



# BONESUPPORT™

## INTERIM REPORT JULY – SEPTEMBER 2023

# Q3 CONTINUED STRONG GROWTH IN BOTH SEGMENTS

### JULY - SEPTEMBER 2023

- Net sales increased by 87 percent (76 percent at constant exchange rates<sup>1</sup>) and amounted to SEK 158.2 million (84.6).
- The North America (NA) segment reported a sales growth of 115 percent (102 percent at constant exchange rate).
- The Europe & Rest of the World (EUROW) segment reported a sales growth of 31 percent (26 percent at constant exchange rates).
- The gross margin amounted to 92.1 percent (90.8).
- The operating result before effects from the Group's incentive programs<sup>1</sup> amounted to SEK +24.6 million (-4.4). Reported operating result amounted to SEK +14.9 million (-13.9).
- Earnings per share before dilution were SEK +3.52 (-0.23). Adjusted for deferred tax receivables on tax losses carried forward, which have been reported for the first time this period, the earnings per share before dilution were SEK +0.18.
- Earnings per share after dilution were SEK +3.47 (-0.23). Adjusted for deferred tax receivables on tax losses carried forward, which have been reported for the first time this period, the earnings per share after dilution were SEK +0.18.

### EVENTS DURING THE PERIOD

- During August, the last patient was enrolled to the SOLARIO study.
- During the quarter, the Company recognized deferred tax receivables on its tax losses carried forward in the balance sheet for the first time, amounting to SEK 230 million.

### JANUARY – SEPTEMBER 2023

- Net sales increased by 85 percent (75 percent at constant exchange rates) and amounted to SEK 418.3 million (225.6).
- The North America (NA) segment reported a sales growth of 117 percent (103 percent at constant exchange rate).
- The Europe & Rest of the World (EUROW) segment reported a sales growth of 31 percent (26 percent at constant exchange rates).
- The gross margin amounted to 91.4 percent (90.1).
- The operating result before effects from the Group's incentive programs amounted to SEK +42.8 million (-26.1). Reported operating result amounted to SEK +21.6 million (-45.3).
- Earnings per share before dilution were SEK +3.61 (-0.74). Adjusted for deferred tax receivables on tax losses carried forward, which have been reported for the first time this period, the earnings per share before dilution were SEK +0.26.
- Earnings per share after dilution were SEK +3.56 (-0.74). Adjusted for deferred tax receivables on tax losses carried forward, which have been reported for the first time this period, the earnings per share after dilution were SEK +0.26.

### EVENTS AFTER THE PERIOD

- In October 2023, BONESUPPORT received Breakthrough device designation from the FDA for CERAMENT V for the indication of bone infection.

KEY FIGURES	Jul - Sep		Jan - Sep		12 months	
	2023	2022	2023	2022	LTM	2022
Net sales, SEKm	158.2	84.6	418.3	225.6	521.6	328.8
Sales growth, % <sup>1</sup>	87.0	54.2	85.4	48.9	81.7	54.5
Gross profit, SEKm	145.8	76.8	382.3	203.3	476.7	297.7
Gross margin, % <sup>1</sup>	92.1	90.8	91.4	90.1	91.4	90.5
Operating result, SEKm	14.9	-13.9	21.6	-45.3	2.3	-64.5
Result for the period, SEKm	228.8	-15.0	234.3	-47.6	213.8	-68.2
Equity at period end, SEKm	529.7	283.4	529.7	283.4	529.7	268.9
Net debt, SEKm <sup>1</sup>	-151.0	-194.1	-151.0	-194.1	-151.0	-183.8
Operating cash flow, SEKm	16.4	-9.8	-31.1	-41.3	-20.9	-47.0
Cash at period end, SEKm	164.1	212.6	164.1	212.6	164.1	201.3
Earnings per share before dilution, SEK	3.52	-0.23	3.61	-0.74	3.30	-1.06
Earnings per share after dilution, SEK	3.47	-0.23	3.56	-0.74	3.26	-1.06

1. Alternative performance measures, see definitions on page 23.

This information is such information as BONESUPPORT HOLDING AB (publ) is obliged to make public pursuant to EU's regulation on market abuse (MAR).



## CEO COMMENTS

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### *87 % sales growth and the first quarter with positive cash flow*

#### **Continued successful launch of CERAMENT G in the US and strong market penetration momentum in both EUROW and North America**

BONESUPPORT's sales continue to display a strong positive trend. Sales for the quarter amounted to SEK 158 million, corresponding to a growth of 87 percent (76 percent in constant currency) compared with the corresponding period last year. The strong sales development was driven by increased CERAMENT usage among existing and new customers in EUROW and North America, as well as a continued successful launch of CERAMENT G in the US.

The combination of a doctors' strike in the UK, the European vacation season and staff shortages in hospitals across Europe led to slightly lower volumes of orthopedic procedures in general, versus previous quarter. Despite this, BONESUPPORT's sales in EUROW increased compared to both the previous year and the previous quarter this year. Sales in the quarter increased by 31 percent compared to the previous year. The increase in market share comes at the expense of both autograft and traditional bone cement. In several European markets, we note that the authorities selectively are deciding on increased funding to cope with the healthcare backlog that has been built up in recent years.

Sales of CERAMENT G in the US during the quarter amounted to SEK 63 million, corresponding to a sequential growth of 22 percent compared to the previous quarter. We have started to see some cannibalization of CERAMENT BVF, but at the same time new customers are being added at a high pace for CERAMENT G. These include clinics and surgeons who have previously not been users of CERAMENT Bone Void Filler (BVF). We are encouraged by the strong sales to these new customers.

A previously published health economic model (fourth quarter 2022) has shown a cost advantage of approximately USD 28,000, over two years, for CERAMENT G compared to standard treatment in the US, for patients with bone infection. This data, in addition to strong clinical documentation and local leading surgeons' early positive experiences with CERAMENT G, contributes to the rapid penetration rate.

CERAMENT G has contracts with most major Group Purchasing Organizations (GPOs), as well as administrative approvals already from approximately 82 hospital systems, with over 1,000 affiliated

hospitals. The approval process is progressing at a rapid pace. Sales penetration at member-affiliated hospitals is still in its infancy. The focus of the US sales force is on training surgeons in application techniques and the added benefits of local antibiotic-elution. Total sales in the US during the quarter amounted to SEK 121 million, representing growth of 115 percent (102 percent in constant currency).

The strong sales and the scalability in the business model resulted in an operating profit (before the accounting effects of incentive programs) in the quarter of SEK 25 million, as well as a positive cash flow from operations.

The clinical trial team under the European Bone and Joint Infection Society (EBJIS), that manages the SOLARIO trial, decided to include one last patient in August. The follow-up period is approximately twelve months, and we can therefore expect the study to be completed in the third quarter of 2024.

The work on the 510(k) application for the extended indication (trauma/open fracture), for CERAMENT G in the US, is progressing. We intend to submit the application to the FDA in the fourth quarter of 2023. The FDA's communicated lead time target is three months.

Over the past few years, there has been a significant upgrade of the Company's regulatory deliverables and commercial infrastructure. Great progress has also been made in clinical documentation as well as with research and development. We intend to provide in-depth information about our clinical progress and innovations during a Capital Markets Day that we plan to hold at the end of November 2023.

BONESUPPORT delivers a quarterly result that confirms the strong momentum in the business. The sales growth is a clear indicator that more and more healthcare providers are experiencing the patient outcome benefits CERAMENT can contribute to. We continue to rapidly expand in the US and European markets and are proud to contribute to a positive change for patients with bone injuries and to replace an outdated standard of care.





# NORTH AMERICA (NA)

The US market is the world’s largest for synthetic bone graft products and thus the Company’s most important market. In May 2022, the Company received market approval from the US Food and Drug Administration (FDA), for the Company’s antibiotic-eluting product CERAMENT G, for the indication bone infection (osteomyelitis). Launch took place during October 2022. Work is being undertaken for an extension of the indication area to also include orthopedic surgeries where there is a high risk of infection, such as in e.g. infection prevention at trauma operations.

## JULY - SEPTEMBER

### Sales

Sales for the period amounted to SEK 121.0 million (56.3), which corresponds to a growth of 115 percent (102 percent in constant exchange rate). The strong growth in the quarter comes from strong sales of CERAMENT G, new customers and increased use among existing customers. Sales of CERAMENT G in the quarter amounted to SEK 62.6 million (0.0).

