

Press release

Stockholm, 27 October 2022

Interim report for Q3 2022

More licensing projects gives good momentum

Third quarter 2022, July - September

- Revenues amounted to SEK 66.2 (45.2) million, an increase of 46%. Adjusted for currency, revenues increased by 15%.
- EBITDA amounted to SEK 2.5 (1.2) million, with an EBITDA-margin of 3.8% (2.6).
- Operating profit/ loss amounted to SEK -11.0 (-10.7) million, a decrease of SEK -0.3 million.
- Net profit/loss for the period amounted to SEK -8.5 (-10,8) million.
- Losses per share amounted to SEK -0.24 (-0.31).
- Cash flow from operating activities amounted to SEK 9.9 (14.3) million, corresponding to SEK 0.28 (0.41) per share.

The period January – September 2022

- Revenues amounted to SEK 181.3 (133.0) million, an increase of 36%. Adjusted for currency, revenues increased by 12%.
- EBITDA amounted to SEK -5.3 (4.9) million, with an EBITDA-margin of -2.9% (3.7).
- Operating profit/loss amounted to SEK -42.4 (-30.4) million, a decrease of SEK -12.0 million.
- Net profit/loss for the period amounted to SEK -38.7 (-33.4) million.
- Losses per share amounted to SEK -1.10 (-0.95).
- Cash flow from operating activities amounted to SEK -3.9 (18.9) million, corresponding to SEK -0.11 (0.54) per share.

Key events during quarter

- The third-generation patent for the Bactiguard technology has been granted by the European Patent Office (EPO) with protection until 2039.



More licensing projects gives good momentum

Revenue for the quarter was SEK 66 million, and growth was 46 percent compared with the preceding year. Adjusted for currency effects, growth was 15 percent.

Good momentum in licensing – important in the fight against infections

Licensing grew by 41 percent this quarter; adjusted for currency effects, the increase was 17 percent. The majority of revenue is attributable to the agreement with Becton Dickinson (BD). We have now had three consecutive strong quarters from BD, one of the largest global medtech companies that has the exclusive right to sell urinary catheters featuring Bactiguard's technology in regions including the US and Japan.

As part of the agreement with Zimmer Biomet, a global leader in orthopedics, the European launch of the ZNN Bactiguard trauma implant is continuing, where Italy and Germany are at the forefront. To study the efficacy of our technology, patients are being recruited to clinical trials at numerous leading European hospitals. Meanwhile, the regulatory efforts to have these implants approved in more key markets are progressing.

The expanded license agreement signed earlier this year with Zimmer Biomet is also performing positively, and the development initiatives in orthopedic implants (for example, knee and hip prostheses) are progressing according to plan. Product development under the agreement that was signed in April with Dentsply Sirona, a global leader in the dental industry, is also progressing according to plan. Both of these development projects support our robust growth in new license revenue this quarter. All together, this means that in the longer term our technology will be usable in many more fields of application and will reach a greater number of patient groups. This will generate more, and more differentiated, revenue streams for us.

The positive performance in licensing clearly demonstrates the value of our technology, which we are alone in offering the global market. During the quarter, our patent protection in Europe was extended until 2039. Combined with our confidential recipe and know-how, our intellectual property protection remains strong.

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

Continued growth in the BIP portfolio in priority markets

The combined BIP portfolio sales increased 23 percent; adjusted for currency effects, 11 percent. This is below the level of our ambition. However, also this quarter we saw increased demand primarily for our catheters and wound care products in focus markets where we have strengthened our sales organization (the Nordic region, India and Malaysia).

Our technology is bacteria's enemy

It is not surprising that demand for our products is increasing, considering the benefits that infection prevention can provide – both for individuals and society at large. Avoiding an infection – for example, in connection with orthopedic surgery, or extended use of foley catheters or venous catheters – could mean the difference between life and death.

Our technology provides unique protection against infections, even those caused by multi-resistant bacteria. By itself, this should be enough reason to use our technology on everything that will be placed within the body for longer than two days in order to prevent the occurrence of biofilm, which could lead to infection. There is an additional aspect to this: the reduced need for the use of antibiotics, which means we are playing a part in mitigating the risk of antimicrobial resistance.

Zimmer Biomet operates in a market worth USD 28 billion and has reported sales of over USD 6 billion. That's where the potential for our business within orthopedic implants lies. If all of these implants were treated with our technology, the business potential becomes clear. Accordingly, it becomes clear how much both individuals, healthcare and society at large have to gain by using the Bactiguard technology. Our unique and efficient solution is an important tool in the fight against antimicrobial resistance.

Anders Göransson
CEO



The interim report for Bactiguard Holding AB (publ) for the period July – September 2021 is available as a PDF at www.bactiguard.com.

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 2022-10-27, at 08:00.

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Presentation of Q3

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

The report and a presentation for the audiocast will be available at Bactiguard's website www.bactiguard.com

To participate in the webcast, please use this link:

<https://www.bactiguard.com/report/q3-2022>

To participate only by conference call, dial:

SE: +46856642693, UK: +443333009268, US: +16319131422 +PIN: 27499451#

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 infections and the use of antibiotics. This way, we save significant costs for healthcare and the society at large.

The Bactiguard technology is based on a thin noble metal alloy coating that 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. Urinary catheters with the Bactiguard technology are market leading in the USA and Japan through our licensing partner BD, and in 2021 orthopaedic trauma implants, ZNN Bactiguard, were launched by Zimmer Biomet. Bactiguard's product portfolio also includes a non-alcoholic 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 in Europe, China, India, the Middle East and Southeast Asia through our own product portfolio and by establishing licensing deals in new therapy areas. Bactiguard has about 210 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 www.bactiguard.com

