

Bactiguard[®]

Investor presentation Q4 2021

9 February, 2022

Anders Göransson, CEO

Gabriella Björknert Caracciolo, CFO



AGENDA

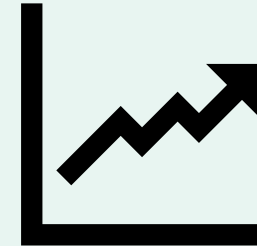


ZIMMER BIOMET

Expanded partnership with
Zimmer Biomet



Q4 2021 Review and
results



New focused growth
strategy and long-term
financial targets



Expanded global partnership with Zimmer Biomet

Covering multiple product segments

- License and development fees of **USD 1.5 million**, payable in 2022
- **USD 7.5 million** in milestone payments, contingent on U.S. regulatory clearance for different product categories
- **Royalties on net sales** following commercialization
- Exclusive global license agreement, including:
 - ✓ implants for joint reconstruction (hips and knees),
 - ✓ sports medicine,
 - ✓ craniomaxillofacial; and
 - ✓ thoracic applications



Developing new standards of care in orthopedics

2018 Dec

First Bactiguard coated trauma implant CE marked

2019 Sept

Zimmer Biomet License Agreement for trauma applications

2021 Jan

ZNN Bactiguard CE mark

2021 June

EMEA launch of ZNN Bactiguard

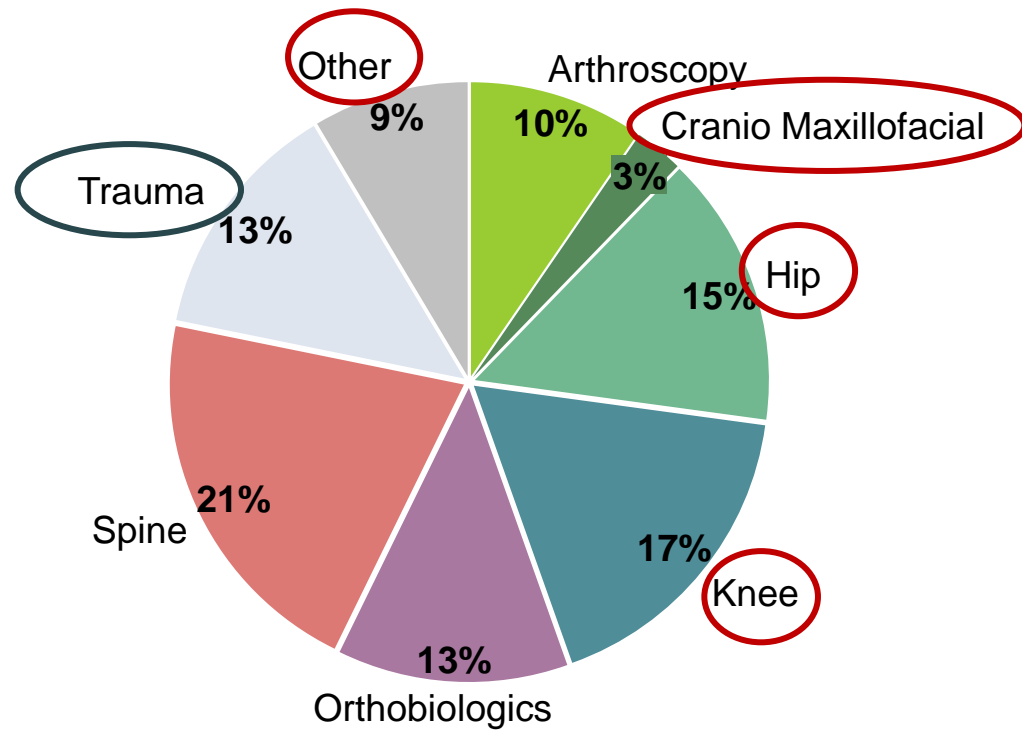
2022 Feb

Global partnership extended to include hips, knees and other extremities

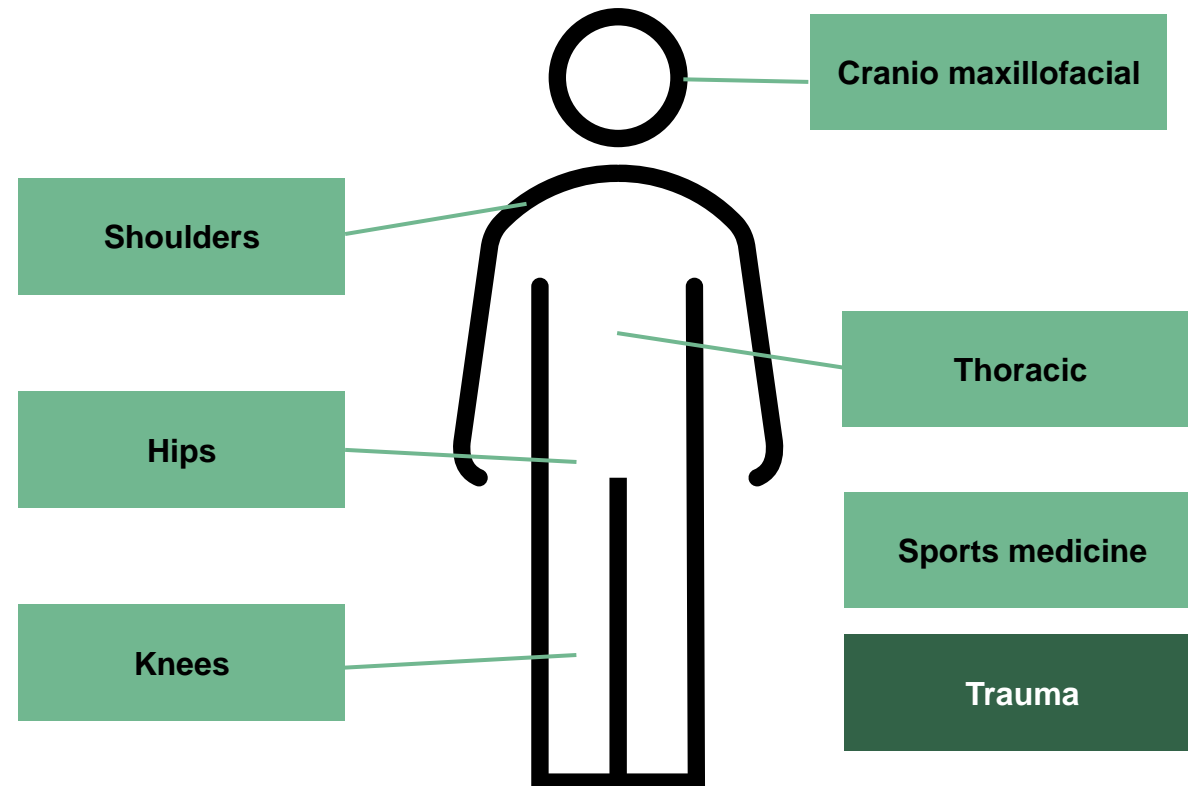


Orthopedic product range

Orthopedic market segments and share of global market



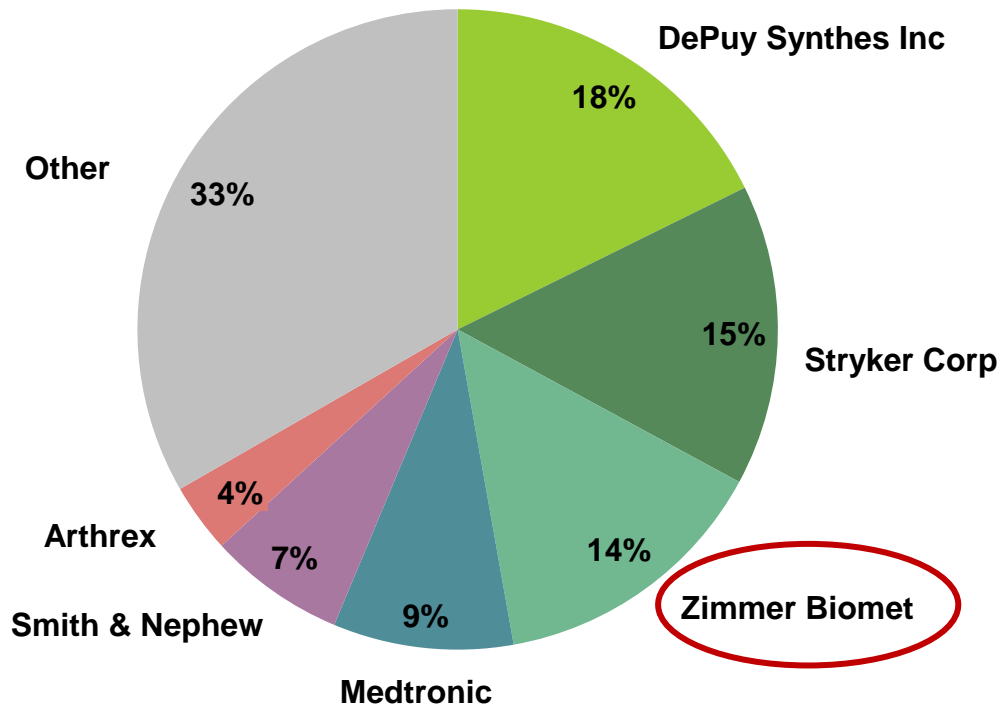
Total market 49 US Billion



1. Source: GlobalData, 2019.-2021 average market size

Zimmer Biomet a major global players in orthopedics