### Contribution<sup>1</sup>

The contribution from the segment was SEK 46.5 million (11.2). The increased sales led to an increase in gross profit of SEK 61.3 million compared to previous year. Sales and marketing expenses during the quarter amounted to SEK 67.6 million (37.7), of which sales commissions to distributors and fees amounted to SEK 42.2 million (21.1). The increase, excluding sales commissions and fees, was driven by positive currency effects of SEK 1.5 million and an

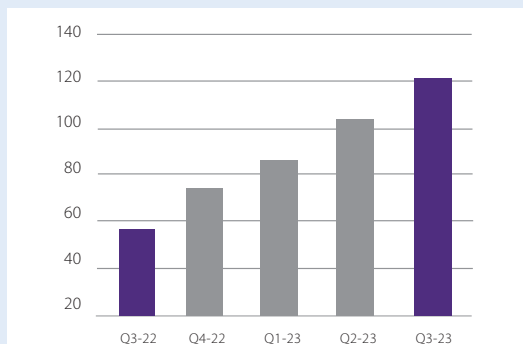
increased activity level, including expenses for the earlier communicated US booster program and for the launch of CERAMENT G. The contribution was also influenced by R&D costs related to clinical studies amounting to SEK 0.3 million (3.2).

## JANUARY - SEPTEMBER

Net sales for the period amounted to SEK 310.8 million (143.5), which corresponds to a growth of 117 percent (103 percent in constant exchange rate).

The contribution from the segment was SEK 103.1 million (24.9). The improved contribution is mainly due to the increase in sales.

Net sales per quarter, SEKm



Net sales, gross profit and contribution, SEKm

	Jul - Sep		Jan - Sep		Full year
	2023	2022	2023	2022	2022
Net sales	121.0	56.3	310.8	143.5	216.9
Gross profit	114.4	53.1	294.2	134.6	204.0
Contribution	46.5	11.2	103.1	24.9	42.3

1. Alternative performance measures, see definitions on page 23.



## EUROPE & REST OF THE WORLD (EUROW)

In Europe, CERAMENT is sold either by the Company's own sales organization or by distributors. Germany, the UK, Sweden, Denmark and the BENELUX countries are key markets where BONESUPPORT has its own sales representatives. In Italy and Spain, the Company has established a hybrid model, with qualified local staff from BONESUPPORT working side by side with the local distributors' sales representatives. In other European markets and in other parts of the world (ROW), the Company cooperates with specialist distributors. The focus is on accelerating the sales and the use of CERAMENT in established and new markets through market access and the offering of clinical and health economic evidence.

### JULY - SEPTEMBER

#### Sales

Sales for the period amounted to SEK 37.2 million (28.3), corresponding to a growth of 31 percent (26 percent in constant exchange rates).

Sales in key direct markets accounted for 85 percent (83) of the segment's sales during the quarter. Sales of the antibiotic-eluting products CERAMENT G and CERAMENT V corresponded to 93 percent (88). The increased share of sales in key direct markets and the high share of antibiotic-eluting products had a positive effect on the gross margin for the period.

#### Contribution<sup>1</sup>

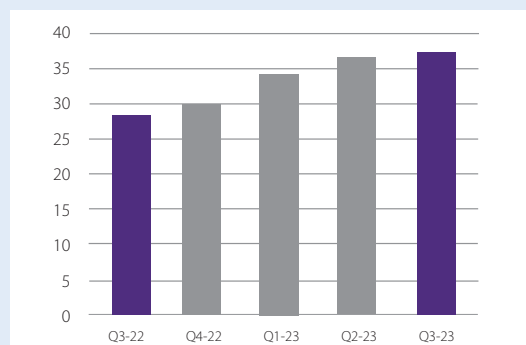
The contribution from the segment amounted to SEK 9.3 million (7.3). Selling and marketing expenses increased compared to the corresponding quarter last year and amounted to SEK 22.0 million (16.4), as a result of filled vacancies and increase in sales representatives.

### JANUARY - SEPTEMBER

Net sales amounted to SEK 107.5 million (82.1), corresponding to a growth of 31 percent (26 percent in constant exchange rates).

The contribution amounted to SEK 24.3 million (20.1). The improved contribution is explained by the increase in sales.

Net sales per quarter, SEKm



Net sales, gross profit and contribution, SEKm

	Jul - Sep		Jan - Sep		Full year
	2023	2022	2023	2022	2022
Net sales	37.2	28.3	107.5	82.1	111.9
Gross profit	31.3	23.7	88.7	68.7	93.7
Contribution	9.3	7.3	24.3	20.1	23.1

1. Alternative performance measures, see definitions on page 23.





# RESEARCH AND DEVELOPMENT

**BONESUPPORT’s clinical development program focuses on further developing CERAMENT’s properties, broadening clinical application areas and leveraging CERAMENT’s unique drug-eluting properties via the development of combination products which promote bone healing.**

A number of combinations with CERAMENT have been studied to add osteoinductive properties i.e., the capability to actively stimulate bone healing. Among other research activities, the Company has conducted research in the form of preclinical candidates which combined CERAMENT with bisphosphonates, bone morphogenic proteins (BMP), bone marrow aspirate (BMA) and demineralized bone matrix (DBM). Priority product candidates for own development are CERAMENT combined with bisphosphonate and CERAMENT combined with DBM, while CERAMENT combined with BMP is a candidate for potential partner development.

Bisphosphonate is a well-established substance in the treatment of osteoporosis and is used to inhibit the activity of osteoclasts, resulting in improved bone healing and bone density. Demineralized bone matrix is based on allograft which is reduced in minerals. The material has been shown to have wide usage in conditions and situations where natural bone regrowth is weak.

Preclinical research has shown that the addition of zoledronic acid to CERAMENT increases the bone volume at screw implants with

osteoporotic bone. These findings have recently been supplemented by a published biomechanical study<sup>1</sup> showing that CERAMENT immediately improved anchor strength of hip screws.

Further preclinical research has shown that the combination of CERAMENT, zoledronic acid and bone morphogenic protein-2 (BMP-2) can also be used in the reconstruction of large segment defects instead of bone transplantation.

### CLINICAL EVIDENCE, A STRATEGIC CORNERSTONE

One of the three cornerstones of BONESUPPORT’s strategy is to provide industry-leading scientific and clinical evidence that validates the many benefits of CERAMENT. Already today there is a comprehensive database of more than 240 research publications and abstracts of preclinical and clinical studies with CERAMENT.

The September issue 2022 of The Bone & Joint Journal presented outstanding results from a long-term study<sup>2</sup> of CERAMENT G. One hundred patients, treated at Nuffield Orthopaedic Centre, Oxford

### ONGOING RANDOMIZED CONTROLLED TRIALS

	<b>SOLARIO</b>	<b>CONVICTION</b>
<b>Indication</b>	Osteomyelitis	Osteomyelitis
<b>Purpose</b>	Evaluate whether synthetic bone graft substitutes with antibiotics (CERAMENT G / V) can shorten treatment times with systemic antibiotics	Evaluate the cost-effectiveness and treatment effect of CERAMENT G
<b>Effect measure</b>	<ul style="list-style-type: none"> <li>• Treatment time</li> <li>• Antibiotic resistance</li> <li>• Side effects</li> <li>• Cost</li> </ul>	<ul style="list-style-type: none"> <li>• ICUR Reinfection</li> <li>• Complications</li> <li>• Amputations</li> </ul>
<b>Number of patients</b>	500	220
<b>Follow up time</b>	12 month	24 month
<b>Place</b>	Europe	France, CRIOAc
<b>Expected completion</b>	During Q3 2024	Q4 2026

1. Deepak Bushan Raina et. al. 'A New Augmentation Method for Improved Screw Fixation in Fragile Bone', Frontiers in Bioengineering and Biotechnology, March 2022 | Volume 10 | Article 816250  
 2. McNally, M, et. al., 'Mid- to Long-Term Results of Single-Stage Surgery for Patients with Chronic Osteomyelitis Using a Bioabsorbable Gentamicin-Loaded Ceramic Carrier', The Bone & Joint Journal, 104-B.9 (2022), 1095–1100

University Hospitals, were followed for an average of six years. At an average follow-up of six years, it was reported:

- 94 percent of patients remained infection-free
- 3 percent fracture frequency and no further pathological fractures were noted after the first year after surgery.

Previous this year, we also provided long-term data with CERAMENT G in severe open fractures in a study<sup>3</sup> from Manchester University Hospital. The study was conducted in 81 patients who were managed in a one-step procedure with CERAMENT G. Patients were admitted to the hospital with significant tissue loss and exposed bone tissue. After an average follow-up of 55.8 months, after surgery, it was found that 96.3 percent of patients avoided amputation, achieved bone healing within 12 months and avoided deep infection.

