

Bactiguard[®]

Investor presentation Q3 2021

28 October, 2021

Anders Göransson, CEO

Gabriella Björknert Caracciolo, CFO



Bactiguard

Infection prevention – Saving lives



Anders Göransson, CEO

October 1st, 2021

Background:

- Various management positions within Amgen, a leading biotech company
- Broad consulting experience from McKinsey and Ernst & Young

Education:

- MSc in Business, Uppsala, SE
- MBA, Suffolk University, USA



Chief Licensing Officer - strengthening the management and licensing team

October 1st, 2021

Background:

- Various positions in leading pharma and MedTech companies, Glaxo Smith Kline, Janssen, Mundipharma and Mölnlycke.
- CEO of Ortho Center and Sales and Marketing Director at Aleris

Education:

- MBA from the University of Stockholm
- Officer in the Swedish Armed Forces



Carl Johan Fredin



Bactiguard – third quarter 2021

Key Financials, Q3 2021 (Q3 2020)

Sales	EBITDA	Net Profit	Operating cash flow
MSEK 45.2 (34.2) <ul style="list-style-type: none">• License 30.1 (20.2)• BIP sales 13.2 (10.4)	MSEK 1.2 (-3.1)	MSEK -10.8 (-16.1)	MSEK 14.3 (-3.3)

Directed new share issue to AMF, of SEK 228 million
1,500,000 B shares at a price of SEK 152 per share



Business Highlights – third quarter 2021

BD business recovering, ZNN Bactiguard launch and Wound care rollout

LICENSE BUSINESS

- BD business recovering to pre-covid levels
- Zimmer® Natural Nail® (ZNN) Bactiguard-implants
 - First patients operated in Italy and South Africa
 - Launch in Spain, UK and Germany
 - Intensified efforts to register in US

BACTIGUARD PORTFOLIO

- Exploring joint promotion with ZB
- Aniocyn - veterinary care available in Nordics
- Launched expanded wound care portfolio in Malaysia and Sweden, preparing launch in Spain & Germany
- Increase of catheter sales, as markets open up



