

Bactiguard[®]

Q1 2024 presentation

Thursday 25 April 2024

Christine Lind, CEO

Patrick Bach, CFO





Q1 2024:

**Strategic transformation concluded and
new leadership in place**





Strategic transformation concluded

On track to **deliver cost savings**, on a yearly basis, **exceeding SEK 25 million**

License

- strengthen organization ✓
- double down on current partnerships ✓
- new partnerships

R&D and coating development

- institutionalize ✓
- Billy Södervall Academy
- facility Markaryd ✓

BIP portfolio

- BD agreement ✓
- transition/phase out ✓
- outsourcing discussions

“becoming a **knowledge and specialist organization** and a **profitable high-margin business**”



Collaboration with BD strengthened further in Q1

In partnership since 1995 – longest and strongest

Recap

- **Significant global market** value for Foleys ~USD 1.5bn, annual growth ~5%*
- **Exclusive global license** for Bactiguard coated Foley catheters (ex China), agreement from December 2023
- **Limited impact in 2024** but more **substantial contribution over time**

Q1 highlights

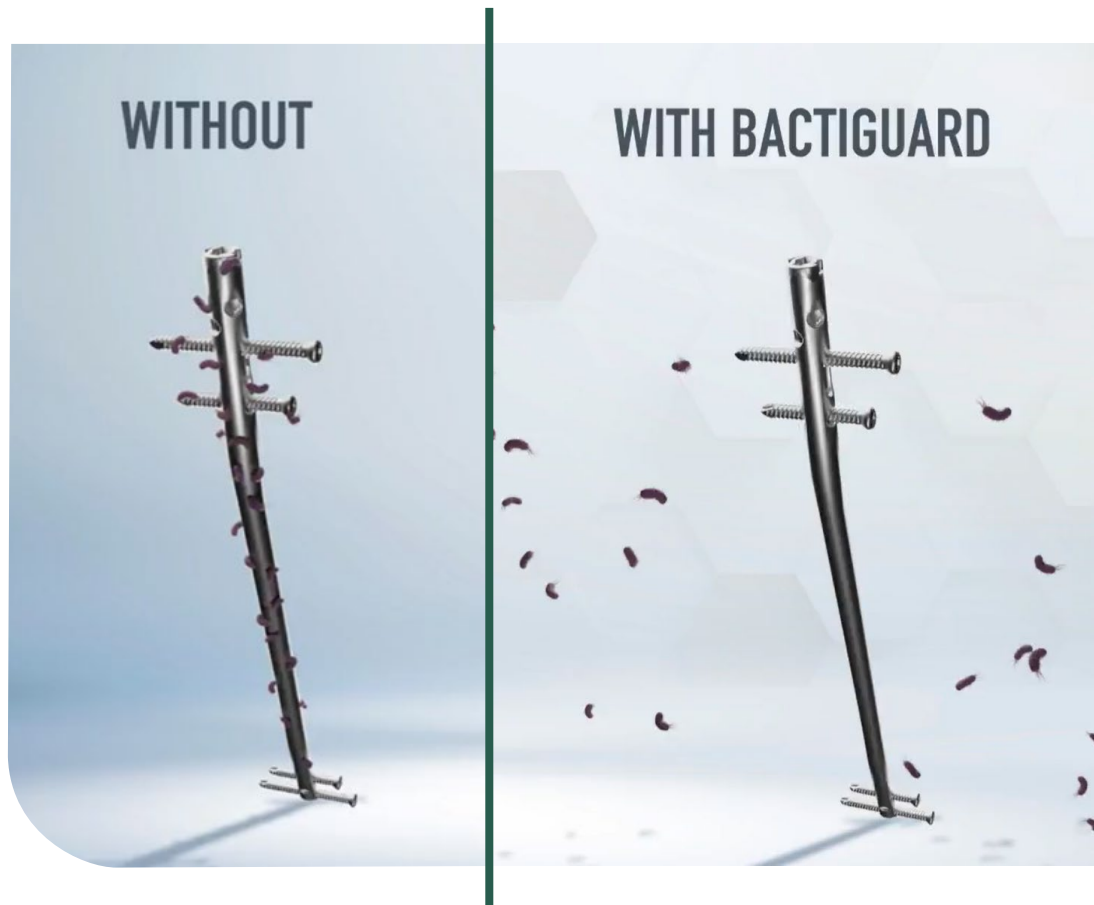
- **MDR-approval for coated silicone Foley catheters**
– supports BD's go-to-market strategy in Europe
- **Participated BD Global Sales & Marketing Summit 2024 in New Jersey**
– session on differentiation and value add to urology and critical care portfolios
- **Transition process for additional markets for coated Foleys ongoing**



* Future market insights.com (September 2020) and Grand View Research.com (Foley Catheter Market Size, Share and trends report 2030).