The results from these two studies over a long follow-up period confirm that our protocol using CERAMENT G remains very effective over several years.

For several years, diabetes has been one of the fastest growing public diseases and more than every eleventh adult in the world has diabetes. The annual incidence of infected foot ulcers is 3.2 percent among diabetics. A condition that many times leads to severe complications. A clinical study published by Vasukutty et. al. means a powerful validation of our groundbreaking technology for the management of diabetic bone infection, a particularly challenging category of patients. The study, recently published in *The Diabetic Foot Journal*<sup>4</sup>, shows that the use of CERAMENT G, along with a surgical debridement, resulted in avoidance of amputation in 94 percent of cases. In a recently published study in the *Lancet*, it is estimated that 1.3 billion people will have diabetes by 2050. With strong treatment results, BONESUPPORT has decided to support two recently started physician-initiated studies, one in the Netherlands and one in Spain, with the aim of further validating the benefits of CERAMENT G in various surgical techniques, for the treatment of diabetes-related bone infection.

## RESULTS FROM CERTIFY DRIVE CHANGED STANDARD OF CARE

CERTiFy<sup>5</sup> was a randomized, controlled clinical trial conducted at 20 trauma centers in Germany with 135 patients. The study, which was done on tibial plateau fractures, shows that CERAMENT BVF can replace autograft as the standard of care. The study confirmed that CERAMENT has the ability to be converted to bone. In addi-

tion, treatment with CERAMENT BVF resulted in significantly lower patient-experienced post-operative pain and a significantly lower blood loss. BONESUPPORT expects the results of the study published in *The Journal of Bone and Joint Surgery* in December 2019 to represent a milestone in driving change in the standard of care and that more clinics in consultation with the patient will choose CERAMENT over autograft.

## THE SOLARIO STUDY

BONESUPPORT supports the SOLARIO study (Short or Long Antibiotic Regimes in Orthopaedics), with the aim of investigating if synthetic bone graft substitutes containing antibiotics can lead to shorter treatment time compared to systemic antibiotics and thereby reduce risk of antibiotic resistance, side effects and additional costs. The study is led by the Oxford University Hospitals' NHS Foundation Trust in collaboration with EBJS (European Bone and Joint Infection Society). SOLARIO is a randomized unblinded European multicenter study that is expected to include 500 patients. The first patient was recruited in February 2019 and the study is expected to be closed during Q3 2024. During August, the last patient was enrolled to the study, with a follow up time of twelve months. A positive result of the study may contribute to a paradigm shift in the protocol for treating bone infections.

## THE CONVICTION STUDY

The French CRIOAc<sup>6</sup> Network has initiated CONVICTION, a randomized controlled trial to evaluate the efficacy of CERAMENT G in the treatment of osteomyelitis. The French Ministry of Health has decided to fund the study. A research grant from BONESUPPORT to partially finance the products used in the study, has been awarded.

The study will evaluate the effectiveness of CERAMENT G in the treatment of osteomyelitis. The study is a national multicenter study and will be conducted by clinics that are part of the CRIOAc network.

The recruitment of patients to the study has been slow and we are in dialogue with participating hospitals and CRIOAc about how we can increase the recruitment rate.

A positive outcome of the study would mean that a large commercial opportunity will arise in the French market and that improved reimbursement status is obtained.

3. Henry et. al., 'Long-Term Follow-Up of Open Gustilo-Anderson IIIB Fractures Treated With an Adjuvant Local Antibiotic Hydroxyapatite Bio-Composite', *Cureus* 15(5): e39103.

4. Vasukutty et. al. 'Limb salvage surgery in diabetic foot infection: encouraging early results with a local antibiotic carrier', *The Diabetic Foot Journal*. 2022;25(2):1-5.

5. Hofmann et. al. 'Autologous Iliac Bone Graft Compared with Biphasic Hydroxyapatite and Calcium Sulfate Cement for the Treatment of Bone Defects in Tibial Plateau Fractures', *The Journal of Bone and Joint Surgery*; February 5, 2020 - Volume 102 - Issue 3 - p 179-193.

6. CRIOAc (Reference Center for Osteoarticular Infections) is a healthcare network in France that is implemented through a nationwide health ministry program to improve outcomes in the management of bone and joint infections.



# HEALTH ECONOMICS

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**One of the largest challenges when introducing new and innovative healthcare treatment is to ensure that healthcare systems around the world understand the value of the treatment and include it in the care offered to the patient. BONESUPPORT undertakes a variety of activities to ensure that the Company's products are included in the remuneration systems where our products are marketed.**

One of the obvious health economic benefits that comes from the clinical benefits CERAMENT offers is a reduced utilization of healthcare resources. A reduced number of re-infections and reduced amputation frequency as a result of treatment with CERAMENT G and CERAMENT V in a one-step procedure naturally leads to fewer return visits and fewer surgeries and, as a consequence, fewer hospital stays. The significance of health benefits and the calculation models for evaluating the cost-effectiveness of health benefits differ between different healthcare systems. A common way to evaluate whether a product should be covered by a reimbursement system is by performing an HTA - Health Technology Assessment. An HTA is the scientific work that evaluates the relative effect and safety of a treatment, i.e. what is the benefit of the product in comparison with what is already used in healthcare. The model we have now established has increased our opportunities to more quickly include the CERAMENT platform in replacement systems in new markets.

## **HEALTH ECONOMIC MODEL OSTEOMYELITIS USA**

One of the major projects recently carried out is a cost-benefit analysis of what a change of treatment regime to a one-step procedure with CERAMENT G could mean for the US healthcare system. The modelling, which is based on available clinical data as well as cost data from CMS, Centers for Medicare & Medicaid Services, was done in collaboration with national expertise in health economics and clinical orthopedics. The results were presented at the end of 2022, partly at the leading health economic conference ISPOR and partly at the SOMOS conference aimed at orthopedic surgeons. The analysis shows that a one-step procedure with CERAMENT G is a cost-effective strategy for treating bone infection compared to current US healthcare standards. When using CERAMENT G, instead of PMMA beads with antibiotics, the cost reduction is estimated on average to be about SEK 300 thousand (USD 27,943) per patient, over a period of two years, due to fewer surgeries and fewer surgical complications during and after procedures<sup>1</sup>. The analysis also shows improved quality of life for patients. It will be an important tool for communicating the value of CERAMENT G to, among others, private insurance companies.

1. Carter, M., et al. "EE240 Does Single Stage Surgery of Long Bone Infection Using Gentamicin-Eluting Bone-Graft Substitutes Result in Decreased Cost and Improved Quality of Life Compared to Traditional Approaches?." Value in Health 25.12 (2022): S100.

### **CERAMENT G OR CERAMENT V LEADS TO REDUCED DAYS OF CARE IN PATIENTS WITH BONE INFECTIONS<sup>2</sup>**

The Nuffield Orthopaedic Centre (NOC) has shown that they have been able to reduce the degree of re-infection in osteomyelitis patients by 56 percent compared to their previous standard of treatment. In an analysis involving approximately 25,000 patients who underwent surgical treatment for osteomyelitis in 2013-2017, the patient group treated at NOC after the introduction of CERAMENT G or CERAMENT V in a one-step procedure was compared with patients cared for at other hospitals in England. The results presented in *The Journal of Bone and Joint Infection*<sup>2</sup> showed that CERAMENT G or CERAMENT V in a one-step procedure contributed to significantly improved patient outcomes. The hospital stay, in connection with osteomyelitis surgery and the following two years, were on average 16 days shorter for the group that received CERAMENT G and CERAMENT V at NOC. In addition, patients at NOC had a significantly lower risk of amputation (6.47 percent) compared to the Rest of England control group (12.71 percent). With the addition of CERAMENT G or CERAMENT V in the treatment of osteomyelitis, the total saving in the number of days of care associated with surgery and subsequent care, could amount to approximately GBP 44 million annually, calculated on 6,250 treated patients per year.

### **REDUCED RISK OF DEEP INFECTIONS WITH CERAMENT G AND CERAMENT V**

Another area where CERAMENT G and CERAMENT V could help reduce healthcare costs is in the treatment of open tibial fractures. Open tibial fractures represent about 15 percent<sup>2</sup> of all tibial fractures and have a high incidence of infection, with no bone healing as a result. Bone infections often lead to great suffering for the patient and very high healthcare costs. In a Belgian study by Hoekstra et. al.<sup>3</sup> of 358 patients, the cost of tibial fractures was studied. The study showed that healthcare costs for patients affected by a deep infection were on average five times higher than for those who did not get an infection, resulting in the cost of treatment increasing from EUR 9,500 to EUR 48,700. There are a number of studies that show that CERAMENT contributes to cost-effective care by reducing the number of deep infections. One of these is a study by Henry et. al.<sup>4</sup> on 81 patients with severe open tibial fractures treated with CERAMENT G in a one-step procedure. In the study, with a mean follow up time of 55.5 months, three patient (3.7 percent) suffered from a deep infection compared with historical references of up to 52 percent incidence of infection. This shows that one-step treatment with antibiotic-eluting CERAMENT for open tibial fractures can effectively reduce the incidence of cost-driving infections.