Revenues and market shares



NET SALES - YEAR ENDED DECEMBER 31, 2021
(in millions, unaudited)

	Net Sales	% Change	Constant Currency % Change
Product Categories			
Knees			
Americas	\$1,574.2	9.0 %	8.7 %
EMEA	588.9	21.3	17.9
Asia Pacific	484.8	8.2	5.4
Total	2,647.9	11.3	10.0
Hips			
Americas	997.8	6.0	5.7
EMEA	474.0	16.2	12.8
Asia Pacific	384.3	(4.2)	(4.7)
Total	1,856.1	6.0	4.9
S.E.T. *	1,727.8	13.3	11.9
Dental & Spine	1,008.8	12.5	11.5
Other	595.6	25.9	25.0
Total	\$7,836.2	11.6 %	10.3 %

* Sports Medicine, Extremities, Trauma, Craniomaxillofacial and Thoracic

1. Source: ZB AR, GlobalData, 2020 data

AGENDA

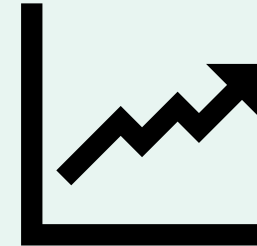


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Bactiguard – fourth quarter 2021

Key Financials, Q4 2021 (Q4 2020)

Sales	EBITDA	Net Profit	Operating cash flow
MSEK 46.1 (55.6) <ul style="list-style-type: none">• License 24.7 (33.4)• BIP sales 17.3 (16.9)	MSEK -12.1 (4.9)	MSEK -25.4 (-10.8)	MSEK -16.8 (3.9)

**Q3 2021: 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 – License

BD business recovering and ZNN Bactiguard EMEA launch continues

LICENSE BUSINESS

- BD business recovered to pre-covid levels on a yearly basis
- Zimmer Biomet partnership further deepened and expanded
- Zimmer® Natural Nail® (ZNN) Bactiguard-implants launched across Europe, ongoing efforts to register in other regions
- Continued interest in our technology from potential new partners

YOU
WOULDN'T
DRIVE A CAR
WITHOUT A
SEATBELT



SO WHY
TAKE RISKS
WITH
INFECTION
CONTROL?

