

The consolidated equity ratio was 62 % at 30 September 2014 (20 % at 31 December 2013) and equity amounted to SEK 535 (141) million, which was an increase of SEK 394 million compared with 31 December 2013. The positive change in equity is attributable to the new issues conducted during the second quarter.

After completion of the set-off issue in connection with the listing of the company's shares on Nasdaq Stockholm, when holders of bonds with a total nominal value of SEK 222.5 million chose to offset bonds against shares, the nominal amount of the outstanding bond was SEK 227.5 million. The bond matures on 12 December 2016 and has an annual coupon of 11 per cent, payable in December each year.

The bond is listed on Nasdaq Stockholm. During the third quarter, Bactiguard has repurchased bonds with a total nominal value of SEK 18.5 million. The bond is valued at market value and on 30 September 2014, net outstanding bond (nominal value SEK 209 million) was valued at SEK 216.3 million (price 103.50, which is an increase from 100.75 at the end of the second quarter).

Consolidated cash position at 30 September 2014 amounted to SEK 154 million. Net debt amounted to SEK 62.3 million (SEK 479.5 million at 31 December 2013).

The total assets of the group at 30 September 2014 amounted to SEK 859.8 million (717.2 million at 31 December 2013). The largest asset item in the balance sheet is technology related to Bactiguard's product portfolio, which at 30 September amounted to SEK 290.2 million (308.0 million at 31 December 2013).

Accounts receivable amounted to SEK 92.8 million at 30 September 2014, which is a decrease of SEK 1.3 million since 31 December 2013. The net effect can be explained by new exclusive distributor agreements, with subsequent territorial fees, and payments on existing accounts receivable.

Other disclosures

The share and share capital

Trade in the Bactiguard share on Nasdaq Stockholm started on 19 June under the ticker symbol "BACTI". The last price paid for the listed B share at 30 September 2014 was SEK 27.40, and the market capitalization amounted to SEK 912 million.

The share capital of Bactiguard at 30 September 2014 amounted to SEK 0.8 million divided into 29,302,373 B shares, each with one vote (29,302,373 votes) and 4,000,000 A shares, each with ten votes (40,000,000 votes). The total number of shares and votes in Bactiguard at 30 September 2014 amounted to 33,302,373 shares and 69,302,373 votes.

Ownership

At 30 September 2014, Bactiguard had 2,556 shareholders.

Shareholders	No. of A shares	No. of B shares	Total number	% of capital	% of votes
CHRISTIAN KINCH WITH FAMILY & COMPANY	2 000 000	8 037 989	10 037 989	30,1%	40,5%
THOMAS VON KOCH & COMPANY	2 000 000	8 034 989	10 034 989	30,1%	40,5%
HANDELSBANKEN FONDER AB RE JPMEL		1 690 771	1 690 771	5,1%	2,4%
SWEDBANK ROBUR FONDER		1 061 000	1 061 000	3,2%	1,5%
ROBUR FÖRSÄKRING		994 027	994 027	3,0%	1,4%
STÅHLBERG, JAN		582 544	582 544	1,7%	0,8%
M2 ASSET MANAGEMENT AB		516 000	516 000	1,5%	0,7%
SARGAS EQUITY AB		364 090	364 090	1,1%	0,5%
LÄNSFÖRSÄKRINGAR FONDFÖRVALTNING AB		335 000	335 000	1,0%	0,5%
NORTAL CAPITAL AB		246 200	246 200	0,7%	0,4%
Total, major shareholders	4 000 000	21 862 610	25 862 610	77,7%	89,3%
Total, others	0	7 439 763	7 439 763	22,3%	10,7%
Total number of shares	4 000 000	29 302 373	33 302 373	100%	100%

Human resources

The average number of employees in the group in the period January to September 2014 amounted to 57 (50), of which 31 (27) women.

Accounting and valuation principles

The consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS). The interim report has been prepared in accordance with IAS 34 Interim Reporting and the Annual Accounts Act. The parent company financial statements have been prepared in accordance with the Annual Accounts Act and the Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities.

The accounting and valuation principles are unchanged from those applied in the Annual Report 2013. New standards effective from 1 January 2014 have had no material impact on the group.

Financial assets and financial liabilities measured at fair value in the balance sheet are classified into one of three levels based on the information used to determine fair value. Bactiguard bond loan is valued using level 1, is listed on Nasdaq Stockholm and is valued at quoted price.

Segment reporting

An operating segment is a component of an entity that engages in business activities from which it may derive revenues and incur expenses, whose operating results are regularly reviewed by the chief operating decision maker and for which there is discrete financial information. The company's reporting of operating segments is consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is the function that assesses the operating segment performance and decides how to allocate resources. The company has determined that the group executive management constitutes the chief operating decision maker.