2. Ferguson, J et. al. A retrospective cohort study comparing clinical outcomes and healthcare resource utilisation in patients undergoing surgery for osteomyelitis in England: a case for reorganising orthopaedic infection services, *J. Bone Joint Infect.*, 6, 151–163.
3. Hoekstra et. al. Economics of open tibial fractures: the pivotal role of length-of-stay and infection. *Health Econ Rev* 2017; 7:32.
4. Henry, Joshua A et al. "Long-Term Follow-Up of Open Gustilo-Anderson IIIB Fractures Treated With an Adjuvant Local Antibiotic Hydroxyapatite Bio-Composite." *Cureus* vol. 15,5 e39103. 16 May. 2023, doi:10.7759/cureus.39103



# FINANCIAL OVERVIEW

## PROFIT AND LOSS

### JULY – SEPTEMBER 2023

#### Net sales

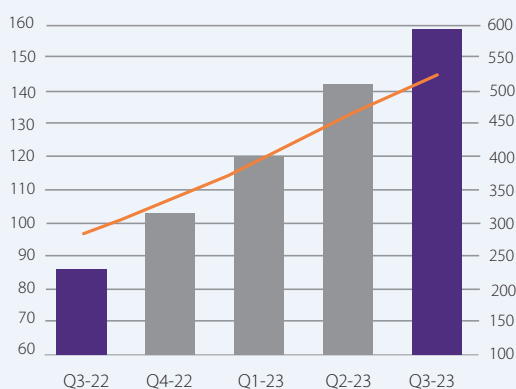
Net sales amounted to SEK 158.2 million (84.6), an increase of 87 percent compared to the previous year (76 percent at constant exchange rates).

In the North America segment, net sales amounted to SEK 121.0 million (56.3), which corresponds to growth of 115 percent (102 percent at constant exchange rate). The strong growth in the quarter comes from an expanded customer base, extended use of CERAMENT among existing customers and sales of CERAMENT G. Sales of CERAMENT G in the quarter amounted to SEK 62.6 million (0.0).

Net sales for the EUROW segment amounted to SEK 37.2 million (28.3), which corresponds to an increase of 31 percent (26 percent at constant exchange rates).

The currency translation effect in the period amounted to SEK +2.9 million (+3.2).

#### Net sales per quarter, SEKm



#### Cost of sales

Cost of sales amounted to SEK 12.4 million (7.8), giving a gross margin of 92.1 percent (90.8). The improved gross margin is due to the strong growth for CERAMENT G in North America, but also to a favorable product mix in EUROW, with a high share of the antibiotic-eluting products.

#### Selling expenses

Selling expenses, including sales commissions and fees, amounted to SEK 96.1 million (59.9), an increase of 61 percent. This is explained in the table below:

	Jul - Sep 2023	Jul - Sep 2023 (CER)	Jul - Sep 2022
SEKm			
Sales commissions and fees	42.7	40.1	21.1
Personnel expenses	33.7	32.7	26.2
Other selling expenses	19.7	19.2	12.6
<b>Total selling expenses</b>	<b>96.1</b>	<b>92.0</b>	<b>59.9</b>

As a result of the growth in sales, the NA segment reported a cost increase to SEK 67.6 million (37.7) of which sales commissions and fees increased from SEK 21.1 million to SEK 42.2 million. In EUROW, expenses amounted to SEK 22.0 million (16.4). Non-allocated costs increased to SEK 6.6 million (5.9). The non-allocated costs include one off expenses of SEK 2.5 million regarding a self-correction of EC VAT for earlier years. The background to the self-correction is complicated prerequisites relating to the production process. The self-correction has been initiated by the Company. The self-correction led to interest expenses of SEK 1.9 million and exchange rate losses of SEK 0.6 million in the period.

#### Research and development expenses

Research and development expenses amounted to SEK 12.5 million (12.6). Personnel costs amounted to SEK 7.0 million (6.6). Other expenses totaled SEK 5.5 million (6.0).

#### Administrative expenses

Administrative expenses amounted to SEK 21.6 million (20.8).

Administrative expenses before effects from the Group's incentive programs amounted to SEK 11.9 million (11.3), of which personnel costs amounted to SEK 5.3 million (5.5).

Effects regarding incentive programs amounted to an expense of SEK 9.7 million (9.5). Of the total cost, only SEK 0.2 million is cash flow related. The remainder regards technical accounting measures.

#### Other operating income and expenses

Other operating income and expenses consisted primarily of exchange rate gains and losses on operating assets and liabilities. Reported currency effects were clearly affected by the large exchange rate changes that occurred during the period, mainly in USD.

### Operating result

Operating result amounted to SEK +14.9 million (-13.9), including effects from the Group's incentive programs. Operating result before effects from the Group's incentive programs amounted to SEK +24.6 million (-4.4), an underlying improvement of SEK 29.0 million.

### Net financial items

During the quarter, a self-correction of EC VAT was reported. The self-correction has led to an interest expense of SEK 1.9 million.

### Income tax

During the quarter, the Company has for the first time assigned a value to the tax losses carried forward in the balance sheet. The deferred tax income amounts to SEK 217.1 million (0.0).

### Result for the period

For the reasons described above, the result for the quarter amounted to SEK +228.8 million (-15.0). This corresponds to earnings per share before dilution of SEK +3.52 (-0.23) and after dilution of SEK +3.47 (-0.23). Adjusted for deferred tax receivables, which have been reported for the first time this period, the earnings per share before and after dilution were SEK +0.18.

### JANUARY – SEPTEMBER 2023

#### Net sales

Net sales amounted to SEK 418.3 million (225.6), an increase of 85 percent (75 percent at constant exchange rates). The NA segment increased by 117 percent to SEK 310.8 million (143.5) and the EUROW segment increased by 31 percent to SEK 107.5 million (82.1).

### Operating result

Operating result amounted to SEK +21.6 million (-45.3). The sales increase contributed to improved gross profit at the same time as operating expenses increased compared with previous year, as a result of high activity level and the launch of CERAMENT G in the US. The operating result also included costs for incentive programs amounting to SEK 21.5 million, compared to SEK 19.2 million previous year. The underlying improvement in result before costs for incentive programs amounted to SEK 68.9 million.

### Net financial items

During the quarter, a self-correction of EC VAT was reported. The self-correction has led to an interest expense of SEK 1.9 million.

### Income tax

During the quarter, the Company has for the first time assigned a value to the tax losses carried forward in the balance sheet. The deferred tax income amounts to SEK 217.1 million (0.0).

### Result for the period

For the reasons described above, the result for the period amounted to SEK +234.3 million (-47.6). This corresponds to earnings per share before dilution of SEK +3.61 (-0.74) and after dilution of SEK +3.56 (-0.74). Adjusted for deferred tax receivables, which have been reported for the first time this period, the earnings per share before and after dilution were SEK +0.26.

## FINANCIAL POSITION AND CASH FLOW

SEKm	Sep 30		Dec 31
	2023	2022	2022
<b>Financial position</b>			
Cash and cash equivalents	164.1	212.6	201.3
Interest bearing debt <sup>1</sup>	13.0	18.4	17.5
Net debt <sup>1</sup>	-151.0	-194.1	-183.8
Equity	529.7	283.4	268.9

SEKm	Jul - Sep		Jan - Sep		Full year
	2023	2022	2023	2022	2022
<b>Cash flow</b>					
Operating activities	16.4	-9.8	-31.1	-41.3	-47.0
Investing activities	-0.6	-0.7	-2.0	-1.9	-3.3
Financing activities	-2.0	49.9	-5.3	46.2	42.8
<b>Total</b>	<b>13.8</b>	<b>39.4</b>	<b>-38.4</b>	<b>3.0</b>	<b>-7.5</b>

Cash and cash equivalents at the end of the period amounted to SEK 164.1 million (212.6), a decrease of SEK 37.2 million since the beginning of the year. The change is mainly explained by cash flow from operating activities amounting to SEK -31.1 million (-41.3). The cash flow was affected during the year by the strong growth which has led to an increase in trade receivables of SEK 49.4 million

and in inventories of SEK 10.3 million. The cash flow has also been affected by the self-correction of EC VAT, with an amount of SEK -7.1 million.