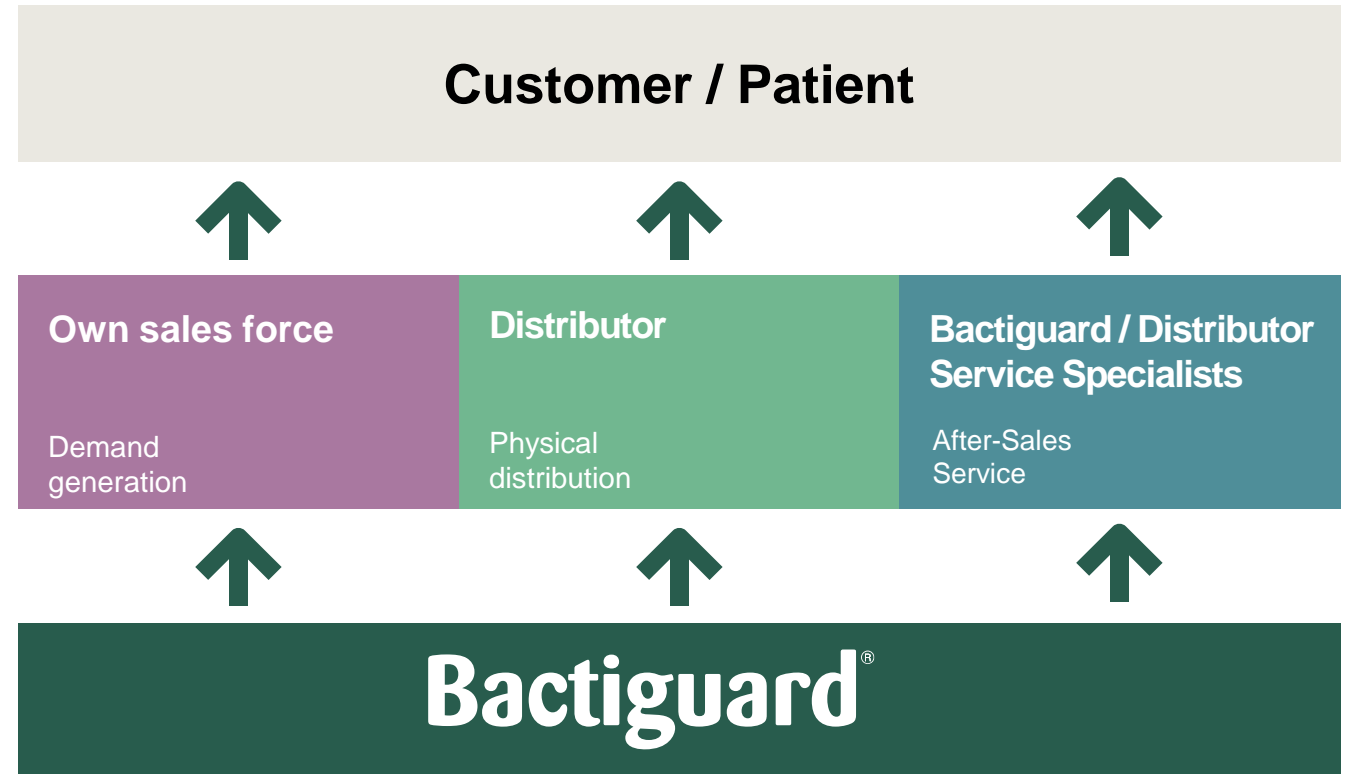


Business Highlights – Bactiguard portfolio

Strong growth in focus areas: BIP Catheters and Wound management portfolio

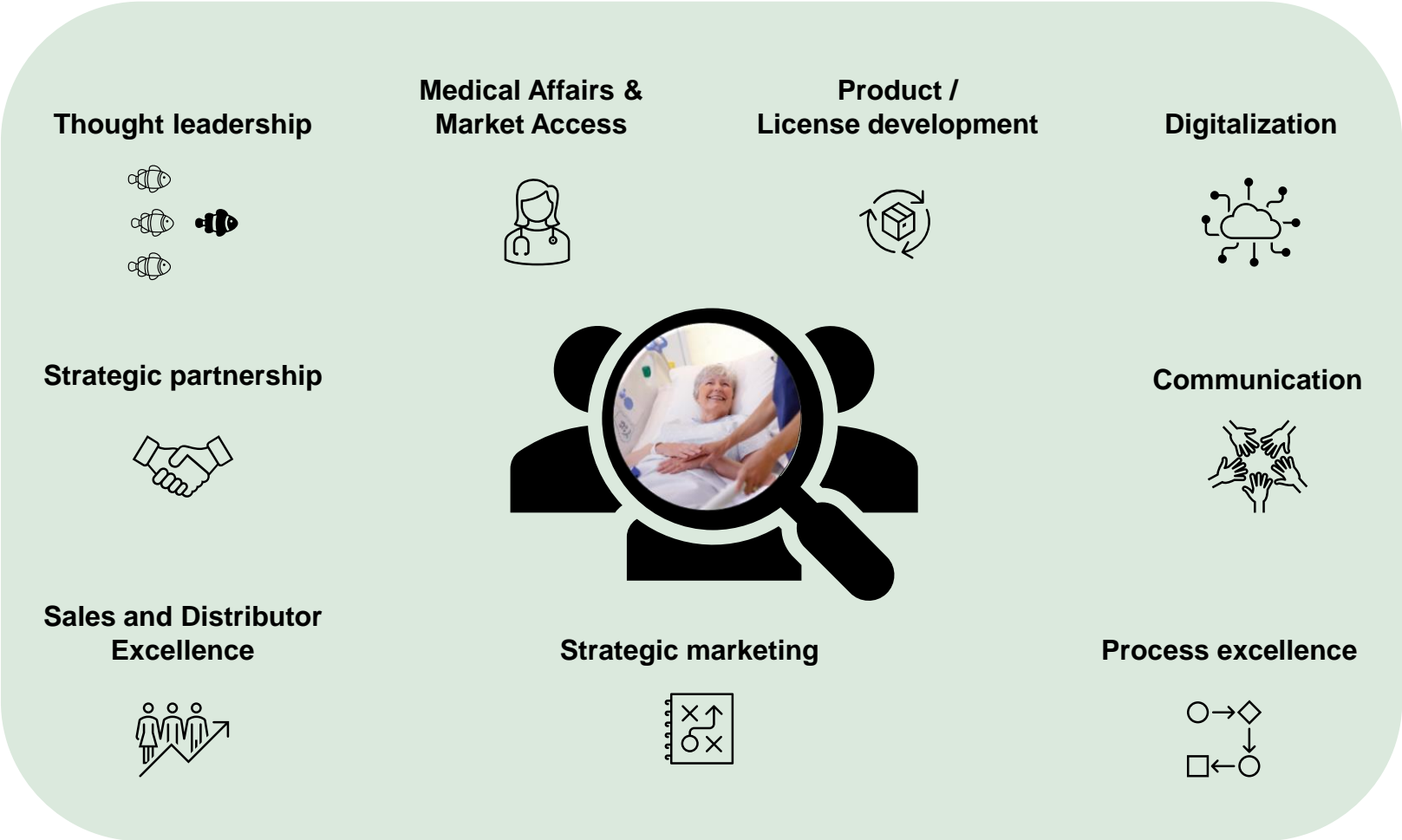
BACTIGUARD PORTFOLIO

- Strong growth in BIP Catheters especially in markets with investment in salesforce
- Strong momentum in wound care as expanded portfolio launched in Malaysia, MEA and parts of Europe
- South East Asia partly impacted by strict close downs during the year