Continued progress in Zimmer Biomet partnership



Recap

- Global leader in orthopedics
- Two agreements: **trauma implants** (2019) and **multiple product segments** (2022)
- “**Let’s talk about infections**” theme 2023

Q1 highlights

- **European ZNN Bactiguard rollout continues**
– strong recognition and demand, slower uptake
- **Japan launch of ZNN Bactiguard** expected end of Q2



Key figures and events Q1 2024

Strategic transformation concluded and new leadership in place

Key figures Q1 2024 (Q1 2023)

Revenues **58.8** (61.2) MSEK

EBITDA **-1.5** (-6.6) MSEK

Net Loss **9.9** (22.1) MSEK

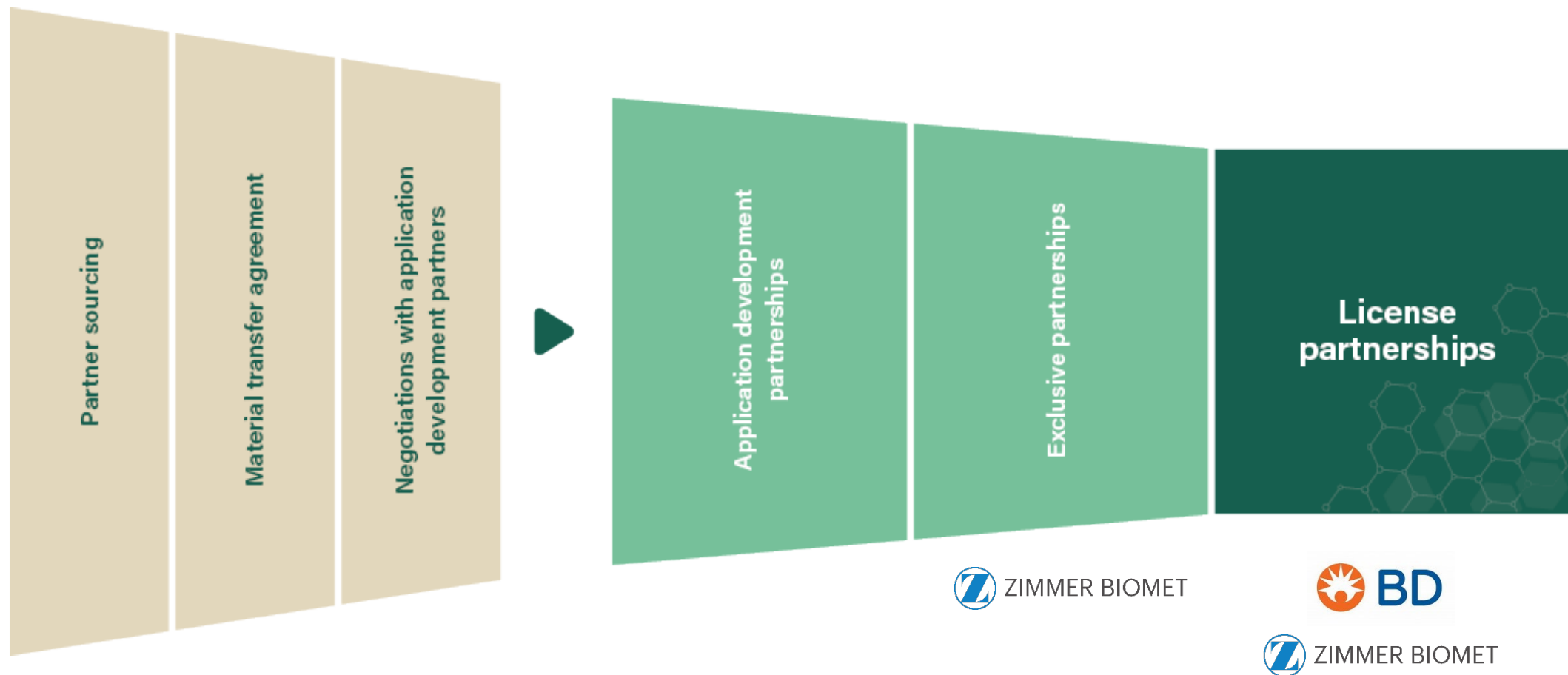
CF from operating activities **-19.1** (-7.7) MSEK

Key events in Q1

- Agreement with Dentsply Sirona not to pursue the application development project further due to changed priorities at Dentsply Sirona.
- Hydrocyn aqua received approval from the Central Drugs Standard Control Organization (CDSCO) to start commercialization in India.
- Bactiguard obtained MDR approval for the coated silicone urinary catheter, which will support BD's go-to-market strategy in Europe.