Zimmer Biomet Bactiguard launch

EMEA launch

**YOU
WOULDN'T
DRIVE A CAR
WITHOUT A
SEATBELT**



**SO WHY
TAKE RISKS
WITH
INFECTION
CONTROL?**



**Zimmer® Natural Nail®
(ZNN) System**
with **Bactiguard® Technology**

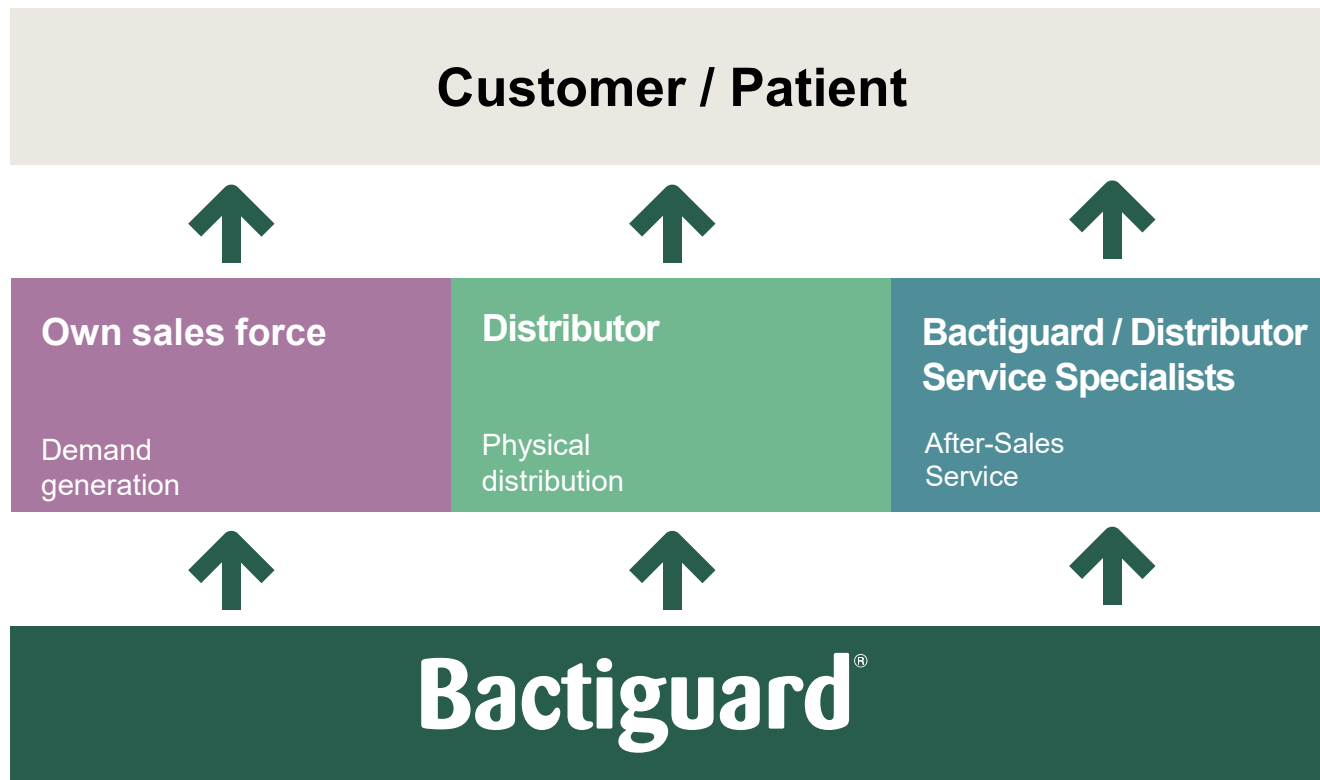


ZIMMER BIOMET



Increased focus on commercialisation

Well positioned for the next phase



- Positive impact from the investments in our own sales forces
- Strengthening our distributor network and management
- Leveraging our 'Bactiguard Academy' for clinical implementation
- Broader product portfolio for infection prevention



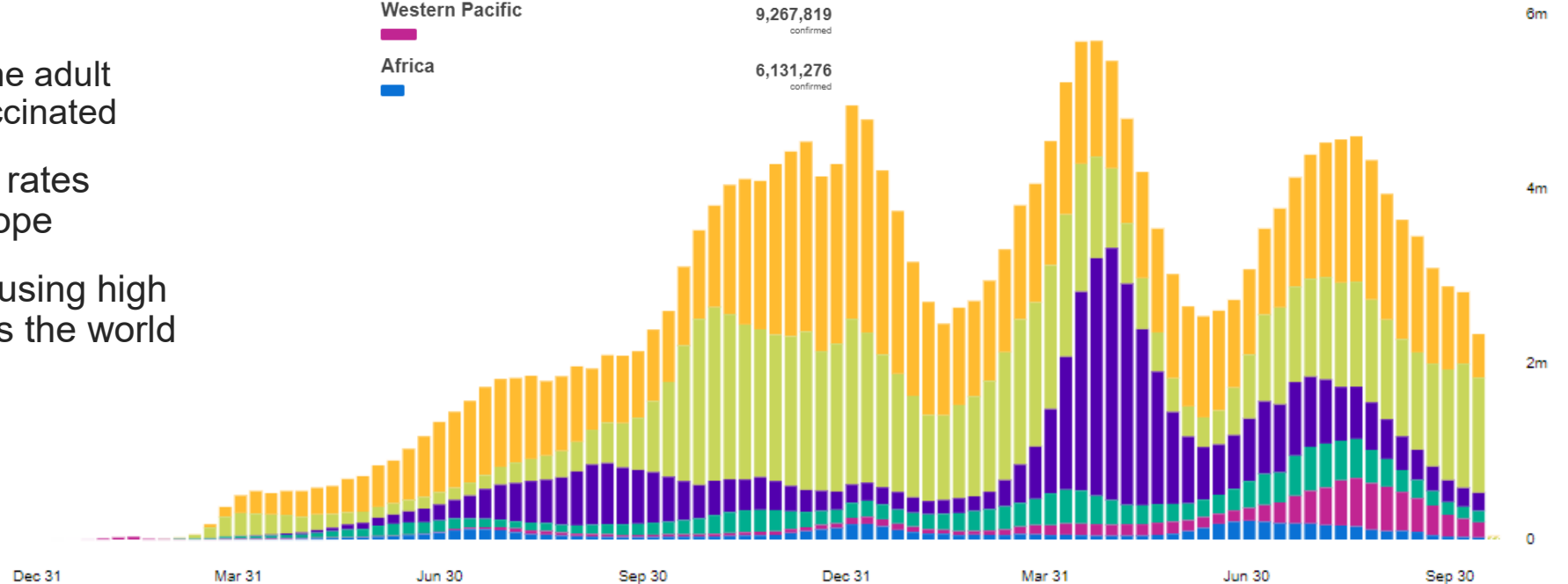
Global outlook

Covid-19 situation by WHO

- In general the increase in vaccination rates is reducing the number of Covid-19 cases
 - In Malaysia 95% of the adult population is fully vaccinated
- EU – increasing infection rates especially in eastern Europe
- ...still the pandemic is causing high numbers of deaths across the world