Building patient centric commercial capabilities

Expansion of commercial resources and capabilities to support our growth strategy initiated



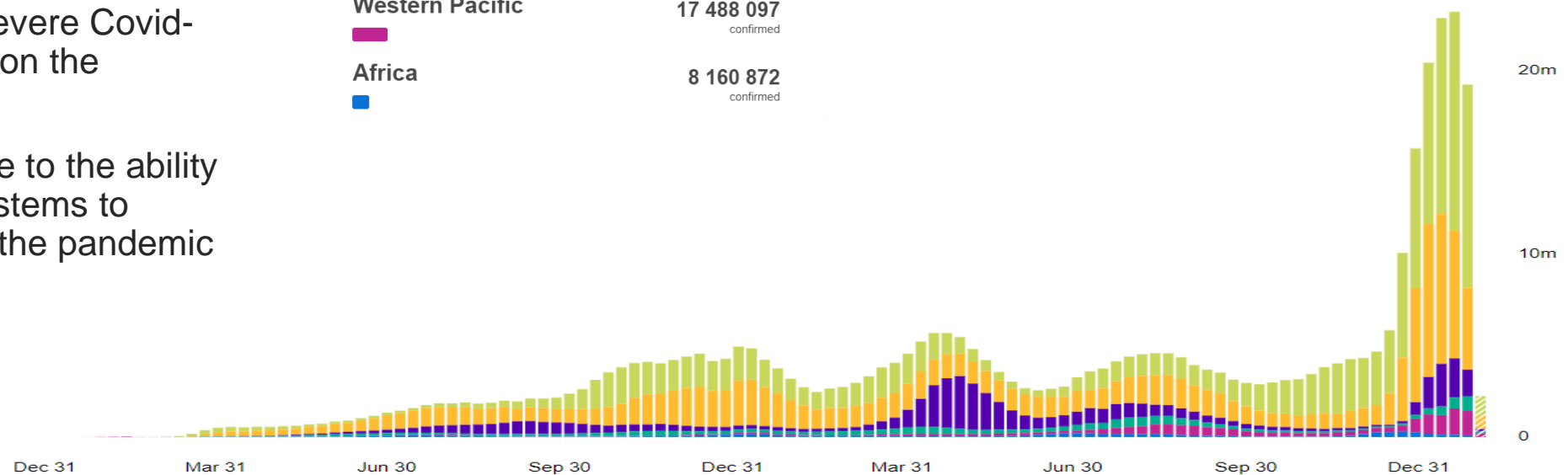
Global outlook

Covid-19 situation by WHO

- Rapid increase of number of infected in Dec/Jan due to Omicron variant...
- ...which is milder and combined with the increase in vaccination rates has reduced the number of severe Covid-19 cases and the impact on the healthcare systems
- Near term uncertainty due to the ability of different healthcare systems to manage the impact from the pandemic

Europe	155 509 416
	confirmed
Americas	139 985 136
	confirmed
South-East Asia	53 493 973
	confirmed
Eastern Mediterranean	19 743 137
	confirmed
Western Pacific	17 488 097
	confirmed
Africa	8 160 872
	confirmed

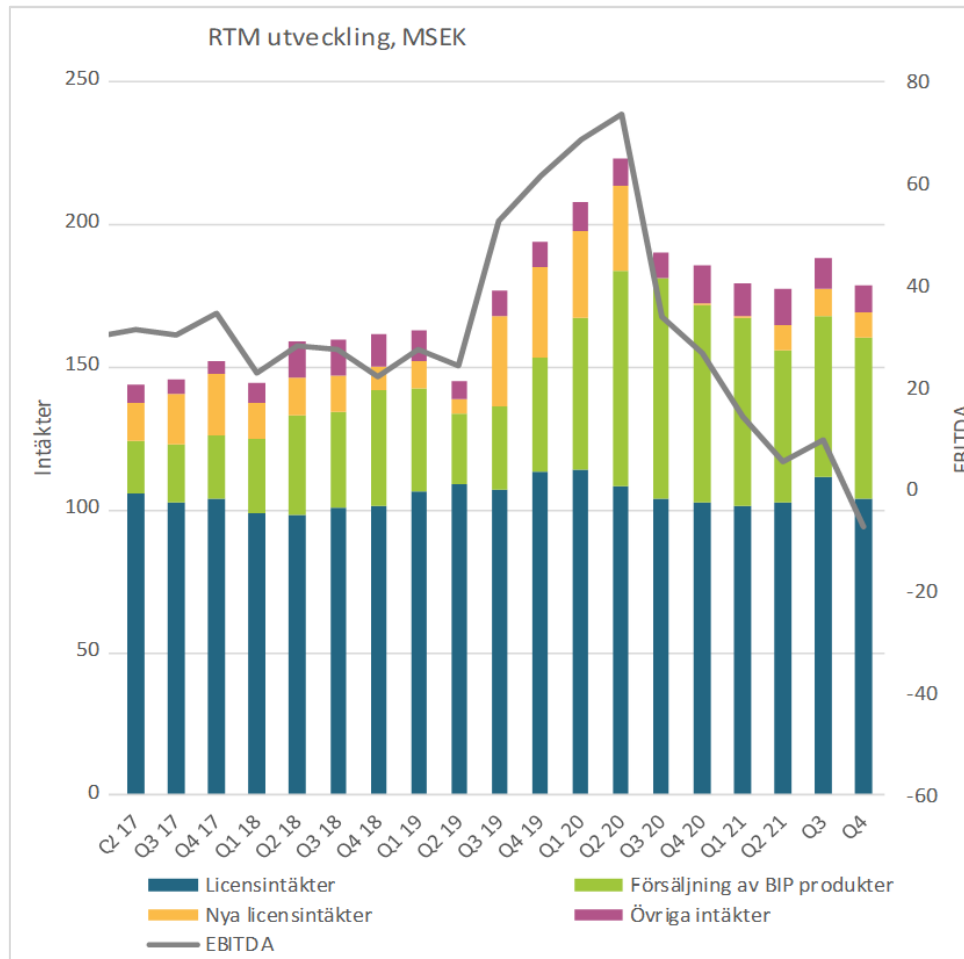
→ Over 394 million cases
→ App. 5.7 million deaths



