

## Continued growth in the licensing business and in our product portfolio

### Second Quarter 2022 (April - June)

- Revenues amounted to SEK 59.9 (46.0) million, an increase of 30%. Adjusted for currency, revenues increased by 13%.
- EBITDA amounted to SEK -3.8 (1.8) million, with an EBITDA margin of -6.4% (4.0).
- Operating profit/loss amounted to SEK -14.8 (-10.0) million, a decrease of SEK -4.9 million.
- Net profit/loss for the period amounted to SEK -13.7 (-12.0) million.
- Losses per share amounted to SEK -0.39 (-0.36).
- Cash flow from operating activities amounted to SEK -1.9 (5.5) million, corresponding to SEK -0.05 (0.16) per share.

### Key events during the second quarter

- Bactiguard announced in April that the company has entered a global development agreement with Dentsply Sirona in the dental area.
- Senior executives and key personnel in Bactiguard have acquired call options issued by the main owners, comprising 4 percent of all B-shares in Bactiguard.

### Impact of macro events on the company

Covid-19 continues to affect global trade, including shutdowns in China and continued restrictions in some parts of the world. The development in the near future is therefore still difficult to assess. Russia's invasion of Ukraine has not had any direct impact on Bactiguard's operations as the company has no operations or suppliers in Russia, Belarus, or Ukraine. If the war will have substantial impact on the Global economy, it may have a greater indirect impact on Bactiguard's operations. We continue to monitor the macroeconomic situation closely and continuously evaluate the operational and financial effects.

### First half year 2022 (January - June)

- Revenues amounted to SEK 115.1 (87.8) million, an increase of 31%. Adjusted for currency, revenues increased by 13%.
- EBITDA amounted to SEK -7.8 (3.7) million, with an EBITDA margin of -6.8% (4.3).
- Operating profit/loss amounted to SEK -31.4 (-19.7) million, a decrease of SEK -11.7 million.
- Net profit/loss for the period amounted to SEK -30.2 (-22.6) million.
- Losses per share amounted to SEK -0.86 (-0.67).
- Cash flow from operating activities amounted to SEK -13.8 (4.6) million, corresponding to SEK -0.39 (0.14) per share.

### Key events after the end of the quarter

- The third-generation patent for Bactiguard technology is intended to be granted by the European Patent Office (EPO).

Key figures	2022	2021	2022	2021	2021	2021/22
	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Full year	RTM
Revenues <sup>1</sup> , SEKm	59.9	46.0	115.1	87.8	179.0	206.4
EBITDA <sup>2</sup> , SEKm	-3.8	1.8	7.8	3.7	-7.2	-18.8
EBITDA margin <sup>2</sup> , %	-6.4%	4.0%	-6.8%	4.3%	-4.0%	-9.1%
Operating profit <sup>2</sup> , SEKm	-14.8	-10.0	-31.4	-19.7	-54.2	-65.9
Net profit/loss for the period <sup>1</sup> , SEKm	-13.7	-12.0	-30.2	-22.6	-58.8	-66.3
Earnings per share <sup>1</sup> , SEK	-0.39	-0.36	-0.86	-0.67	-1.68	-1.89
Operating cash flow <sup>1</sup> , SEKm	-1.9	5.5	-13.8	4.6	7.2	-11.1
Operating cash flow per share <sup>1</sup> , SEK	-0.05	0.16	-0.39	0.14	0.21	-0.32
Equity ratio <sup>2</sup> , %	62.1%	52.7%	62.1%	52.7%	63.8%	62.1%
Net debt <sup>2</sup> , SEKm	42.4	254.3	42.4	254.3	30.4	42.4

<sup>1</sup> Defined according to IFRS.

<sup>2</sup> Alternative performance measure. For definition and reconciliation, see pages 15-17.



## CEO comments on the second quarter

# Continued growth in the licensing business and in our product portfolio

*Revenue for the quarter was SEK 60 million and grew by 30 percent compared to last year, and adjusted for currency effects, growth was 13 percent. The investments we have made in the organization over the past year, to deliver on our long-term goals, impacts the EBTDA which was SEK -3.8 million.*

### **We now have three key drivers for license growth**

The license business grows with 15 percent in the quarter, including currency effects which is clear evidence of the value of the unique Bactiguard infection prevention technology. In line with our growth strategy, we signed a development agreement in April with Dentsply Sirona, a leading global company in the dental industry. This new collaboration is an important step in our ambition to broaden Bactiguard's business to new product categories and therapeutic areas.

Licensing revenues from BD was strong this quarter, and the previous quarter. BD is one of the largest global medical technology companies and has the exclusive right to sell our urinary catheter with the effective Bactiguard coating technology in the US and Japan, among others.

Our cooperation with Zimmer Biomet, a global leader in orthopedic implants, is proceeding. As a result of our successful collaboration in the trauma area, the scope of our licensing partnership was expanded in February this year to several product segments.

### **Continued growth in our BIP-portfolio of Bactiguard Catheters and Wound care**

We continue to see an increasing demand for our catheters with Bactiguard coating technology and wound care products, especially in markets where we have our own sales forces like the Nordics, Malaysia and India. The total sales of our product portfolio grew with 17 percent, including currency effects.

### **Investments for profitable growth**

We continue to strengthen our organization to create a strong platform for accelerated profitable growth. Focus is on license product development, regulatory approvals, patent protection, higher production capacity and an expansion of the license and sales organizations.

### **Outlook**

The demand for our technology and products is driven by the need to reduce infections, a growing problem throughout the world. Infections causes lower quality of life for patients and increased healthcare costs, and in the worst case the patient dies. A rise in the number of infections is causing an increase in the use of antibiotics which, in turn, causes antimicrobial resistance – an increasing global problem – making infection prevention even more important. With our offering we can prevent infections.