Americas	92,640,794 confirmed
Europe	74,606,226 confirmed
South-East Asia	43,805,354 confirmed
Eastern Mediterranean	16,236,086 confirmed
Western Pacific	9,267,819 confirmed
Africa	6,131,276 confirmed

→ Over 240 million cases
→ App. 5 million deaths



COVID and Hospital Acquired Infections (HAI)

The pandemic shows the importance of infection prevention

- Recent publication from US Center for Disease Control and Prevention (CDC)
- NHSN (national healthcare safety network) – HAI surveillance system
- Quarterly data from 2020 compared with 2019
- Increase in the most common hospital acquired infections

	2020 Q1	2020 Q2	2020 Q3	2020 Q4
CLABSI	↓ -11.8%	↑ 27.9%	↑ 46.4%	↑ 47.0%
CAUTI	↓ -21.3%	No Change ¹	↑ 12.7%	↑ 18.8%
VAE	↑ 11.3%	↑ 33.7%	↑ 29.0%	↑ 44.8%
SSI: Colon surgery	↓ -9.1%	No Change ¹	↓ -6.9%	↓ -8.3%
SSI: Abdominal hysterectomy	↓ -16.0%	No Change ¹	No Change ¹	↓ -13.1%
Laboratory-identified MRSA bacteremia	↓ -7.2%	↑ 12.2%	↑ 22.5%	↑ 33.8%
Laboratory-identified CDI	↓ -17.5%	↓ -10.3%	↓ -8.8%	↓ -5.5%

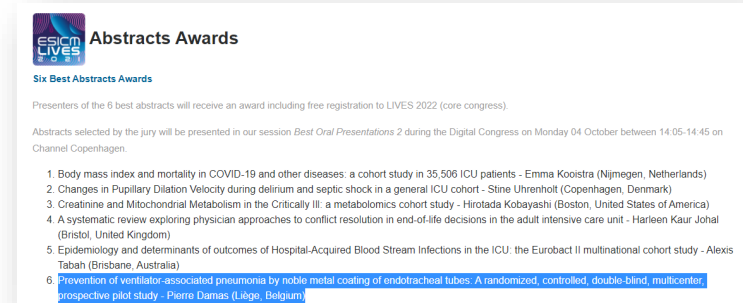


VITAL study

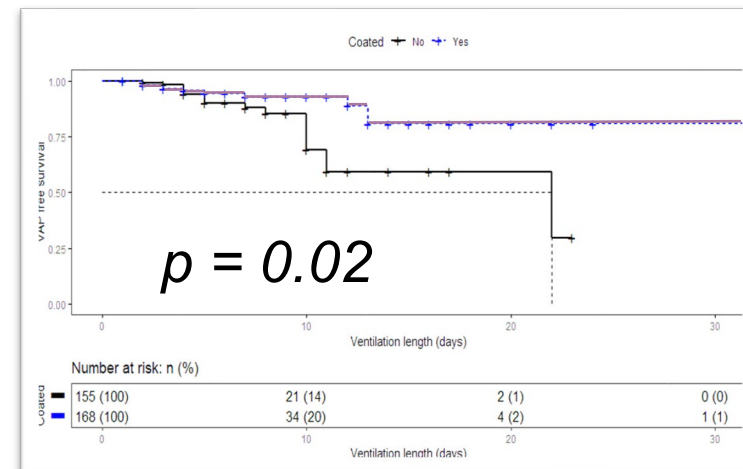
VAP* reduction in ICU by Bactiguard coated endotracheal tubes

Topline results presented in award winning presentation at ESICM

- Randomized, controlled study on ICU patients, Liège, Belgium
- Safety: no adverse events related to the coating
- 53% reduction of VAP in Bactiguard group (p=0.07)
- Time to VAP significantly longer in Bactiguard group (p=0.02)
- Reduced antibiotic use in Bactiguard group (p=0.06)