The company is considered in its entirety to operate within one business segment.

Related-party transactions

Transactions between the company and its subsidiaries, which are related parties to the company, have been eliminated on consolidation.

Services and other transactions between companies within the group are charged according to commercial principles. Board members Christian Kinch and Thomas von Koch have entered into guarantee commitments for Bactiguard AB's commitments to Samhall AB.

Other than as described above, neither Bactiguard nor its subsidiaries have granted loans, guarantees or sureties to, or for the benefit of, any directors or senior executives of the group. None of these persons has any direct or indirect participation in any other business transaction with any entity of the group which is, or was, unusual in its nature or with regard to its terms.

Compensation to the former CEO of the company, now executive chairman and main shareholder in Bactiguard, is on market terms.

Parent company

Revenues consist of invoiced intercompany expenses (management fees). During the interim period the parent company received interest on its receivables from group companies. The company's expenses relate, *inter alia*, to the interest on the bond. No investments were made during the period.

Risk factors

Companies within the group are exposed to various types of risk through their activities. The group's goal is to create an overall risk management programme that focuses on minimising potential adverse effects on the company's financial results. The risks relating to the company, the industry and the market are primarily: macroeconomic risks, regulatory risks, technological risks, customer risks, risks with partners, expansion risks, risks associated with dependence upon key individuals and financial risks. A description of these risks can be found on page 33 of the Annual Report 2013, and on page 14 of the prospectus prepared for the application for listing of the company's shares on Nasdaq Stockholm.

Financial targets

Bactiguard's goal is to create value and provide a good return for shareholders. One financial target is to grow by at least 30 % on average per year over the next five years. Further, to achieve an EBITDA margin of at least 30 % on an annual basis, with the aim of reaching 40 %. Bactiguard will continue to grow the business by strengthening its sales and marketing organization, developing products that complement the existing BIP portfolio and by entering into more licensing agreements. Bactiguard also aims to sign two to three new licensing agreements over the next five years.

Another financial target is to have an equity ratio of 30-50 %, and a long-term objective is for a dividend of 30-50 % of profit after tax. The company is in an expansion phase and will therefore prioritise growth over dividends in the coming years.

Condensed consolidated income statement

Amounts in SEk	Jul-Sep 2014	Jul-Sep 2013	Jan-Sep 2014	Jan-Sep 2013	Full year 2013
<i>Revenues</i>					
License revenues	24 270	21 348	69 622	62 264	82 719
Territorial fees	619	0	17 020	4 539	7 178
BIP products	529	10 382	2 054	14 306	36 836
Other revenue	2 641	816	5 100	2 068	4 366
	28 059	32 546	93 796	83 177	131 099
<i>Raw materials and consumables</i>	-2 997	-2 985	-6 193	-6 041	-10 290
Other external expenses	-11 554	-13 965	-38 838	-31 622	-41 262
Personnel costs	-10 678	-10 140	-32 993	-29 820	-39 206
Depreciation and amortisation	-7 538	-7 546	-22 389	-21 220	-28 838
Other operating expenses	-619	-802	-1 540	-919	-344
	-33 386	-35 438	-101 953	-89 622	-119 940
Operating profit	-5 328	-2 892	-8 157	-6 446	11 159
<i>Financial items</i>					
Financial income	1 627	9 078	2 568	20 476	33 754
Financial expenses	-13 351	-12 505	-77 566	-37 521	-50 686
	-11 724	-3 427	-74 998	-17 045	-16 932
Profit before tax	-17 052	-6 319	-83 155	-23 491	-5 773
Tax for the period	1 334	1 182	3 765	1 163	2 365
Net profit/loss for the period	-15 718	-5 137	-79 390	-22 328	-3 408
Attributable to:					
Shareholders of the parent	-15 718	-5 137	-79 390	-22 328	-3 408
Earnings per share, SEK*	-0,47	-0,26	-3,17	-1,12	-0,17

Condensed consolidated statement of comprehensive income

Amounts in SEk	Jul-Sep 2014	Jul-Sep 2013	Jan-Sep 2014	Jan-Sep 2013	Full year 2013
Net profit/loss for the period	-15 718	-5 137	-79 390	-22 328	-3 408
<i>Other comprehensive income:</i>					
<u>Items that will not be reclassified to profit or loss for the year</u>	-	-	-	-	-
<u>Items that will be reclassified to profit or loss for the year</u>					
Translation differences	-258	198	-416	-17	-185
Other comprehensive income, after tax	-258	198	-416	-17	-185
Total comprehensive income for the period	-15 976	-4 939	-79 806	-22 345	-3 593
Attributable to:					
Shareholders of the parent	-15 976	-4 939	-79 806	-22 345	-3 593
Total earnings per share, SEK*	-0,48	-0,25	-3,19	-1,12	-0,18
Number of shares at the end of period ('000)	33 302	20 000	33 302	20 000	20 000
Weighted average number of shares ('000)	33 302	20 000	25 007	20 000	20 000