The progress we have made during the quarter is a confirmation of the strength of our offering and reinforce us in our ambition to continue to develop our technology and find new application areas. The fact that the European Patent Office intends to grant a new patent, until 2039, for our unique technology further strengthens our IP situation, consisting of patents, process know-how and the recipe for the coating.

To achieve our long-term growth and profitability targets by 2026, we will, as communicated when the goals were presented, strengthen the organization and initiate a number of growth measures. As a result, the operating margin in 2022 and 2023 will be affected, even if the company's sales are continuously growing. We are early in our growth journey, and we are following our plan.

**Anders Göransson**  
CEO



## Business model

Bactiguard's vision and mission is to prevent infections, increase patient safety and save lives. The basis for our business model is a unique technology for infection prevention, which we offer to other manufacturers of medical devices through licensing agreements. We also offer our own product portfolio of catheters with Bactiguard's coating technology and wound care products.

### License revenues

Bactiguard licenses the patented coating technology to medical technology companies around the world that apply it to their products and sell them under their own brand. The license revenues include upfront fees related to the right to use Bactiguard's coating technology for products in a specific application-and geographical area. Licensees gain access to Bactiguard's process know-how, while the coating itself – the concentrate of noble metals – is a trade secret.

The license revenues also include royalties, i.e., a variable remuneration when the products reach the market and generate sales revenue, and revenues related to contract manufacturing.

New license revenues include upfront license fees as well as remuneration linked to milestones and product development.

License partner	Applications area	Market
Becton Dickinson and Company (BD, former C.R. Bard)	Urinary catheter (Foley)	US, Japan, UK, Ireland, Canada and Australia
Zimmer Biomet	Trauma and Orthopedic implants	Global
Dentsply Sirona	Part of Dental	Global
Well Lead Medical	Urinary catheters, ETT and CVC	China
Smartwise Sweden AB	Advanced vascular injection catheters	Global

### Bactiguard Infection Protection (BIP)

Bactiguard has a broad portfolio of products that protect against and prevent infections. The portfolio includes products for the urinary, blood and respiratory tracts as well as wound care products in the form of surgical sutures, wound wash and dressings.

### Bactiguard's leading offer for infection prevention

#### Current license partnerships

Bactiguard's coating technology is licensed to partners in orthopaedics, urology and intensive care

#### BIP portfolio

Medical devices

Wound care products

Sutures and dressings

## Development in the second quarter

### Revenue

MSEK	2022	2021
	Apr-Jun	Apr-Jun
License revenues	29.1	23.0
New license revenues	7.1	8.5
Sales of BIP products	15.6	13.3
Other revenues	8.2	1.2
<b>Total revenues</b>	<b>59.9</b>	<b>46.0</b>

Total revenues in the second quarter amounted to SEK 59.9 (46.0) million, a growth of SEK 13.9 million, corresponding to 30 percent. Adjusted for currency effects, organic growth was 13 percent.

License revenues from BD amounted to SEK 28.0 (22.2) million, which is an increase compared with the corresponding period last year of SEK 5.8 million, corresponding to 26 percent growth. Adjusted for currency effects, the growth was 13 percent. Volumes vary over the quarters but have tended to return to pre-covid levels in 2022 as the Healthcare sector returns to a more normal situation. Other license revenues of SEK 1.1 (0.8) million are attributable to Zimmer Biomet and relate to contract manufacturing and a small royalty on the sale of ZNN Bactiguard in Europe.

New license revenues amounted to SEK 7.1 (8.5) million in the second quarter and include project revenues for Zimmer Biomet, as well as initial fees and development revenues attributable to the collaboration with Dentsply Sirona. Last year's revenue was attributable to a payment from Zimmer Biomet related to an achieved milestone.

BIP-sales for the second quarter amounted to SEK 15.6 (13.3) million, which is an increase of SEK 2.3 million corresponding to 17 percent. Growth is driven by our priority products, i.e., Bactiguard catheters and our wound care portfolio, within our focus markets. Adjusted for currency effects, growth was 9.0 percent.

Other income amounted to SEK 8.2 (1.2) million, of which SEK 5.9 (0.0) million relates to currency effects.

### Result

EBITDA for the second quarter amounted to SEK -3.8 (1.8) million and the EBITDA margin was -6.4 percent (4.0). Last year's results were positively affected by the milestone payment received from Zimmer Biomet.

Costs for raw materials and consumables for the second quarter amounted to SEK -11.9 (-10.8) million, which is an increase of 10 percent, which must be set in relation to a 17 percent increased revenue of BIP Products compared to last year. Other external costs increased to a total of SEK 8.0 million, which is mainly explained by increased consulting costs / temporary staffs in line with strategic priorities. Personnel costs increased by SEK 4.6 million. Other operating expenses consist of balance sheet-related currency effects that affected earnings by SEK -6.9 (-1.0) million.

Operating profit/loss amounted to SEK -14.8 (-10.0) million. Depreciation, which does not affect cash flow, affected operating profit/loss by SEK -11.0 (-11.8) million, of which depreciation on Bactiguard technology amounted to SEK -6.4 (-6.4) million.

Profit/loss from financial items amounted to SEK 1.2 (-3.1) million. The quarter's financial income amounted to SEK 4.9 million and refers to currency effects. Financial expenses during the quarter amounted to SEK -3.7 million, where of SEK -2.2 million is related to interest and SEK -1.5 million relates to currency effects.

Tax for the period amounted to SEK 0.0 (1.1) million, of which change in deferred amounts to SEK 0.5 (1.2) million, which is attributable to the Group's intangible assets and leasing agreements, which is calculated at the Swedish tax rate of 20.6%. Income tax in foreign subsidiaries is calculated on the basis of a tax rate of 24.0%.

The net profit/loss for the period for the second quarter of 2022 amounted to SEK -13.7 (-12.0) million.