Financial update



Stable rolling 12-month revenue



- BD license revenue was lower in Q4 compared to Q3 but stable on a yearly basis
- BIP revenues growth mainly driven by Wound Care and BIP catheters.
- Still Uncertainly regarding the Covid development in certain markets
- New license revenue related to product development
- EBITDA negative development due to revenue mix and increased investments in accelerating the growth strategy mainly sales & marketing incl. activities, consultants and personnel costs



Financial overview

MSEK	2021					2020				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
Revenues	41,8	46,0	45,2	46,1	179,0	48,1	48,2	34,1	55,6	186,0
EBITDA	1,9	1,8	1,2	-12,1	-7,2	14,4	10,5	-3,1	4,9	26,7
EBITDA margin %	5%	4%	3%	-26%	-4%	30%	22%	-9%	9%	14%
Depreciations	-11,6	-11,8	-11,9	-11,7	-47,0	-10,5	-11,3	-11,2	-11,3	-44,3
whereof depreciation technology	-6,4	-6,4	-6,4	-6,4	-25,4	-6,1	-6,4	-6,4	-6,4	-25,1
Net profit/loss*	-10,5	-12,0	-10,8	-25,4	-58,8	-11,2	-0,3	-16,1	-10,8	-38,4
Operating cash flow	-0,9	5,5	14,3	-16,8	2,1	-3,5	3,6	-3,3	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.

Q4 2021 vs Q4 2020

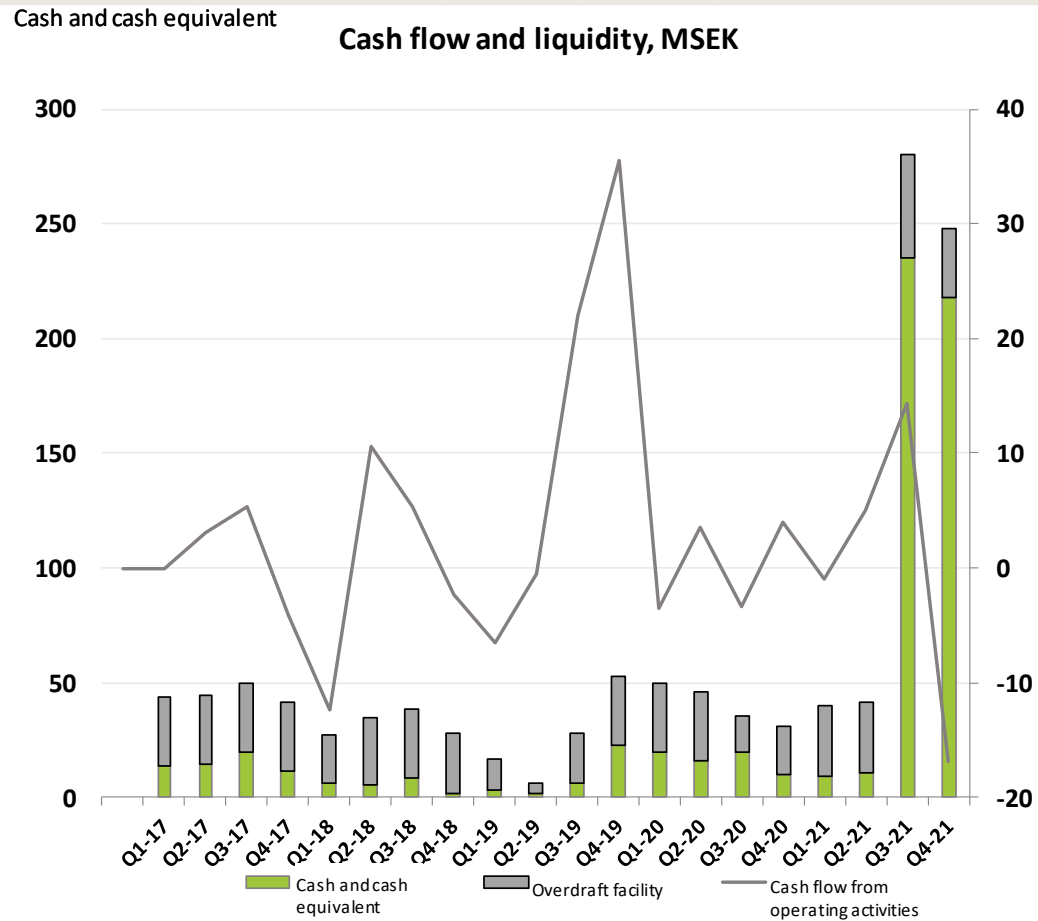
- Revenue decline of -17%, currency adjusted -22%, resulting in total MSEK 46.1 (55.6)
 - Q4 2020 large order from Wellead
- EBITDA of MSEK -12.1 (4.9) with an EBITDA-margin of -26% (9%) mainly due to revenue mix and investments in growth strategy

FY 2021 vs FY 2020

- Revenues total MSEK 179.0 (186.0) decline -4%, currency adjusted -3%,
 - 2020 included extraordinary orders for disinfection and order from Wellead
- EBITDA MSEK -7.2 (26.7) impacted by revenue mix and investments in Q4 2021



Cash flow and liquidity



- Credit facility with SEB renegotiate in Dec 2021 due to directed new shares issue*:
 - Extended two years to December 2024
 - covenants to mirror the growth strategy
 - overdraft facility decreased to MSEK 30.0 (45.0)
- Q4 negative operating cash flow of MSEK -16.8 (3.9) due to investments in growth strategy however FY 2021 positive MSEK 2.1
- Overdraft facility unutilized, compared to December 31, 2020 MSEK 0.0 (-3.9)
- Available liquidity incl. overdraft facility MSEK 247.6 (39.9)