* no dilution effect

Condensed consolidated statement of financial position

Amounts in SEkk	2014-09-30	2013-09-30	2013-12-31
ASSETS			
Non-current assets			
Goodwill	226 292	226 292	226 292
Technology	290 177	313 983	308 032
Brands	25 572	25 572	25 572
Customer relationships	14 383	15 563	15 268
Capitalised development expenditure	7 759	5 989	6 636
Patents	1 518	1 298	1 366
Intangible assets	565 701	588 697	583 166
Improvements, leasehold	13 673	10 533	10 877
Machinery and other technical plant	8 509	7 019	6 489
Equipment, tools and installations	1 811	2 250	2 135
Property, plant and equipment	23 993	19 802	19 501
Accounts receivable	10 432	4 598	-
Investments in associates	1 293	1 322	1 293
Financial assets	11 725	5 920	1 293
Total non-current assets	601 419	614 419	603 960
Current assets			
Inventory	6 136	5 109	3 590
Accounts receivable	82 408	66 082	94 137
Other current receivables	15 833	8 593	10 126
Cash and cash equivalents	154 045	5 677	5 417
Total current assets	258 422	85 461	113 270
TOTAL ASSETS	859 841	699 880	717 230
Equity attributable to shareholders of the parent			
Share capital	833	500	500
Other equity	534 058	121 500	140 453
Total equity	534 891	122 000	140 953
Non-current liabilities			
Bonds	216 315	441 000	427 500
Deferred tax liability	40 589	45 602	44 398
	256 904	486 602	471 898
Current liabilities			
Bank overdrafts	0	12 252	57 461
Accounts payable	5 061	4 258	7 397
Other current liabilities	3 730	7 642	9 187
Accrued expenses and deferred income	59 255	67 126	30 334
	68 046	91 278	104 379
Total liabilities	324 950	577 880	576 277
TOTAL EQUITY AND LIABILITIES	859 841	699 880	717 230

Condensed consolidated statement of changes in equity

Amounts in SEKk	Equity attributable to shareholders of the parent				
	Share capital	Other capital contributions	Translation reserve	Retained earnings including net profit for the period	Total equity
Opening balance, 1 January 2013	500	202 673	46	-58 620	144 600
Profit/loss for the period	-	-	-	-22 328	-22 328
<i>Other comprehensive income:</i>	-	-	-	-	-
Translation differences	-	-	-17	-	-17
Total comprehensive income after tax	0	0	-17	-22 328	-22 345
Transactions with shareholders					
Repurchase of options	-	-	-	-255	-255
Total transactions with shareholders	0	0	0	-255	-255
Closing balance, 30 September 2013	500	202 673	29	-81 203	122 000
Opening balance, 1 January 2014	500	202 673	-139	-62 082	140 953
Profit/loss for the period	-	-	-	-79 390	-79 390
<i>Other comprehensive income:</i>	-	-	-	-	-
Translation differences	-	-	-416	-	-416
Total comprehensive income after tax	0	0	-416	-79 390	-79 806
Transactions with shareholders					
Share issue	333	473 308	-	-	473 641
Repurchase of options	-	-	-	104	104
Total transactions with shareholders	333	473 308	0	104	473 745
Closing balance, 30 September 2014	833	675 981	-555	-141 368	534 891