## Development during the first half year

### Revenue

MSEK	2022 Jan-Jun	2021 Jan-Jun
License revenues	62.7	49.4
New license revenues	9.9	8.5
Sales of BIP products	30.9	26.2
Other revenues	11.6	3.6
<b>Total revenues</b>	<b>115.1</b>	<b>87.8</b>

The Group's revenues amounted to SEK 115.1 (87.8) million, an increase of SEK 27.3 million, corresponding to 31 percent growth. Adjusted for a positive currency effect, growth was 13 percent.

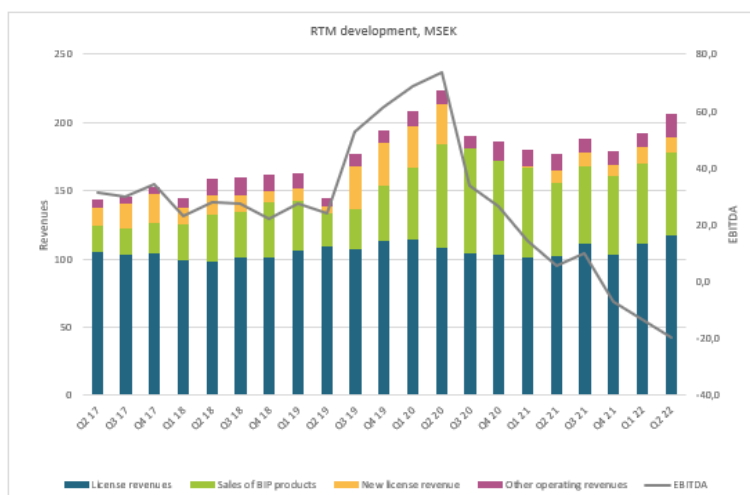
BD License revenues for the first six months amounted to SEK 60.2(47.5) million, which correspond to an increase of 27 percent. Currency effects has impacted the BD revenue positive by SEK 6.6 million and the organic growth was 13 percent. Other license revenue was SEK 2.5(1.9) million related to contract manufacturing for Zimmer Biomet and a small royalty.

New license revenue was SEK 9.9 (8.5) million relates to initial fees related to the expanded license agreement and project revenue from Zimmer Biomet, as well as the initial fee and development revenue related to the agreement with Dentsply Sirona. Last year's revenue was related to a milestone payment from Zimmer Biomet.

Revenue of BIP-Products accounted for 27 percent of total revenues and amounted to SEK 30.9 (26.2) million in the second quarter, corresponding to an increase of 18 percent. Revenues increased primarily in the strategic products such as wound care and our own catheters in our focus markets. Organic growth was 9 percent, after adjustment for currency effects.

Other income amounted to SEK 11.6 (3.6) million, of which SEK 7.9 (1.0) million relates to currency effects.

### Revenues development, rolling twelve months



The chart shows how revenues in each type of revenue stream have developed over a rolling 12-month period per quarter.

## Result

EBITDA for the period January to June amounted to SEK -7.8 (3.7) million, corresponding to an EBITDA margin of -6.8 percent (4.3).

Costs for raw materials and consumables increased by SEK 2.0 million, which corresponds to 11 percent during the first half of the year, partly due to increased BIP-sales.

Other external costs have increased by SEK 18.2 million, which corresponds to an increase of 75 percent which is mainly explained by increased consulting costs / temporary staff which increased by SEK 10.6 million and increased costs for development, regulatory work and travel costs in line with the strategic priorities of the company. Personnel costs increased by SEK 6.6 million attributable to investments in the organization and thus more employees.

Depreciation affected operating profit/loss by SEK -23.6 (-23.4) million, of which depreciation on Bactiguard technology amounted to SEK -12.7 (-12.7) million.

Profit/Loss from Financial items amounted to SEK -1.2 (-4.4) million. Financial income amounted to SEK 8.0 million and is related to positive currency effects. The financial expenses amounted to SEK -9.2 million, of which SEK -4.7 million is related to interest and SEK -4.5 million to negative currency effects.

Operating profit/loss amounted to SEK -31.4 (-19.7) million.

Tax for the period amounted to SEK 2.5 (1.6) million. Of the tax for the period, SEK 3.3 (2.0) million refers to a change in deferred tax attributable to the Group's intangible assets and leasing agreements, which is calculated at the Swedish tax rate of 20.6 percent. Income tax in foreign subsidiaries is calculated on the basis of a tax rate of 24.0 percent.

Net profit/loss for the period for the first half of the year amounted to SEK -30.2 (-22.6) million.

## Operating profit/loss, rolling twelve months



The diagram shows how the result has developed during a rolling twelve-month period per quarter.

## Financial targets

During the first quarter 2022, new long-term financial targets for 2026 were presented.

### Sales growth

Annual revenues of at least SEK 1 000 million

### Profitability

Annual EBITDA of at least SEK 400 million

## Cash flow

Cash flow from operating activities for the period January to June amounted to -13.8 (4.6) million, and for the second quarter the cash flow from operating activities was SEK -1.9 (5.5) million. Cash flow from changes in working capital for the half-year was positive and amounted to SEK 3.5 (2.4) million, mainly attributable to increase of short-term debts.

Cash flow from investing activities during the first half of the year amounted to SEK -0.2 (-5.7) million, which refers to capitalization of development expenses in intangible assets of SEK -0.1 (-2.2) million and investments in fixed assets of SEK -0.1 (-3.4) million.

Cash flow from financing activities for the second half of the year amounted to SEK -6.3 (1.0) million, of which amortization of lease liabilities contributed SEK -5.7 (-4.3) million and the change in the overdraft facility affected SEK 0.7 (5.4) million.

Cash flow for the first half of the year was negative by SEK -20.3 (-0.1) million and for the second quarter and the total cash flow amounted to SEK -4.7 (1.6) million.

## Financial position

Equity on June 30, 2022 amounted to SEK 515 (351) million and net debt to SEK 42 (254) million.

The company has a credit facility in SEB with a term until December 2024. The total outstanding amount amounted to SEK 170.9 (170.9) million on June 30, 2022. As of June 30, 2022, SEK 0.0 (14.3) million of the overdraft facility from SEB of SEK 30 (45) million utilized.

Total assets in the Group on June 30, 2022 amounted to SEK 829 (667) million. The largest asset items in the balance sheet relate to goodwill SEK 249 (246) million and Bactiguard's technology SEK 111.5 (136.9) million. The technology is depreciated by approximately SEK 25 million per year over 15 years.

## Other information

### The share and share capital

Bactiguard's B share is listed on Nasdaq Stockholm with the ticker "BACTI". The closing price paid for the B share was SEK 112 (176) on June 30, 2022 and the market capitalization amounted to SEK 3,477 (5,904) million.

The share capital in Bactiguard on June 30, 2022 amounted to SEK 0.9 (0.8) million divided into 31 043 885 (29 543 885) Class B shares with one vote each (31 043 885 votes) and 4 000 000 Class A shares with ten votes each (40 000 000 votes). The total number of shares and votes in Bactiguard on June 30, 2022 was 35 043 885 shares and 71 043 885 votes.

### Ownership

On 30 June 2022 Bactiguard had 3 620 (4 128) shareholders.

Shareholders	No. of A shares	No. of B shares	Total number	% of capital	% of votes
Thomas Von Koch och bolag	2 000 000	4 201 936	6 201 936	17,7	34,1
Christian Kinch med familj och bolag	2 000 000	4 161 426	6 161 426	17,6	34,0
Jan Ståhlberg		3 450 412	3 450 412	9,8	4,9
Nordea Investment Funds		3 419 987	3 419 987	9,8	4,8
Fjärde AP-fonden		3 370 992	3 370 992	9,6	4,8
Handelsbanken Fonder		2 000 516	2 000 516	5,7	2,8
AMF - försäkring och fonder		1 697 340	1 697 340	4,8	2,4
Avanza Pension		1 224 086	1 224 086	3,5	1,7
UBS AG London Branch, W8IMY		869 785	869 785	2,5	1,2
Lancelot Avalon Master		632 000	632 000	1,8	0,9
<b>Total, major shareholders</b>	<b>4 000 000</b>	<b>25 028 480</b>	<b>29 028 480</b>	<b>82,8</b>	<b>91,6</b>
Total, others		6 015 405	6 015 405	17,2	8,4
<b>Total number of shares</b>	<b>4 000 000</b>	<b>31 043 885</b>	<b>35 043 885</b>	<b>100,0</b>	<b>100,0</b>

### Employees

The average number of employees in the Group during the period was 230 (191), of which 153 (129) are women. At the end of the period, the number of employees was 234.

### Key events during the second quarter

Bactiguard announced in April that the company has initiated a global development collaboration with Dentsply Sirona in the dental area. The initial development phase, which is expected to last approximately one year, could generate \$ 0.9 million in development and milestone-related revenue for Bactiguard. Thereafter, the partnership can be developed into a licensing agreement, with conditional milestone-related payments of \$ 1.1 million linked to regulatory approvals.

Senior executives, board members and key personnel in Bactiguard have acquired call options issued by the main owners, comprising 4 percent of all shares in Bactiguard. A total of 1,504,795 options have been acquired at a price that is judged to correspond to the options' market value corresponding to SEK 10.4 million.



## Key events after the end of the quarter

Bactiguard has been informed that the European Patent Office (EPO) intends to grant a European patent for Bactiguard's technology. The new patent, which is the third generation, will provide comprehensive worldwide protection for Bactiguard technology until 2039.

## Accounting and valuation principles

The consolidated financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS). The interim report has been prepared in accordance with IAS 34 Interim Reporting and the Annual Accounts Act. Disclosures in accordance with IAS 34 Interim Reporting are submitted both in notes and elsewhere in the interim report. The parent company's 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.

Accounting and valuation principles are stated in the annual report for 2021. The accounting principles are unchanged from previous periods.

## 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 separate 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's executive management constitutes the Chief Operating decision maker. The company is considered in its entirety to operate within one business segment

## Parent company

During the period, the parent company received interest on its receivables from group companies. No investments were made during the period.

## Risk factors

Companies within the Group are exposed to various types of risk through their activities. The company continually engages in a process of identifying all risks that may arise and assessing how each of these risks shall be managed. The Group is working to create an overall risk management program that focuses on minimizing potential adverse effects on the company's financial results. The company is primarily exposed to market related risks, operational risks and financial risks. A description of these risks can be found on page 46-47 and 60-62 in the Annual Report for 2021.

## Impact of macro events on the company

In addition to already identified risks, the impact of the ongoing pandemic is analyzed regularly. The global economy is still affected by the pandemic and shutdowns, restrictions and reduced healthcare budgets affect operations in several countries the company is active in, which has hampered sales efforts. The pandemic has affected Bactiguard negatively in the short term, but we see a brightening in the future with increased demand for the company's products from both healthcare providers and licensing partners. The need for care remains and society is pushing for an accelerating health care debt that must be addressed.

Bactiguard has no suppliers or sales to either Russia, Belarus or Ukraine. However, the global economy is affected by the situation due to the war and we follow developments closely and continuously evaluate the operational and financial effects as the world situation may change and affect the company's financial position.

The global economy and the supply situation in the world are affected by the Corona pandemic and Russia's invasion of Ukraine, with rising inflation and higher prices and interest rates as a result. The company does not always have the possibility to adjust the price towards the customer, which can have a negative impact on the financial position. In addition, increased interest rates will have a negative effect on the company's interest costs.