This also explains the change in net debt since the beginning of the year.

1. Alternative performance measures, see definitions on page 23.

## OTHER DISCLOSURES

### PARENT COMPANY

The Parent Company, BONESUPPORT HOLDING AB (publ), is a holding company. The Parent Company generated SEK 14.3 million (11.5) in sales of internal services to subsidiaries during the quarter.

During the quarter, the Company recognized deferred tax receivables on its tax losses carried forward. The reported deferred tax income amounted to SEK 17.9 million.

The result for the quarter was SEK +16.1 million (-17.2). Apart from the deferred tax income described above, the change was also due to the result during the comparison period being burdened by financial costs of SEK 11.3 million, when terminating a share swap.

No investments were made during the quarter.

### EMPLOYEES

On average, the Group had 105 (92) employees (full-time equivalent) during the quarter, of whom 25 (22) worked within Research and development.

### SIGNIFICANT EVENTS DURING THE QUARTER

For significant events, see page 1.

### SIGNIFICANT EVENTS AFTER PERIOD END

For significant events after the period, see page 1.

### SHARES AND RELATED PROGRAMS

The Company has ordinary shares and C-shares, for more information about this see Note 4. The quotient value of the shares is SEK 0.625 per share. The ordinary shares entitle to one vote each and the C-shares entitle to one tenth of a vote each. According to the Articles of Association, the number of shares shall be at least 29,000,000 and at most 116,000,000.

As of September 30, 2023, the total number of ordinary shares amounted to 65,055,575, distributed among 7,862 shareholders. The major shareholders are shown in the table on this page. No changes have been made to the number of shares during the quarter.

As of September 30, 2023, the total number of C-shares amounted to 1,142,060. No changes have been made during the quarter. BONESUPPORT HOLDING AB holds all C-shares.

BONESUPPORT has two employee stock option programs and three performance share programs. These are described in Note 8.

### Shareholders September 30, 2023

Name	% of shares	% of votes
HealthCap V LP	10.0%	10.1%
Swedbank Robur Fonder	9.1%	9.3%
Capital Group	7.9%	8.0%
Avanza Pension	6.9%	7.0%
Fjärde AP-Fonden	4.5%	4.6%
Tredje AP-Fonden	3.2%	3.3%
Norges Bank	2.7%	2.8%
Other shareholders	55.7%	54.9%

### FINANCIAL CALENDAR

- February 15, 2024 Year end report 2024
- April 2024 Annual report 2023
- April 25, 2024 Interim report Q1 2024
- May 16, 2024 Annual general meeting
- July 11, 2024 Interim report Q2 2024
- October 24, 2024 Interim report Q3 2024

### NOMINATION COMMITTEE

The nomination committee is elected based on the principles decided at the AGM May 17, 2023. These principles are described on BONESUPPORT's website. The task of the committee is to present a proposal to the AGM, which is planned to be held on May 16, 2024 in Lund, Sweden. The members of the committee are:

- Staffan Lindstrand, Chair of the Committee, representing HealthCap VLP
- Caroline Sjösten, representing Swedbank Robur Fonder
- Jan Särilvik, representing Fjärde AP-Fonden

In addition, the chairman of the Board of BONESUPPORT, Lennart Johansson, is co-opted to the nomination committee except when the nomination committee shall address the matter of chair of the Board and remuneration to the chair of the Board. The nomination committee will appoint one of its members as committee chair.

### THIS REPORT

This report has been prepared in both a Swedish-language and an English-language version. If the versions do not conform, the Swedish-language version shall prevail.



# DECLARATION OF THE CEO

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The CEO assures that this interim report gives a true and fair view of the development and the Group's and the Parent Company's operations, position and results and describes significant risks and uncertainties faced by the companies that form part of the Group. This interim report has been reviewed by the Company's auditors.

Lund October 26, 2023

**Emil Billbäck**  
CEO

## REVIEW REPORT

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### **BONESUPPORT HOLDING AB (PUBL), CORPORATE IDENTITY NUMBER 556802-2171**

Board of Directors BONESUPPORT HOLDING AB (publ)

#### **Introduction**

We have reviewed the condensed interim report for BONESUPPORT HOLDING AB (publ) as at September 30, 2023 and for the nine months period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

#### **Scope of review**

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 Review of Interim Financial Statements Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with

International Standards on Auditing and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act regarding the Group, and in accordance with the Swedish Annual Accounts Act regarding the Parent Company.

Malmö, October 26, 2023

Ernst & Young AB

**Henrik Rosengren**  
Authorized Public Accountant

## CONDENSED CONSOLIDATED INCOME STATEMENT

SEKt	Note	Jul - Sep		Jan - Sep		Full year
		2023	2022	2023	2022	2022
Net sales	7	158,204	84,623	418,334	225,597	328,818
Cost of sales	7	-12,423	-7,797	-36,014	-22,297	-31,111
<b>Gross profit</b>	<b>7</b>	<b>145,781</b>	<b>76,826</b>	<b>382,320</b>	<b>203,300</b>	<b>297,707</b>
Selling expenses		-53,470	-38,751	-157,533	-111,311	-158,073
Sales commissions and fees	7	-42,663	-21,103	-109,742	-52,235	-80,375
Research and development expenses		-12,490	-12,557	-39,558	-38,278	-53,088
Administrative expenses	3, 8	-21,626	-20,798	-57,011	-52,054	-73,305
Other operating income		9,414	19,903	29,751	38,761	43,206
Other operating expenses		-10,078	-17,460	-26,639	-33,435	-40,607
<b>Operating result</b>	<b>7</b>	<b>14,868</b>	<b>-13,941</b>	<b>21,588</b>	<b>-45,252</b>	<b>-64,535</b>
Net financial items	7	-2,126	-462	-2,481	-747	-159
<b>Result before income tax</b>	<b>7</b>	<b>12,742</b>	<b>-14,403</b>	<b>19,107</b>	<b>-45,999</b>	<b>-64,694</b>
Income tax	9	216,029	-552	215,180	-1,632	-3,473
<b>Result for the period</b>		<b>228,771</b>	<b>-14,955</b>	<b>234,287</b>	<b>-47,631</b>	<b>-68,167</b>
Earnings per share before dilution, SEK		3.52	-0.23	3.61	-0.74	-1.07
Earnings per share after dilution, SEK		3.52	-0.23	3.56	-0.74	-1.07
Average number of shares, thousands		65,056	64,518	64,925	64,425	63,999
Average number of shares after dilution, thousands		65,878	-	65,747	-	-

Result for the period is attributable to equity holders of the Parent.

Number of shares after dilution not calculated for the periods with a negative result, as the dilution does not affect earnings per share.

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEKt	Jul - Sep		Jan - Sep		Full year
	2023	2022	2023	2022	2022
<b>Result for the period</b>	<b>228,771</b>	<b>-14,955</b>	<b>234,287</b>	<b>-47,631</b>	<b>-68,167</b>
<i>Other comprehensive income:</i>					
<i>Items to be reclassified to profit or loss in subsequent periods:</i>					
Exchange differences on translation of foreign operations	-763	1,584	1,502	2,702	1,831
<b>Total comprehensive income for the period</b>	<b>228,008</b>	<b>-13,371</b>	<b>235,789</b>	<b>-44,929</b>	<b>-66,336</b>

Total comprehensive income for the period is in its entirety attributable to equity holders of the Parent.