Time to VAP, Kaplan-Meier



* Ventilator-Associated Pneumonia



Malaysian Operations

Bactiguard facilities in Malaysia

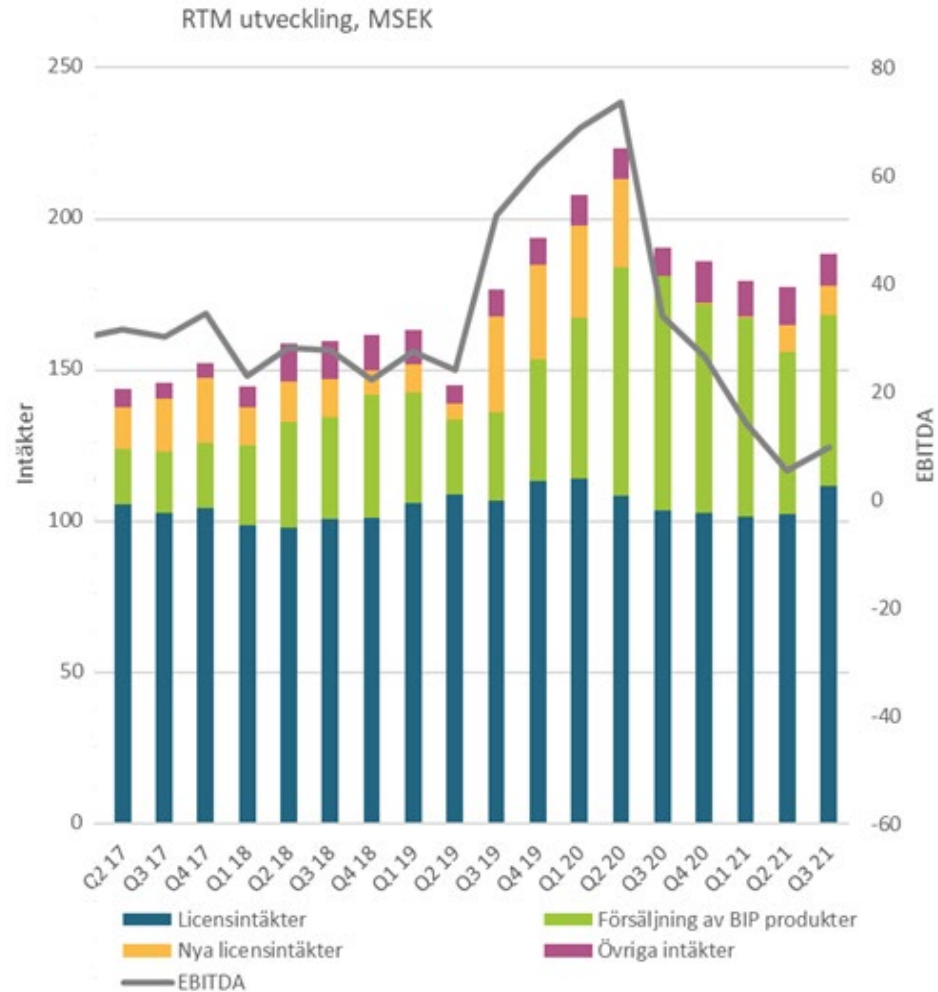


Financial update



Stable third quarter revenues

Still negative COVID-19 impact on the business



- BD license revenue increase in Q3 and stabilised on a yearly basis despite negative currency effect
- BIP revenues still negatively affected by Covid-19
- Newly signed wound care partnerships first revenues in Q3
- New license revenue of MSEK 0.5 related to product development
- EBITDA positive development due to revenue mix counteracted by increased investments in sales & marketing, inventory write-down and higher freight costs