*New share issue of MSEK 228 before transaction cost in Sept 2021



AGENDA

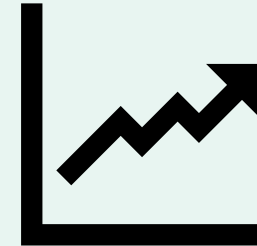


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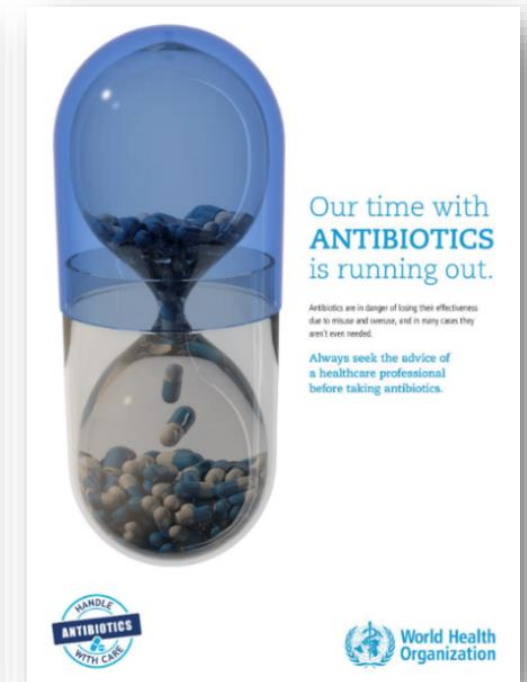
The threat of Anti Microbial Resistance (AMR)

Not only a future nightmare...It is a problem we need to address right now

1.3 million annual deaths in 2019

>10 million annual deaths by 2050

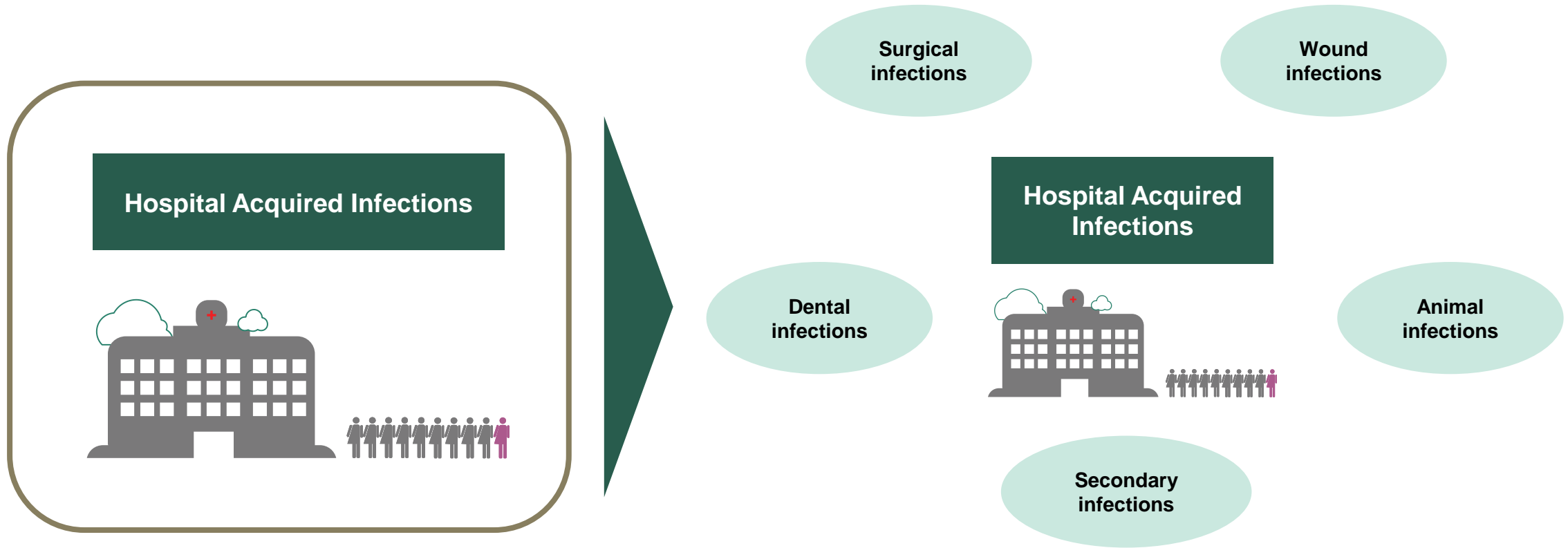
- **4.95 million** deaths associated with and **1.3 million** deaths directly caused by AMR (2019)
- **AMR is a major global challenge - now and in the future**
- Most comprehensive study on the impact of AMR to date published in Lancet





Our Expanding opportunities

More than preventing hospital acquired infection



Our growing product portfolio has opened up for several new opportunities addressing not only hospital acquired infections