Condensed consolidated statement of cash flows

Amounts in SEkk	Jul-Sep 2014	Jul-Sep 2013	Jan-Sep 2014	Jan-Sep 2013	Full year 2013
Cash flow from operating activities					
Net profit/loss for the period	-15 718	-5 137	-79 390	-22 328	-3 407
Accrued interest expense	6 256	12 376	17 270	37 126	2 750
Adjustments for depreciation and amortisation and other non-cash items	10 795	-2 585	61 147	-483	-9 709
	1 333	4 654	-973	14 315	-10 366
Cash flow from changes in working capital					
Increase/decrease inventory	433	44	-2 403	-964	549
Increase/decrease accounts receivable	1 455	-1 893	1 297	-12 383	-35 840
Increase/decrease other current receivables	-490	1 616	-5 688	774	-539
Increase/decrease accounts payable	-11 761	386	-2 392	-1 866	1 204
Increase/decrease other current liabilities	-8 191	-2 799	6 392	-1 689	-79
	-18 553	-2 646	-2 794	-16 128	-34 705
Cash flow from investing activities					
Investments in intangible assets	-363	-843	-2 055	-2 455	-3 345
Investments in property, plant and equipment	-4 244	-689	-6 587	-4 853	-5 736
Investments in associates	-	-	-	-	-
	-4 607	-1 532	-8 643	-7 308	-9 081
Operating cash flow	-21 827	476	-12 409	-9 121	-54 152
Cash flow from financing activities					
Share issue	1 401	-	473 641	-	-
Amortisation of debt	-48 037	-2 124	-299 661	-	-
Borrowings	-	-	-	6 759	51 968
Termination of option agreement	-14 000	-	-14 000	-	-
Repurchase of options	-	-255	104	-255	-55
	-60 636	-2 379	160 084	6 504	51 913
Cash flow for the period	-82 463	-1 903	147 675	-2 617	-2 239
Cash and cash equivalents at start of period	235 062	6 941	5 417	7 657	7 657
Exchange difference in cash and cash equivalents	1 446	639	954	637	-1
Cash and cash equivalents at end of period	154 045	5 677	154 045	5 677	5 417

Condensed parent company income statement

Amounts in SEkk	Jul-Sep 2014	Jul-Sep 2013	Jan-Sep 2014	Jan-Sep 2013	Full year 2013
Revenues	2 936	2 105	8 856	6 904	9 323
	2 936	2 105	8 856	6 904	9 323
Operating expenses	-3 785	-2 590	-13 929	-8 530	-11 408
	-3 785	-2 590	-13 929	-8 530	-11 408
Operating profit/loss	-849	-485	-5 073	-1 626	-2 085
Net financial items	-5 169	-11 408	-41 467	-34 151	-45 614
Profit/loss after financial items	-6 018	-11 893	-46 540	-35 777	-47 699
Tax for the period	-	-	-	-	-
Net profit/loss for the period	-6 018	-11 893	-46 540	-35 777	-47 699

Condensed parent company statement of comprehensive income

The parent company has no items in 2014 or 2013 recognised in other comprehensive income. The period's statements for the parent company therefore present no separate statement of comprehensive income.

Condensed parent company balance sheet

Amounts in SEKk	2014-09-30	2013-09-30	2013-12-31
ASSETS			
Non-current assets			
Financial assets	626 574	582 492	564 574
Total non-current assets	626 574	582 492	564 574
Current assets			
Receivables from group companies	7 544	21 285	-
Prepayments and accrued income	1 469	1 205	1 156
Other current receivables	540	27	266
Cash and cash equivalents	145 105	113	1 521
Total current assets	154 658	22 630	2 943
TOTAL ASSETS	781 232	605 122	567 517
EQUITY & LIABILITIES			
Total equity	535 840	120 661	108 739
Non-current liabilities	222 336	442 497	443 082
Liabilities to group companies	-	-	9 196
Other liabilities	23 056	41 964	6 500
Current liabilities	23 056	41 964	15 696
Total liabilities	245 392	484 461	458 778
TOTAL EQUITY AND LIABILITIES	781 232	605 122	567 517

Forthcoming disclosures of information

19 February 2015	Year-end report 2014
12 May 2015	Interim report, 1 Jan – 31 Mar 2015

Annual General Meeting

The Annual General Meeting in Bactiguard Holding AB (publ) will be held Thursday 21 May 2015 in Stockholm.

Contacts

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For additional information about Bactiguard's business, please visit the company's website:

www.bactiguard.se

Signatories to the report

The board of directors and the CEO certify that the interim report, to the best of their knowledge, provides a fair overview of the parent company's and the group's operations, financial position and results and describes the material risks and uncertainties faced by the parent company and the companies included in the group.

Stockholm, 14 November 2014

Christian Kinch
Chairman

Thomas von Koch
Board member

Ulf Mattsson
Board member

Mia Arnhult
Board member

Johan Rugfelt
Chief Executive Officer

Bactiguard is required to disclose the information in this report under the provisions of the Securities Market Act (SFS 2007:528). The information was submitted for publication on 14 November 2014 at 08.00 CET.

Review report

Introduction

We have reviewed the interim report for Bactiguard Holding AB (publ) for the period 1 January 2014 – 30 September 2014. The Board of Directors and the CEO are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and is substantially less in scope than an audit conducted in accordance with ISA and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not, in all material respects, prepared for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company in accordance with the Annual Accounts Act.

Stockholm 14 november 2014

DELOITTE AB

Kent Åkerlund

Authorised Public Accountant