## CONDENSED CONSOLIDATED BALANCE SHEET

SEkt	Note	Sep 30		Dec 31
		2023	2022	2022
<b>ASSETS</b>				
<b>Non-current assets</b>				
Intangible assets		8,664	8,408	8,384
Tangible assets and right-of-use assets		19,855	24,120	24,625
Deferred tax asset	9	229,600	0	0
Financial assets		1	0	1
<b>Total non-current assets</b>		<b>258,120</b>	<b>32,528</b>	<b>33,010</b>
<b>Current assets</b>				
Inventories		66,637	56,480	56,310
Trade receivables	6	112,017	53,901	62,624
Other current assets	6	30,131	14,212	18,593
Cash and cash equivalents	6	164,051	212,581	201,281
<b>Total current assets</b>		<b>372,836</b>	<b>337,174</b>	<b>338,808</b>
<b>TOTAL ASSETS</b>		<b>630,956</b>	<b>369,702</b>	<b>371,818</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity attributable to equity holders of the Parent</b>	<b>4, 9</b>	<b>529,650</b>	<b>283,397</b>	<b>268,928</b>
<b>Non-current liabilities</b>				
Leasing debt	6	8,507	13,283	12,350
Provisions		344	363	344
<b>Total non-current liabilities</b>		<b>8,851</b>	<b>13,646</b>	<b>12,694</b>
<b>Current liabilities</b>				
Leasing debt	6	4,517	5,158	5,101
Trade payables	6	12,345	15,251	23,571
Other operating liabilities	6	75,593	52,250	61,524
<b>Total current liabilities</b>		<b>92,455</b>	<b>72,659</b>	<b>90,196</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>630,956</b>	<b>369,702</b>	<b>371,818</b>



## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SEKt	Share capital	Paid but not registered share issue	Other paid in capital	Translation reserve	Fund for development expenses	Balanced result including result for the period	Total equity
<b>As at January 1, 2022</b>	<b>40,909</b>	<b>0</b>	<b>1,563,670</b>	<b>129</b>	<b>5,490</b>	<b>-1,344,494</b>	<b>265,704</b>
Loss January - September 2022				2,702		-47,631	-44,929
Share swap <sup>1</sup>						51,039	51,039
Change in fund for development expenses					444	-444	0
New share issue, employee stock options	44	166					210
Share-based payment transactions						11,373	11,373
<b>As at September 30, 2022</b>	<b>40,953</b>	<b>166</b>	<b>1,563,670</b>	<b>2,831</b>	<b>5,934</b>	<b>-1,330,157</b>	<b>283,397</b>
Loss October - December 2022				-871		-20,536	-21,407
Change in fund for development expenses					101	-101	0
New share issue, employee stock options	406	-152	166				420
Share-based payment transactions						6,518	6,518
<b>As at January 1, 2023</b>	<b>41,359</b>	<b>14</b>	<b>1,563,836</b>	<b>1,960</b>	<b>6,035</b>	<b>-1,344,276</b>	<b>268,928</b>
Result January - September 2023				1,502		234,287	235,789
Change in fund for development expenses					645	-645	0
New share issue, employee stock options	15	-14	26				27
Transaction costs, share issue						-58	-58
Deferred tax on earlier transaction costs						12,500	12,500
Share-based payment transactions						12,464	12,464
<b>As at September 30, 2023</b>	<b>41,374</b>	<b>0</b>	<b>1,563,862</b>	<b>3,462</b>	<b>6,680</b>	<b>-1,085,728</b>	<b>529,650</b>

<sup>1</sup> During 2021, BONESUPPORT entered into a share swap agreement to secure the commitments in the Group's performance share program LTI 2021. A total of 786,000 shares were hedged at an average value of SEK 79.30 per share, a total value of SEK 62,333 thousand. At the Annual General Meeting in May 2022, the Company received the mandate to issue C-shares to cover its commitment within the performance share programs LTI 2021, including coverage for social security charges. The mandate to issue C-shares enabled the close of the share swap that was entered into during 2021. The close led to an inflow of cash amounting to SEK 51,039 thousand. The expenses for the termination amounted to SEK 355 thousand. The cash flow for 2022 was thereby affected positively with SEK 50,684 thousand.

## CONSOLIDATED STATEMENT OF CASH FLOWS

SEKt	Jul - Sep		Jan - Sep		Full year
	2023	2022	2023	2022	2022
Operating result	14,868	-13,941	21,588	-45,252	-64,535
Non-cash adjustments:					
-Share-based payments	6,807	5,256	12,464	11,373	17,891
-Depreciation regarding right of use assets	1,912	1,642	5,492	5,071	7,109
-Unrealized exchange rate differences	-1,821	-11,264	-6,587	-21,268	-14,474
-Other	2,424	864	3,811	3,274	4,459
Interests received	-44	6	0	6	811
Interests paid	-2,083	-466	-2,481	-750	-716
Income tax paid	-785	97	-1,230	-1,130	-2,686
<b>Net cash flows from operating activities before changes in working capital</b>	<b>21,278</b>	<b>-17,806</b>	<b>33,057</b>	<b>-48,676</b>	<b>-52,141</b>
Changes in working capital	-4,910	8,042	-64,126	7,399	5,156
<b>Net cash flows from operating activities</b>	<b>16,368</b>	<b>-9,764</b>	<b>-31,069</b>	<b>-41,277</b>	<b>-46,985</b>
Investments in intangible assets	-396	-325	-1,320	-1,012	-1,321
Investments in equipment and tools	-176	-388	-713	-892	-1,958
<b>Net cash flows from investing activities</b>	<b>-572</b>	<b>-713</b>	<b>-2,033</b>	<b>-1,904</b>	<b>-3,279</b>
Share swap <sup>1</sup>	0	51,039	0	51,039	50,684
New share issue, employee stock options	0	157	27	210	230
Transaction costs, share issue	0	0	-58	0	0
Repayments of leasing debt	-1,997	-1,274	-5,314	-5,071	-8,132
<b>Net cash flows from financing activities</b>	<b>-1,997</b>	<b>49,922</b>	<b>-5,345</b>	<b>46,178</b>	<b>42,782</b>
<b>Net cash flows</b>	<b>13,799</b>	<b>39,445</b>	<b>-38,447</b>	<b>2,997</b>	<b>-7,482</b>
Cash and cash equivalents as at beginning of period	149,756	171,828	201,281	206,464	206,464
Net exchange difference	496	1,308	1,217	3,120	2,299
<b>Cash and cash equivalents as at end of period</b>	<b>164,051</b>	<b>212,581</b>	<b>164,051</b>	<b>212,581</b>	<b>201,281</b>

<sup>1</sup> During 2021, BONESUPPORT entered into a share swap agreement to secure the commitments in the Group's performance share program LTI 2021. A total of 786,000 shares were hedged at an average value of SEK 79.30 per share, a total value of SEK 62,333 thousand. At the Annual General Meeting in May 2022, the Company received the mandate to issue C-shares to cover its commitment within the performance share programs LTI 2021, including coverage for social security charges. The mandate to issue C-shares enabled the close of the share swap that was entered into during 2021. The close led to an inflow of cash amounting to SEK 51,039 thousand. The expenses for the termination amounted to SEK 355 thousand. The cash flow for 2022 was thereby affected positively with SEK 50,684 thousand.

## CONDENSED CONSOLIDATED INCOME STATEMENT PER QUARTER

SEkt	2023			2022			2021	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Net sales	158,204	140,388	119,742	103,221	84,623	74,632	66,342	61,402
<i>North America</i>	121,008	103,863	85,947	73,390	56,286	46,012	41,188	34,798
<i>EUROW</i>	37,196	36,525	33,795	29,831	28,337	28,620	25,154	26,604
Cost of sales	-12,423	-12,185	-11,406	-8,814	-7,797	-8,195	-6,305	-6,582
<b>Gross profit</b>	<b>145,781</b>	<b>128,203</b>	<b>108,336</b>	<b>94,407</b>	<b>76,826</b>	<b>66,437</b>	<b>60,037</b>	<b>48,826</b>
<b>Gross margin, %</b>	<b>92.1%</b>	<b>91.3%</b>	<b>90.5%</b>	<b>91.5%</b>	<b>90.8%</b>	<b>89.0%</b>	<b>90.5%</b>	<b>79.5%</b>
Selling expenses	-53,470	-55,033	-49,030	-46,762	-38,751	-37,370	-35,189	-35,389
Sales commissions and fees	-42,663	-37,183	-29,896	-28,140	-21,103	-16,800	-14,332	-13,890
Research and development expenses	-12,490	-14,613	-12,455	-14,810	-12,557	-13,586	-12,135	-14,395
Administrative expenses	-21,626	-19,849	-15,536	-21,251	-20,798	-16,716	-14,540	-14,827
Other operating income	9,414	17,263	3,074	4,445	19,903	11,859	6,999	5,175
Other operating expenses	-10,078	-12,836	-3,725	-7,172	-17,460	-8,679	-7,296	-3,267
<b>Operating result</b>	<b>14,868</b>	<b>5,952</b>	<b>768</b>	<b>-19,283</b>	<b>-13,941</b>	<b>-14,855</b>	<b>-16,456</b>	<b>-21,773</b>
Net financial items	-2,126	-180	-175	588	-462	-68	-217	-279
<b>Result before income tax</b>	<b>12,742</b>	<b>5,772</b>	<b>593</b>	<b>-18,695</b>	<b>-14,403</b>	<b>-14,923</b>	<b>-16,673</b>	<b>-22,052</b>
Income tax	216,029	-564	-285	-1,841	-552	-1,380	300	-2,151
<b>Result for the period</b>	<b>228,771</b>	<b>5,208</b>	<b>308</b>	<b>-20,536</b>	<b>-14,955</b>	<b>-16,303</b>	<b>-16,373</b>	<b>-24,203</b>

Result for the period is attributable to equity holders of the Parent.