VISION



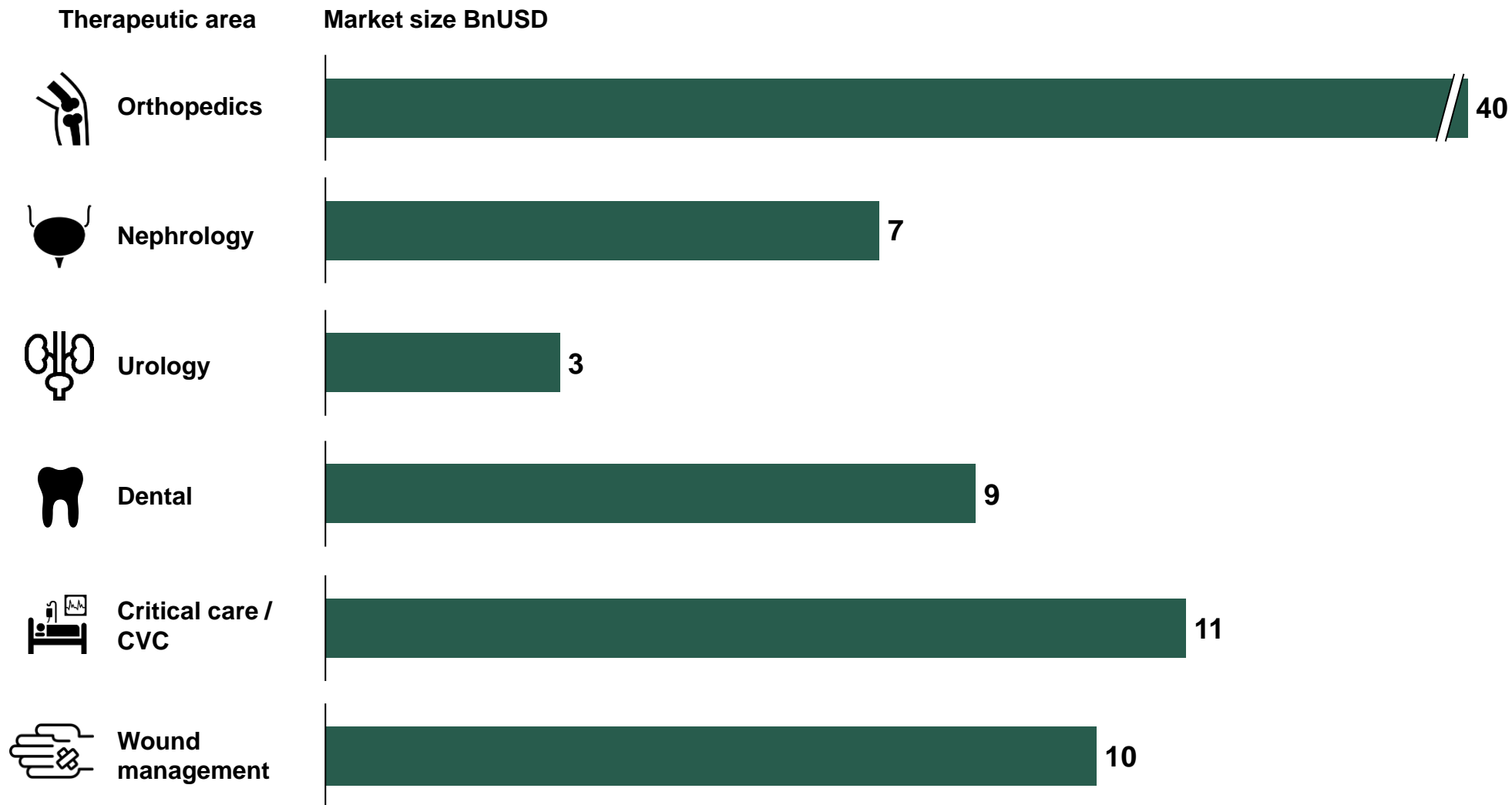


Patient focused strategy to leverage scalable business model





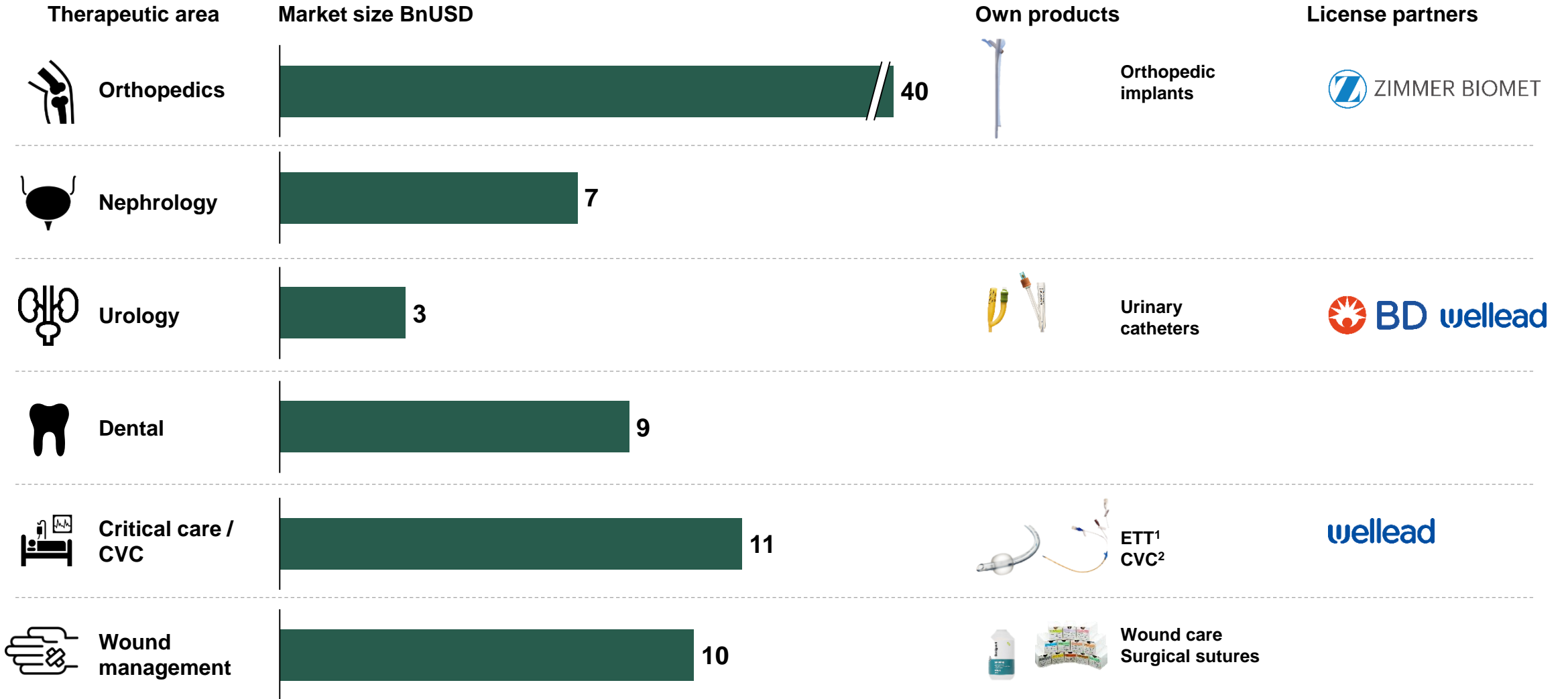
Major potential for growth in focus Therapeutic areas



Please note, numbers being further assessed



Existing business strong foundation for expansion

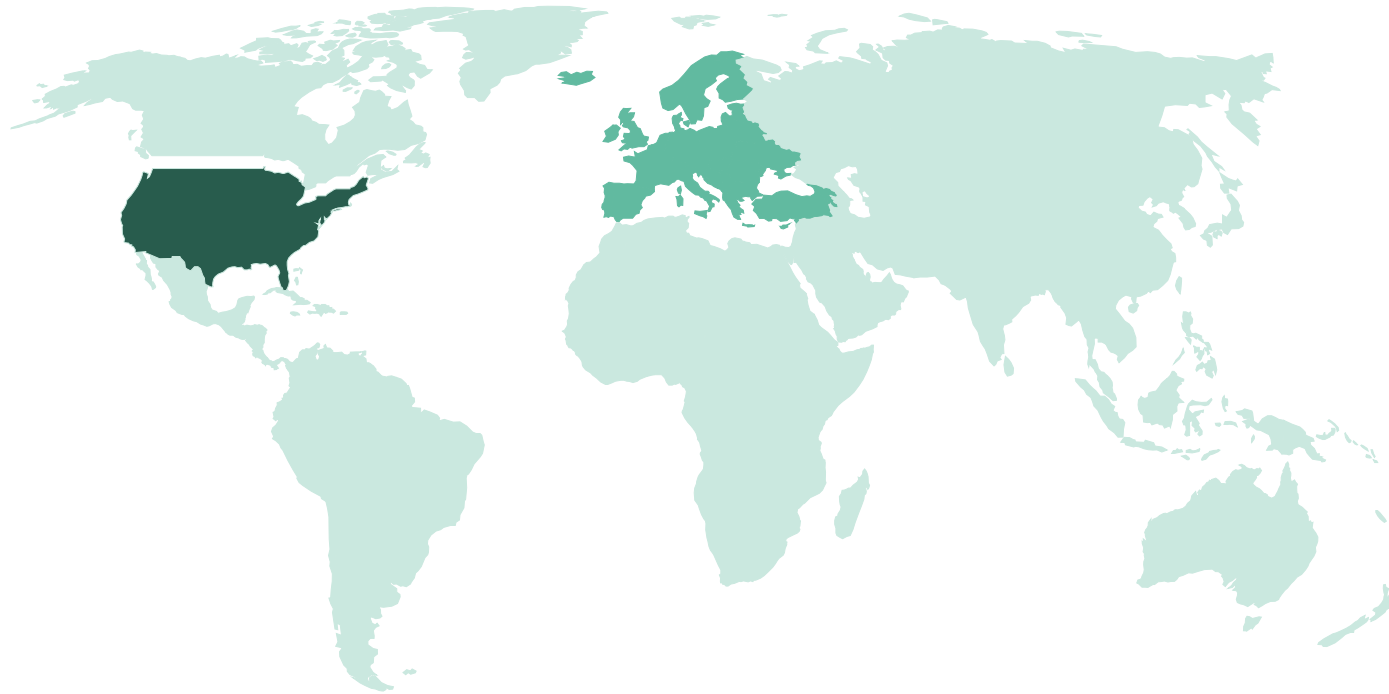


1 Entotracheal tube
 2 Central venous catheter
 Source: GlobalData

Please note, numbers being further assessed

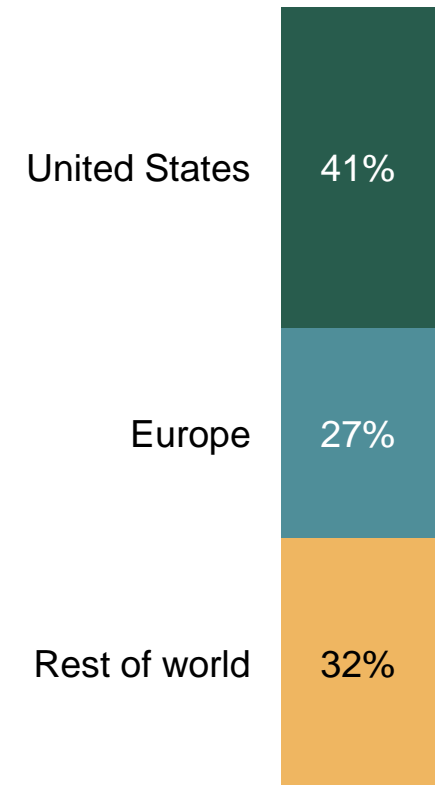


Focus on high potential geographies



Source: GlobalData

Global MedTech market





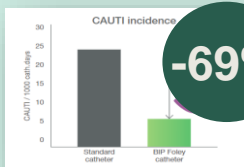
Right timing to fuel growth

1

Strong clinical evidence

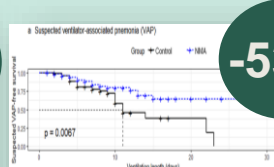
- **>200 million catheters used** with no reported adverse event
- **> 40 clinical studies** incl. **> 100 000 patients, and new**

Urinary catheters
Kai-Larsen et al. 2021



-69%

Endotracheal tubes
Damas et al. 2022



-53%

2

Capital for growth

- **> 220 mSEK raised** during the fall of 2021 to fund a fact based, focused growth



3

Commercial capabilities

- **Strengthened commercial capabilities** for continued expansion in key geographies



... and with recent expansion of the license business being the proof of concept



Updated long term financial targets

Revenue 2026

- Annual revenue of at least 1 billion SEK (new)

Profit 2026

- Annual EBITDA of at least 400 million SEK (new)

“The transformation of the Bactiguard organisation will impact the coming one to two year period, while we expect rapidly accelerating profitability in the years 2024 through 2026.”

- Anders Göransson, CEO

AGENDA

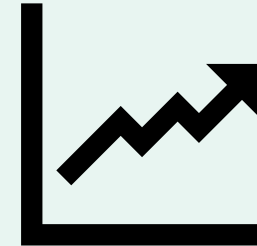


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Questions & Answers



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

Upcoming events and financial reports

8 April 2022	Annual report 2021
27 April 2022	Interim report 1 Jan - 31 Mar 2022
29 April 2022	Annual General Meeting
14 July 2022	Interim report 1 April-30 June 2022
27 October 2022	Interim report 1 July-30 Sept 2022