New revenue reporting streams





Total revenue Q1 2024

New split of net sales

MSEK	Jan-Mar		Full year	RTM
	2024	2023	2023	2023/24
Total license revenue	35.1	39.4	117.2	113.0
License partners	32.4	37.7	104.3	99.1
Exclusivity partners	2.6	-	9.7	12.3
Application development partners	0.1	1.7	3.2	1.6
Wound Management portfolio	12.7	11.2	53.8	55.4
BIP portfolio	6.0	5.1	30.5	31.5
Net sales	53.9	55.6	201.5	199.8
Other operating revenues	4.9	5.5	21.6	21.0
Total revenue	58.8	61.2	223.2	220.8

- **Total license revenue** amounted to **SEK 35.1 (39.4) million**, a decrease of SEK 4.2 million, corresponding to 11.2 percent adjusted for currency effects.
- Revenues from **BD** amounted to **SEK 28.0 (36.3) million**, a decrease of SEK 8.2 million.
- Revenues from **Zimmer Biomet** amounted to **SEK 3.2 (1.8) million**, an increase of SEK 1.4 million.
- Revenues from the **Wound Management** portfolio amounted to **SEK 12.7 (11.2) million**, an increase of SEK 1.6 million.
- Revenues from the **BIP portfolio** amounted to **SEK 6.0 (5.1) million**.
- **Total revenue** amounted to **SEK 58.8 (61.2) million**, a decrease of SEK 2.4 million. Adjusted for currency effects of SEK 3.0 million, revenue decreased by 8.8 percent.



Total operating costs and cash flow Q1 2024

On track to **deliver cost savings exceeding SEK 25 million** on a yearly basis following the transformation

Total operating costs

- **Costs for raw materials and consumables** amounted to **SEK -11.5 (-14.1) million**, a decrease of SEK 2.7 million, corresponding to 18.9 percent.
- **Other external costs** amounted to **SEK -18.8 (-23.1) million**, a decrease of SEK 4.3 million, corresponding to 18.7 percent.
- **Personnel costs** amounted to **SEK -29.4 (-26.9) million**, an increase of SEK 2.5 million, corresponding to 9.4 percent.
- **Total OPEX** amounted to **SEK -48.8 (-53.6) million**, a decrease of SEK 4.8 million, corresponding to 8.9 percent.

Total cash flow

- **Cash flow from operating activities** amounted to **SEK -19.1 (-7.7) million**. This is mainly attributable to increase in accounts receivable of SEK 16.0 (7.0) million.
- **Cash flow from investing activities** amounted to **SEK -6.2 (-1.2) million**.
- **Cash flow from financing activities** amounted to **SEK -6.3 (-3.0) million**.
- **Total cash flow** amounted to **SEK -31.6 (-11.8) million**.
- **Cash and cash equivalents** at the end of the quarter was **SEK 95.8 (186.6) million**.

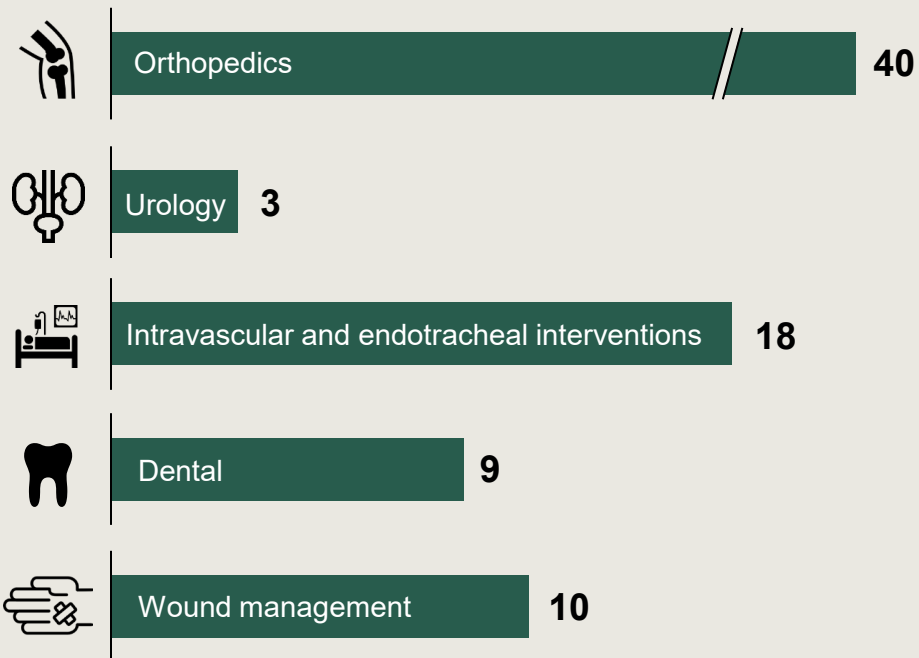


Opportunities behind critical global healthcare trends

The issues

- Antimicrobial resistance one of the top global public health threats facing humanity – associated with the death of close to 5 million people globally in 2019
- 1 in 10 patients worldwide affected by healthcare associated infections
- Demographic development, ageing population and increasing lifestyle diseases
- Political unrest, conflicts, wars and natural disasters
- Demand for more efficient and safe healthcare

The market opportunity (USD 80bn)



Markets size USD billion (McKinsey 2022)



Q&A

“to champion a healthier world
by preventing infections



Questions & Answers

Q1 2024 presentation



Christine Lind
CEO



Patrick Bach
CFO