## CONDENSED PARENT COMPANY INCOME STATEMENT

SEKt	Jul - Sep		Jan - Sep		Full year
	2023	2022	2023	2022	2022
Net sales	14,304	11,473	42,913	34,419	47,783
Administrative expenses	-18,715	-17,445	-56,309	-47,293	-61,831
Other operating income	12	0	147	24	119
Other operating expenses	715	-1,269	-2,469	-2,725	-2,791
<b>Operating loss</b>	<b>-3,684</b>	<b>-7,241</b>	<b>-15,718</b>	<b>-15,575</b>	<b>-16,720</b>
Net financial items	1,925	-9,998	5,927	-6,823	-4,756
<b>Result after financial items</b>	<b>-1,759</b>	<b>-17,239</b>	<b>-9,791</b>	<b>-22,398</b>	<b>-21,476</b>
Income tax	9	17,859	0	17,859	0
<b>Result for the period</b>	<b>16,100</b>	<b>-17,239</b>	<b>8,068</b>	<b>-22,398</b>	<b>-21,476</b>

Parent Company result for the period equals comprehensive income.

## CONDENSED PARENT COMPANY BALANCE SHEET

SEKt	Note	Sep 30		Dec 31
		2023	2022	2022
<b>ASSETS</b>				
<b>Non-current assets</b>				
Deferred tax asset	9	30,359	0	0
Non-current financial assets	6	1,253,097	1,130,626	1,160,841
<b>Total non-current assets</b>		<b>1,283,456</b>	<b>1,130,626</b>	<b>1,160,841</b>
<b>Current assets</b>				
Other receivables		0	0	75
Prepaid expenses	6	2,225	1,092	1,066
Cash	6	45,779	169,002	143,402
<b>Total current assets</b>		<b>48,004</b>	<b>170,094</b>	<b>144,543</b>
<b>TOTAL ASSETS</b>		<b>1,331,460</b>	<b>1,300,720</b>	<b>1,305,384</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Restricted equity	4	41,374	40,953	41,359
Unrestricted equity	9	1,226,139	1,205,187	1,205,723
<b>Total equity</b>		<b>1,267,513</b>	<b>1,246,140</b>	<b>1,247,082</b>
<b>Non-current liabilities</b>		<b>52,842</b>	<b>42,597</b>	<b>43,882</b>
<b>Current liabilities</b>	<b>6</b>	<b>11,105</b>	<b>11,983</b>	<b>14,420</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,331,460</b>	<b>1,300,720</b>	<b>1,305,384</b>

## NOTE 1

### GENERAL INFORMATION, ACCOUNTING PRINCIPLES

This interim report was prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The Parent Company's reporting has been prepared in accordance with RFR 2, Reporting for Legal Entities, and the Swedish Annual Accounts Act. The accounting principles mentioned in the Annual Report for 2022 have also been applied in this interim report. New or amended standards or interpretations of standards effective as of January 1, 2023 have not had any significant impact on BONESUPPORT's financial statements.

#### Estimates, assumptions and assessments

When preparing the Company's financial statements, a number of assessments and estimates are made, as well as assumptions which affect the application of the accounting principles and the reported amounts in the income statement and balance sheet. The actual outcome may deviate from these estimates and assessments. Estimates and assessments are evaluated on the basis of historical experience and other factors, including expectations of future events.

Regarding deferred tax assets, see Note 9.

## NOTE 2

### SIGNIFICANT RISKS AND UNCERTAINTIES

The Group is exposed to various financial risks. The business is impacted by many factors that could affect the Group's result and financial position. It is BONESUPPORT's strategy to continuously identify and manage risks. Financial risk management is described in Note 2, Annual Report 2022.

The war in Ukraine has created unrest and insecurity in the world. The business impact is difficult to predict, but higher shipping costs and higher prices for input goods are likely effects under prevailing market conditions.

## NOTE 3

### TRANSACTIONS WITH RELATED PARTIES

The financial reports include costs related to the following transactions between BONESUPPORT and related parties.

SEKt	Related party	Service	Jul - Sep		Jan - Sep		Full year
			2023	2022	2023	2022	2022
	Mary I O'Connor (Board member)	Consultancy	286	267	839	356	624
	Mary I O'Connor (Board member)	Reimbursement of expenses	0	0	27	0	57

## NOTE 4

### NUMBER OF SHARES AND POTENTIAL SHARES

Ordinary shares	Number of shares	Potential shares
December 31, 2022	64,532,197	106,044
Exercised employee stock options paid 2022	22,000	-22,000
Other exercised employee stock options	1,000	-1,000
Conversion of class C-shares to ordinary shares	500,378	0
September 30, 2023	65,055,575	83,044
<b>Series C-shares</b>		
December 31, 2022	1,642,438	0
Conversion of class C-shares to ordinary shares	-500,378	0
September 30, 2023	1,142,060	0

## NOTE 5

### PLEGDED SECURITIES AND CONTINGENT LIABILITIES

The US subsidiary BONESUPPORT Inc. has provided a guarantee of USD 42 thousand (56), corresponding to SEK 445 thousand (627) for rented premises. The Parent Company, BONESUPPORT HOLDING AB, guarantees a corresponding amount. During 2022, the Parent Company also provided a general guarantee of USD 500 thousand (500), corresponding to SEK 5,294 thousand (5,602).

The Group has pledged collateral for capital-invested direct pensions amounting to SEK 979 thousand (979).

## NOTE 6 FINANCIAL ASSETS AND LIABILITIES

Fair values of the consolidated financial assets and liabilities are assessed to agree with values accounted for.

Participations in subsidiaries are accounted for in the Parent Company in accordance with the cost method.

## NOTE 7 SEGMENT INFORMATION

The Group manages and monitors operations in the North America (NA) and Europe & Rest of the World (EUROW) segments. Other comprises other items, mainly costs for Group functions. Contribution per segment is calculated as net sales minus directly attributable operating costs. Such costs are related to cost of sales, selling expenses including commissions and fees, and research and development expenses. Assets and liabilities are not reported by segment, these are managed and monitored on Group level by management and the Board of directors.

Net sales in Sweden (part of EUROW) was SEK 2.5 million (1.8) in the quarter. For the year to date, the corresponding amount was SEK 8.6 million (6,5). The US and UK were the only markets that delivered more than ten percent of the consolidated net sales.

SEKt	Jul - Sep 2023				Jul - Sep 2022			
Profit and loss items	NA	EUROW	Other	Total	NA	EUROW	Other	Total
Net sales	121,008	37,196	0	158,204	56,286	28,337	0	84,623
<i>of which CERAMENT BVF</i>	55,771	2,682	0	58,453	54,828	3,326	0	58,154
<i>of which CERAMENT drug eluting<sup>1</sup></i>	62,639	34,474	0	97,113	0	25,011	0	25,011
<i>of which other</i>	2,599	41	0	2,639	1,458	0	0	1,458
Cost of sales	-6,562	-5,861	0	-12,423	-3,172	-4,625	0	-7,797
<b>Gross profit</b>	<b>114,446</b>	<b>31,335</b>	<b>0</b>	<b>145,781</b>	<b>53,114</b>	<b>23,712</b>	<b>0</b>	<b>76,826</b>
Sales commissions and fees	-42,151	-512	0	-42,663	-21,076	-27	0	-21,103
Other operative costs	-25,769	-21,483	0	-47,252	-20,810	-16,345	0	-37,155
<b>Contribution</b>	<b>46,526</b>	<b>9,340</b>	<b>0</b>	<b>55,866</b>	<b>11,228</b>	<b>7,340</b>	<b>0</b>	<b>18,568</b>
Other operating items	0	0	-40,998	-40,998	0	0	-32,509	-32,509
<b>Operating result</b>	<b>46,526</b>	<b>9,340</b>	<b>-40,998</b>	<b>14,868</b>	<b>11,228</b>	<b>7,340</b>	<b>-32,509</b>	<b>-13,941</b>
Net financial items	0	0	-2,126	-2,126	0	0	-462	-462
<b>Result before income tax</b>	<b>46,526</b>	<b>9,340</b>	<b>-43,124</b>	<b>12,742</b>	<b>11,228</b>	<b>7,340</b>	<b>-32,971</b>	<b>-14,403</b>

SEKt	Jan - Sep 2023				Jan - Sep 2022			
Profit and loss items	NA	EUROW	Other	Total	NA	EUROW	Other	Total
Net sales	310,818	107,516	0	418,334	143,486	82,111	0	225,597
<i>of which CERAMENT BVF</i>	155,361	10,647	0	166,009	139,267	10,763	0	150,030
<i>of which CERAMENT drug eluting<sup>1</sup></i>	148,796	96,828	0	245,624	0	71,348	0	71,348
<i>of which other</i>	6,660	41	0	6,701	4,219	0	0	4,219
Cost of sales	-16,614	-18,838	-562	-36,014	-8,839	-13,458	0	-22,297
<b>Gross profit</b>	<b>294,204</b>	<b>88,678</b>	<b>-562</b>	<b>382,320</b>	<b>134,647</b>	<b>68,653</b>	<b>0</b>	<b>203,300</b>
Sales commissions and fees	-108,444	-1,298	0	-109,742	-44,916	0	0	-44,916
Other operative costs	-82,627	-63,074	0	-145,701	-64,804	-48,588	0	-113,392
<b>Contribution</b>	<b>103,133</b>	<b>24,306</b>	<b>-562</b>	<b>126,877</b>	<b>24,927</b>	<b>20,065</b>	<b>0</b>	<b>44,992</b>
Other operating items	0	0	-105,289	-105,289	0	0	-90,244	-90,244
<b>Operating result</b>	<b>103,133</b>	<b>24,306</b>	<b>-105,851</b>	<b>21,588</b>	<b>24,927</b>	<b>20,065</b>	<b>-90,244</b>	<b>-45,252</b>
Net financial items	0	0	-2,481	-2,481	0	0	-747	-747
<b>Result before income tax</b>	<b>103,133</b>	<b>24,306</b>	<b>-108,332</b>	<b>19,107</b>	<b>24,927</b>	<b>20,065</b>	<b>-90,991</b>	<b>-45,999</b>

1. CERAMENT drug eluting includes CERAMENT G and CERAMENT V. CERAMENT G was launched in segment NA during Q4 2022.

## NOTE 8

### OPTION PROGRAMS AND PERFORMANCE SHARE PROGRAMS

At the period end, there are two employee stock option programs and three performance share programs.

#### **Employee stock option programs**

Of the two employee stock option programs, one runs over ten years and expires 2025 and one program runs over eight years and expires 2024. Each stock option gives the holder the right to acquire 0.2 ordinary shares in BONESUPPORT when exercising the option. This at a price in the first program of SEK 0.125 per option, equivalent to SEK 0.625 per share, and in the second program of SEK 5.30 per option, equivalent to SEK 26.50 per share. The employee stock options are vested according to a schedule in each program. A condition for allotment of options is employment or a contractual relationship with the Company at each vesting date. Of the previously allocated 25.7 million options, 8.9 million options regard active programs. Of these 8.9 million options, 5.2 million (5.2) options were fully vested before the end of the period. Remaining 3.7 million (3.7) options were not allocated.

#### **Performance share programs**

There are two programs for employees and one program for one Board member.

The programs run as follows with the below end dates:

- The program for employees decided at the Annual General Meeting in 2020 runs until December 31, 2023;
- The program for employees decided at the Annual General Meeting in 2021 runs until December 31, 2023; and
- The program for one Board member decided at the Annual General Meeting in 2021 runs until the date of the Annual General Meeting in 2024.

In the program for employees decided at the Annual General Meeting in 2020, each savings share gives the opportunity to be allotted to the employees a maximum of two or three performance shares without payment depending on share price development and the Company's development in terms of sales and EBITDA during the duration of the program. The performance shares were issued in the form of class C-shares with a subscription price and quota value of SEK 0.625 per share.

In the program for employees decided at the Annual General Meeting in 2021, each savings share gives the opportunity to be allotted a maximum of six performance shares without payment depending on share price development and the Company's development in terms of sales and EBITDA during the duration of the program.

In the program for one Board member decided at the Annual General Meeting in 2021, each savings share gives the opportunity to be allotted a maximum of three performance shares without payment depending on share price development.

The Annual General Meeting in May 2022 authorized the Board to issue C-shares to cover social security charges for the latest programs. The mandate from the Annual General Meeting was fulfilled during 2022. The mandate to issue C-shares enabled the close of the share swap that was entered into during 2021.

Employee stock options and performance shares are valued at fair value at the date of allocation. The total cost is distributed over the vesting period. At the end of the vesting period, a reduction in staff turnover is assumed, which entails an increased cost. The cost is accounted for as personnel cost and is credited to equity. The social security cost is revalued at fair value. When the options are exercised, the Company issues new shares. Payments received for the issued shares are credited to equity.

Further information on these programs is presented in Notes 12 and 23 in the Annual Report 2022.

## NOTE 8 CONT'D

Employee stock option programs	No. of options <sup>1</sup>	Equal to no. of shares	WAEP <sup>2</sup>
Balance January 1, 2023	420,208	84,044	26.50
Exercised	-5,000	-1,000	26.50
Balance September 30, 2023	415,208	83,044	26.50

Performance share programs	Right to no. of shares
Balance January 1, 2023	1,323,000
Distributed regarding completed program	-500,378
Cancelled during the year	-130,622
Balance September 30, 2023	692,000

1. Not allocated options in active programs amounted to 3,699,047 (4,069,547).

2. Weighted Average Exercise Price per share (SEK).

During the year, the cost of performance share programs, excluding social security contributions, have been recognized as operating expenses amounting to SEK 12,465 thousand (11,373). The social security contributions amounted to an expense of SEK 8,768 thousand (7,819). Liability for social security contributions at the end of the period amounts to SEK 12,228 thousand (10,301).

## NOTE 9 TAXES

The Group has tax losses carried forward based on historical losses. The Company makes ongoing assumptions about its future earnings. Based on a prudent but realistic assessment of the future utilization of these losses carried forward, the Company has during the period for the first time assigned a value in the balance sheet attributable to the tax losses carried forward, and also to other temporary differences. The tax losses carried forward are attributable to the research-focused period of the business, where the foundation and conditions for current and future sales and results were created. All tax losses carried forward are attributable to BONESUPPORT AB and BONESUPPORT HOLDING AB and the Swedish tax system, with full group contribution rights. The strong development in 2023 in terms of sales growth and with three consecutive quarters of positive and gradually increasing positive operating profit, together with a communicated sales target for 2023-2025, constitute a strong indication of the possibility to utilize these tax losses carried forward.

In the Group and in the Parent Company, the part of the deferred taxes that relate to transaction costs on share issue, has been posted directly over equity, as that is where the transaction costs were posted. The remaining part has been posted over the income statement.

Group	Jul - Sep		Jan - Sep		Full year	
	2023	2022	2023	2022	2023	2022
SEKt						
Tax losses carried forward and other temporary differences	217,100	0	217,100	0	0	0
Tax losses carried forward, recognized directly over equity	12,500	0	12,500	0	0	0
<b>Total deferred tax asset</b>	<b>229,600</b>	<b>0</b>	<b>229,600</b>	<b>0</b>	<b>0</b>	<b>0</b>
Deferred tax income	217,100	0	217,100	0	0	0
Current tax	-1,071	-552	-1,920	-1,632	-3,473	-3,473
<b>Total income tax</b>	<b>216,029</b>	<b>-552</b>	<b>215,180</b>	<b>-1,632</b>	<b>-3,473</b>	<b>-3,473</b>

Parent Company	Jul - Sep		Jan - Sep		Full year	
	2023	2022	2023	2022	2023	2022
SEKt						
Tax losses carried forward	17,859	0	17,859	0	0	0
Tax losses carried forward, recognized directly over equity	12,500	0	12,500	0	0	0
<b>Total deferred tax asset</b>	<b>30,359</b>	<b>0</b>	<b>30,359</b>	<b>0</b>	<b>0</b>	<b>0</b>
Deferred tax income	17,859	0	17,859	0	0	0
Current tax	0	0	0	0	0	0
<b>Total income tax</b>	<b>17,859</b>	<b>0</b>	<b>17,859</b>	<b>0</b>	<b>0</b>	<b>0</b>



# ALTERNATIVE PERFORMANCE MEASURES AND FINANCIAL DEFINITIONS

**BONESUPPORT uses Alternative Performance Measures (APM) to enhance understandability of the information in the financial reports, both for external analysis and comparison and internal performance assessment.**

Alternative Performance Measures are key figures not defined in financial reports prepared according to IFRS. The following key figures are used:

## