

Interim report for Q2 2022

Continued growth in the licensing business and in our product portfolio

Second quarter (April-June 2022)

- 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.

First half year (January-June 2022)

- 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 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.

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).

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.



CEO comments 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 EBTTA 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



The interim report for Bactiguard Holding AB (publ) for the period April-June 2022 is now available as a PDF on www.bactiguard.com.

This information is information that Bactiguard Holding AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out below 2022-07-14, at 08.00.

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Presentation of Q2

An audiocast for investors, analysts and media will be held at **11:00 CET today**, 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 audiocast, use this link:

www.bactiguard.com/Q2-2022

To participate only by conference call, dial:

SE: +46850558358, UK: +443333009274, US: +16467224904

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