Financial overview

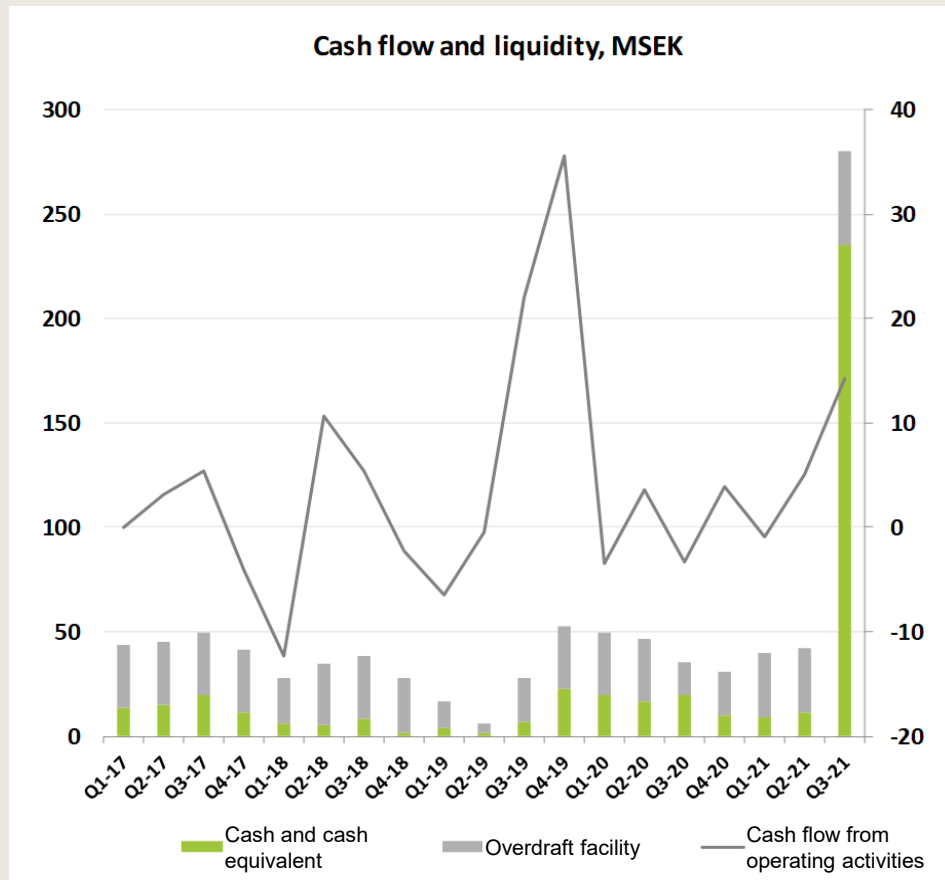
MSEK	2021					2020					
	Q1	Q2	Q3	YTD 9m	RTM	Q1	Q2	Q3	YTD 9m	Q4	Full year
Revenues	41,8	46,0	45,2	133,0	197,1	48,1	48,2	34,1	130,5	55,6	186,0
EBITDA	1,9	1,8	1,2	4,9	30,9	14,4	10,5	-3,1	21,8	4,9	26,7
EBITDA margin %	5%	4%	3%	4%	16%	30%	22%	-9%	17%	9%	14%
Depreciations	-11,6	-11,8	-11,9	-35,3	-45,0	-10,5	-11,3	-11,2	-33,0	-11,3	-44,3
whereof depreciation technology	-6,4	-6,4	-6,4	-19,1	-25,1	-6,1	-6,4	-6,4	-18,8	-6,4	-25,1
Net profit/loss*	-10,5	-12,0	-10,8	-33,4	-33,1	-11,2	-0,3	-16,1	-27,6	-9,4	-38,4
Operating cash flow	-0,9	5,5	14,3	18,9	18,3	-3,5	3,6	-3,3	-3,2	3,9	0,7

*According to IFRS the set-off issue is reported as a forward contract, which affected net profit/loss with SEK -10,9 million FY 2020. The adjustment does not affect cash flow.

- Higher license revenue Q3 resulted in:
 - Revenue growth of 32%, and organic revenue growth of 36%, resulting in MSEK 45.2
 - EBITDA of MSEK 1.2 (-3.1) with an EBITDA-margin of 3% (-9%). Clear improvement vs Q3 2020
- EBITDA YTD lower than previous year due to extraordinary orders for disinfection in 2020. Also reflected in EBITDA margin 4% (17%)
- Positive operating cash flow Q3 and YTD 2021 due to license revenue increase



Cash flow and liquidity



- New share issue of MSEK 228 before transaction cost
- Q3 positive operating cash flow of MSEK 14.3 (-3.3)
- Overdraft facility unutilized, compared to September 30, 2020 MSEK (16.1)
- Available liquidity MSEK 280.5 incl. overdraft facility



Bactiguard – My reflections

Well positioned to move to the next phase

My reflections

- Infection prevention more important than ever
- Bactiguards unique coating has a key role to play
- Strong license partners
- Wound care portfolio to leverage
- Strong leadership team
- Financial muscles to drive future growth

"I am proud and energized to lead Bactiguard in this exciting phase of the company's development!"

We are now investing to accelerate growth and take Bactiguard to the next level!"

- Anders Göransson, CEO



**Bactiguard on the outside –
safe on the inside**



Questions & Answers



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Upcoming events and financial reports

February 10, 2022

- Year-end report, 2021