## Condensed consolidated income statement

Amounts in TSEK		2022	2021	2022	2021	2021	2021/22
		Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Full year	RTM
<b>Revenues</b>	<i>Note 1</i>						
License revenues		36 229	31 554	72 634	57 973	112 718	127 378
Sales of BIP products		15 553	13 251	30 926	26 215	56 768	61 479
Other revenues		8 151	1 213	11 575	3 612	9 562	17 525
<b>Sum</b>		<b>59 933</b>	<b>46 017</b>	<b>115 135</b>	<b>87 800</b>	<b>179 048</b>	<b>206 383</b>
Change in inventory of finished goods		931	477	1 367	1 010	3 057	3 414
Capitalized expenses for own account		12	534	102	2 099	2 412	415
Raw materials and consumables		-11 866	-10 781	-21 315	-19 168	-44 152	-46 299
Other external expenses		-19 646	-11 684	-42 499	-24 222	-56 101	-74 378
Personnel costs		-26 302	-21 732	-48 513	-41 904	-84 692	-91 301
Depreciation and amortisation		-11 001	-11 824	-23 569	-23 437	-47 004	-47 136
Other operating expenses		-6 903	-999	-12 120	-1 873	-6 756	-17 002
<b>Sum</b>		<b>-74 776</b>	<b>-56 008</b>	<b>-146 547</b>	<b>-107 495</b>	<b>-233 235</b>	<b>-272 286</b>
<b>Operating profit/loss</b>		<b>-14 843</b>	<b>-9 991</b>	<b>-31 412</b>	<b>-19 696</b>	<b>-54 188</b>	<b>-65 904</b>
<b>Profit/loss from financial items</b>							
Financial income		4 855	1 759	7 962	3 872	7 008	11 098
Financial expenses		-3 699	-4 852	-9 207	-8 308	-16 072	-16 972
<b>Sum</b>		<b>1 156</b>	<b>-3 093</b>	<b>-1 245</b>	<b>-4 436</b>	<b>-9 064</b>	<b>-5 873</b>
<b>Profit before tax</b>		<b>-13 687</b>	<b>-13 083</b>	<b>-32 657</b>	<b>-24 132</b>	<b>-63 252</b>	<b>-71 777</b>
Taxes for the period		11	1 052	2 504	1 556	4 479	5 427
<b>NET PROFIT/LOSS FOR THE PERIOD</b>		<b>-13 676</b>	<b>-12 031</b>	<b>-30 153</b>	<b>-22 576</b>	<b>-58 773</b>	<b>-66 350</b>
<b>Attributable to:</b>							
The parent company's shareholders		-13 676	-12 031	-30 153	-22 576	-58 773	-66 350
Earnings per share, SEK before and after dilution		-0,39	-0,36	-0,86	-0,67	-1,68	-1,89

## Condensed statement of comprehensive income

Amounts in TSEK		2022	2021	2022	2021	2021	2021/22
		Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Full year	RTM
<b>Net profit/loss for the period</b>		<b>-13 675</b>	<b>-12 031</b>	<b>-30 153</b>	<b>-22 576</b>	<b>-58 773</b>	<b>-66 350</b>
<b>Other comprehensive income:</b>							
Items that will not be reclassified to profit or loss for the year		-	-	-	-	-	-
<b>Items that will be reclassified to profit or loss for the year:</b>							
Translation differences		4 104	-1 467	3 302	603	3 961	6 660
<b>Other comprehensive income, after tax</b>		<b>4 104</b>	<b>-1 467</b>	<b>3 302</b>	<b>603</b>	<b>3 961</b>	<b>6 660</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>-9 571</b>	<b>-13 498</b>	<b>-26 851</b>	<b>-21 973</b>	<b>-54 812</b>	<b>-59 690</b>
<b>Attributable to:</b>							
The parent company's shareholders		-9 571	-13 498	-26 851	-21 973	-54 812	-59 690
Number of shares at the end of period ('000)		35 044	33 544	35 044	33 544	35 044	35 044
Weighted average number of shares ('000)		35 044	33 544	35 044	33 544	35 044	35 044



## Condensed statement of financial position

Amounts in TSEK	2022-06-30	2021-06-30	2021-12-31
<b>ASSETS</b>			
<b>Non-current assets</b>			
Goodwill	248 506	245 726	247 485
Technology	111 542	136 948	124 245
Brands	26 341	26 085	26 015
Customer relationships	7 252	8 640	7 946
Capitalised development expenditure	17 489	22 096	19 823
Patents	958	1 109	1 113
<b>Intangible assets</b>	<b>412 088</b>	<b>440 605</b>	<b>426 627</b>
Leased assets	60 820	68 171	63 776
Buildings	14 425	13 518	14 132
Improvements, leasehold	6 212	7 748	6 623
Machinery and other technical plant	15 869	9 792	10 465
Equipment, tools and installations	4 604	5 627	5 650
<b>Property, plant and equipment</b>	<b>101 930</b>	<b>104 857</b>	<b>100 646</b>
Long-term receivables	1 801	1 685	1 674
<b>Financial assets</b>	<b>1 801</b>	<b>1 685</b>	<b>1 674</b>
	<b>515 819</b>	<b>547 147</b>	<b>528 947</b>
<b>Current assets</b>			
Inventory	37 884	32 693	36 064
Accounts receivable	52 209	59 335	43 157
Other current receivables <i>Note 2</i>	11 359	4 558	7 161
Prepaid expenses and accrued income	10 645	12 400	16 371
Cash and cash equivalents	201 197	10 664	217 587
<b>Total current assets</b>	<b>313 295</b>	<b>119 650</b>	<b>320 342</b>
<b>TOTAL ASSETS</b>	<b>829 114</b>	<b>666 797</b>	<b>849 289</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to shareholders of the parent</b>			
Share capital	876	839	876
Other equity	513 723	350 538	540 574
<b>Total equity</b>	<b>514 599</b>	<b>351 376</b>	<b>541 450</b>
<b>Non-current liabilities</b>			
Deferred tax liability	2 795	9 999	7 320
Liabilities to credit institutions	178 852	193 616	180 664
Liabilities leasing agreements	53 633	61 965	57 645
<b>Total non-current liabilities</b>	<b>235 280</b>	<b>265 581</b>	<b>245 628</b>
<b>Current liabilities</b>			
Accounts payable	27 904	18 139	27 905
Liabilities leasing agreements	11 105	9 422	9 652
Other current liabilities <i>Note 2</i>	7 548	5 215	5 242
Accrued expenses and deferred income	32 678	17 064	19 412
<b>Total current liabilities</b>	<b>79 235</b>	<b>49 839</b>	<b>62 211</b>
<b>Total liabilities</b>	<b>314 515</b>	<b>315 420</b>	<b>307 839</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>829 114</b>	<b>666 797</b>	<b>849 289</b>

## Condensed statement of changes in equity

Amounts in TSEK	Equity attributable to shareholders of the parent				Total equity
	Share capital	Other capital contributions	Translation reserve	Retained earnings including net profit for the period	
<b>Opening balance, 1 January 2021</b>	839	707 805	-7 802	-327 492	373 350
<i>Adjustment of equity for previous year</i>					
Profit/loss for the period				-22 576	-22 576
<i>Other comprehensive income:</i>					
Translation differences			603		603
<b>Total comprehensive income after tax</b>	-	-	603	-22 576	-21 973
<b>Closing balance, 30 June 2021</b>	<b>839</b>	<b>707 805</b>	<b>-7 199</b>	<b>-350 068</b>	<b>351 377</b>
<b>Opening balance, 1 January 2022</b>	876	930 680	-3 841	-386 265	541 450
Profit/loss for the period				-30 153	-30 153
<i>Other comprehensive income:</i>					
Translation differences			3 302		3 302
<b>Total comprehensive income after tax</b>	-	-	3 302	-30 153	-26 851
<b>Transactions with shareholders</b>					
<b>Total transactions with shareholders</b>	-	-	-	-	-
<b>Closing balance, 30 June 2022</b>	<b>876</b>	<b>930 680</b>	<b>-539</b>	<b>-416 418</b>	<b>514 599</b>

## Condensed statement of cash flows

	2022 Apr-Jun	2021 Apr-Jun	2022 Jan-Jun	2021 Jan-Jun	2021 Full year	2021/22 RTM
<b>Net profit/loss for the period</b>	<b>-13 675</b>	<b>-12 031</b>	<b>-30 153</b>	<b>-22 576</b>	<b>-58 773</b>	<b>-66 350</b>
Adjustments for depreciation and amortisation and other non-cash items	10 254	12 674	12 854	24 770	43 921	32 005
Increase/decrease inventory	-431	389	-1 135	-705	-3 720	-4 150
Increase/decrease accounts receivable	1 161	-6 777	-10 569	-8 982	4 521	2 934
Increase/decrease other current receivables	-722	-400	1 542	-1 529	-4 105	-1 034
Increase/decrease accounts payable	-882	10 168	-929	9 209	17 993	7 855
Increase/decrease other current liabilities	2 422	1 462	14 586	4 405	7 418	17 599
<i>Cash flow from changes in working capital</i>	<i>1 548</i>	<i>4 842</i>	<i>3 495</i>	<i>2 398</i>	<i>22 107</i>	<i>23 204</i>
<b>Cash flow from operating activities</b>	<b>-1 873</b>	<b>5 485</b>	<b>-13 804</b>	<b>4 592</b>	<b>7 255</b>	<b>-11 141</b>
Investments in non-current assets	764	-1 968	-186	-5 658	-7 294	-1 822
<b>Cash flow from investing activities</b>	<b>764</b>	<b>-1 968</b>	<b>-186</b>	<b>-5 658</b>	<b>-7 294</b>	<b>-1 822</b>
<b>Operating cash flow</b>	<b>-1 109</b>	<b>3 517</b>	<b>-13 990</b>	<b>-1 066</b>	<b>-39</b>	<b>-12 963</b>
Amortisation of lease	-6 853	-2 414	-5 686	-4 297	-8 618	-10 007
Amortisation of loan	-189	-138	-435	-277	-562	-720
Change in bank overdraft	4 106	189	715	5 444	-8 856	-13 585
Set-up fee	0	167	0	335	0	-335
New share issue	0	0	0	0	228 000	228 000
Other financing activities	-613	261	-905	-197	-4 137	-4 845
<b>Cash flow from financing activities</b>	<b>-3 549</b>	<b>-1 935</b>	<b>-6 311</b>	<b>1 008</b>	<b>205 827</b>	<b>198 508</b>
<b>Cash flow for the period</b>	<b>-4 658</b>	<b>1 582</b>	<b>-20 301</b>	<b>-58</b>	<b>205 788</b>	<b>185 545</b>
Cash and cash equivalents at start of period	202 305	9 380	217 587	9 886	9 886	10 664
Exchange difference in cash and cash equivalents	3 550	-298	3 910	836	1 913	4 987
<b>Cash and cash equivalents at end of period</b>	<b>201 197</b>	<b>10 664</b>	<b>201 197</b>	<b>10 664</b>	<b>217 587</b>	<b>201 197</b>

## Condensed parent company income statement

Amount in TSEK	2022 Apr-Jun	2021 Apr-Jun	2022 Jan-Jun	2021 Jan-Jun	2021 Full year	2021/22 RTM
Revenues	-	-	-	-	-	-
Operating expenses	-1 540	-1521	-2 826	-2 896	-5 633	-5 563
<b>Operating profit/loss</b>	<b>-1 540</b>	<b>-1 521</b>	<b>-2 826</b>	<b>-2 896</b>	<b>-5 633</b>	<b>-5 563</b>
Net financial items	358	-622	747	-1 227	-2 198	-224
<b>Profit/loss after financial items</b>	<b>-1 182</b>	<b>-2 143</b>	<b>-2 079</b>	<b>-4 123</b>	<b>-7 831</b>	<b>-5 787</b>
Tax for the period	-	-	-	-	-	-
<b>Net profit/loss for the period</b>	<b>-1 182</b>	<b>-2 143</b>	<b>-2 079</b>	<b>-4 123</b>	<b>-7 831</b>	<b>-5 787</b>

The parent company presents no separate statement of comprehensive income since the company has no items in 2022 or 2021 recognized in other comprehensive income. Net profit/loss for the period for the parent company thereby also constitutes the comprehensive income for the period.

## Condensed parent company balance sheet

Amounts in TSEK	2022-06-30	2021-06-30	2021-12-31
<b>ASSETS</b>			
<b>Non-current assets</b>			
Financial assets	862 806	659 408	879 086
Deferred tax asset	15 255	15 255	15 254
<b>Total non-current assets</b>	<b>878 061</b>	<b>674 663</b>	<b>894 340</b>
<b>Current assets</b>	<b>8 559</b>	<b>763</b>	<b>3 490</b>
Cash and cash equivalents	8 947	543	366
<b>Total current assets</b>	<b>17 506</b>	<b>1 306</b>	<b>3 856</b>
<b>TOTAL ASSETS</b>	<b>895 567</b>	<b>675 969</b>	<b>898 196</b>
<b>EQUITY &amp; LIABILITIES</b>			
<b>Total equity</b>	<b>694 060</b>	<b>476 972</b>	<b>696 139</b>
<b>Non-current liabilities</b>			
Liabilities to credit institutions	170 941	169 824	170 941
<b>Total non-current liabilities</b>	<b>170 941</b>	<b>169 824</b>	<b>170 941</b>
<b>Current liabilities</b>	<b>30 566</b>	<b>29 173</b>	<b>31 116</b>
<b>Total current liabilities</b>	<b>30 566</b>	<b>29 173</b>	<b>31 116</b>
<b>Total liabilities</b>	<b>201 507</b>	<b>198 997</b>	<b>202 057</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>895 567</b>	<b>675 969</b>	<b>898 196</b>

## Performance measures

The company presents certain performance measures in the interim report that are not defined in accordance with IFRS (so-called alternative key ratios according to ESMA guidelines). The Company believes that these measures provide useful supplementary information to investors and the company's management as they allow for the evaluation of the company's performance. Since not all companies calculate the measures in the same way, these are not always comparable to measures used by other companies. These performance measures should therefore not be considered a substitute for measures as defined under IFRS.

Definitions and tables below describe how the performance measures are calculated. The measures are alternative in accordance with ESMA's guidelines unless otherwise stated.

### EBITDA

Shows the company's earnings capacity from ongoing operations irrespective of capital structure and tax situation. The key figure is used to facilitate comparisons with other companies in the same industry. The company considers this key figure to be the most relevant performance measure of the business because the company has a large asset item in Technology, which generates large depreciation while the value is considered to be significant for the company even after the technology has been fully depreciated. Bactiguard's patented and unique technology can be applied to a wide range of products, both in the BIP portfolio and through license deals.

The company defines EBITDA as operating profit/loss excluding depreciation and amortization of tangible and intangible assets.

Amounts in TSEK	2022	2021	2022	2021	2021	2021/22
	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Full year	RTM
Operating profit/loss	-14 843	-9 991	-31 412	-19 696	-54 187	-65 904
Depreciation and amortisation	11 001	11 824	23 569	23 437	47 004	47 136
<b>EBITDA</b>	<b>-3 842</b>	<b>1 833</b>	<b>-7 844</b>	<b>3 741</b>	<b>-7 184</b>	<b>-18 768</b>

### EBITDA-margin

Shows the company's earnings capacity from ongoing operations, irrespective of capital structure and tax situation, in relation to revenues. The key figure is used to facilitate analysis of the company's result in comparison with comparable companies.

Amounts in TSEK	2022	2021	2022	2021	2021	2021/22
	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Full year	RTM
EBITDA	-3 842	1 833	-7 844	3 741	-7 184	-18 768
Revenue	59 933	46 017	115 135	87 800	179 048	206 383
<b>EBITDA-margin %</b>	<b>-6,4%</b>	<b>4,0%</b>	<b>-6,8%</b>	<b>4,3%</b>	<b>-4,0%</b>	<b>-9,1%</b>

## Net debt

Net debt is a measure used to describe the group's indebtedness and its ability to repay its debt with cash generated from the group's operating activities if the debts matured today. The company considers this key figure interesting for creditors who want to understand the group's debt situation.

The company defines net debt as interest-bearing liabilities minus cash and cash equivalents at the end of the period.

Amounts in TSEK	2022	2021	2021
	Jan-Jun	Jan-Jun	Full year
Liabilities to credit institutions	178 852	193 616	180 664
Long-term liabilities leasing	53 633	61 965	57 645
Short-term liabilities leasing	11 105	9 422	9 652
<b>Interest-bearing liabilities</b>	<b>243 590</b>	<b>265 004</b>	<b>247 960</b>
Cash and cash equivalents	-201 197	-10 664	-217 587
<b>Net debt</b>	<b>42 392</b>	<b>254 340</b>	<b>30 373</b>

## Equity ratio

Equity ratio is a measure that the company considers important for creditors who want to understand the company's long-term ability to pay. The company defines equity ratio as equity and untaxed reserves (less deferred tax), in relation to the balance sheet total.

Amounts in TSEK	2022	2021	2021
	Jan-Jun	Jan-Jun	Full year
Equity	514 599	351 376	541 450
Balance sheet total	829 114	666 797	849 289
<b>Equity ratio %</b>	<b>62,1%</b>	<b>52,7%</b>	<b>63,8%</b>

## Earnings per share

Earnings per share Profit attributable to holders of ordinary shares in the Parent Company divided by the weighted average number of outstanding ordinary shares during the period, in accordance with IFRS.

## Profit/loss from financial items

Financial income minus financial expenses. Direct reconciliation against financial report possible.

## Note 1 Revenue distribution

Amounts in TSEK	2022	2021	2022	2021	2021	2021/22
	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Full year	RTM
<b>Type of product/service</b>						
License	36 229	31 554	72 634	57 973	112 718	127 378
Sales of BIP products	15 553	13 251	30 926	26 215	56 768	61 479
<b>Total</b>	<b>51 782</b>	<b>44 805</b>	<b>103 559</b>	<b>84 188</b>	<b>169 486</b>	<b>188 858</b>
<b>Time for revenue recognition</b>						
Performance commitment is met at a certain time	51 782	44 805	103 559	84 188	169 486	188 858
Performance commitment is met during a period of time	-	-	-	-	-	-
<b>Total</b>	<b>51 782</b>	<b>44 805</b>	<b>103 559</b>	<b>84 188</b>	<b>169 486</b>	<b>188 858</b>



## Note 2 Financial assets and liabilities

The table below shows the breakdown of financial assets and financial liabilities recognized at fair value in the consolidated balance sheet. Distribution of how fair value is determined is based on three levels.

Level 1: according to prices quoted on an active market for the same instrument.

Level 2: based on directly or indirectly observable market data not included in level 1.

Level 3: based on input data that is not observable on the market.

For description of how real values have been calculated, see annual report 2021, note 4. Fair value of financial assets and liabilities is estimated to be substantially consistent with posted values. The group holds derivative instruments for foreign exchange contracts which are recognized at fair value through profit or loss, considering the current exchange rate on the foreign exchange market and the remaining maturity of respective instruments.

Amounts in TSEK	2022	2021	2021
	Jan-Jun	Jan-Jun	Full year
	Derivatives	Derivatives (level 2)	Derivatives (level 2)
<b>Assets</b>			
Other current receivables	0	0	0
<b>Liabilities</b>			
Other current liabilities	2 814	532	1 583

## Quarterly information

Amount in TSEK	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	RTM 21/22
License revenues	29 099	33 585	24 690	29 529	23 021	26 407	116 903
New license revenues	7 130	2 820	0	526	8 533	12	10 476
Sales of BIP products	15 553	15 373	17 338	13 215	13 251	12 964	61 479
Other revenues	8 151	3 424	4 023	1 927	1 213	2 399	17 525
Total revenues	59 932	55 202	46 051	45 197	46 017	41 783	206 383
EBITDA	-3 842	-4 002	-12 114	1 189	1 833	1 908	-18768
EBITDA margin %	-6.4%	-7.2%	-26.3%	2.6%	4.0%	4.6%	-9.1%
EBIT	-14 843	-16 569	-23 818	-10 673	-9 991	-9 705	-65 904
Net profit/loss for the period	-13 675	-16 477	-25 404	-10 793	-12 031	-10 545	-66 350
Net profit/loss per share, SEK	-0.39	-0.47	-0.72	-0.31	-0.36	-0.31	-1.89
Operating cash flow	-1 873	-11 930	-11 642	14 305	5 485	-893	-11 141
Operating cash flow per share, SEK	-0.05	-0.34	-0.48	0.41	0.16	-0.03	-0.32
Net debt	42 392	42 859	30 372	13 219	254 340	254 138	128 842
Total shares (pcs)	35 043 885	35 043 885	35 043 885	35 043 885	33 543 885	33 543 885	35 043 885

## Forthcoming disclosures of information

27 October

Interim report 1 July – 30 September 2022

## Contacts

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## Signatories of 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 14th of July 2022

Thomas von Koch  
*Chairman*

Christian Kinch  
*Deputy chairman*

Anna Martling  
*Board Member*

Magdalena Persson  
*Board Member*

Jan Ståhlberg  
*Board Member*

Anders Göransson  
*CEO*

This interim report is unaudited.

This information is such information that Bactiguard Holding AB (public) is obliged to publish in accordance with the EU Market Abuse Regulation and the Securities Market Act. The information was submitted, through the care of the above contact persons, for publication 2022-07-14, at 08.00.

## About Bactiguard

Bactiguard is a Swedish medical technology company whose mission is to save lives. To achieve this mission we develop and supply infection prevention solutions which reduce the risk of infections and reduce the use of antibiotics. In this way, we save considerable costs for healthcare and society.

Bactiguard's technology is based on a thin noble metal alloy of precious metals that prevents bacteria from attaching and forming biofilm on medical devices. Bactiguard offers the technology through license agreements and its own product portfolio BIP (Bactiguard Infection Protection). Urinary catheters with Bactiguard's technology are market leaders in the US and Japan through licensing partner BD and in 2021 orthopedic trauma implants, ZNN Bactiguard, were launched by Zimmer Biomet. Bactiguard's product portfolio also includes an alcohol-free product line for wound care and disinfection. It effectively kills microbes while being biocompatible and tissue friendly.

Bactiguard is in a strong expansion phase in the markets of Europe, China, India, the Middle East and Southeast Asia through our own product portfolio and by establishing licensing deals in new therapeutic areas. The company has about 230 employees around the world and the head office 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 [www.bactiguard.com](http://www.bactiguard.com)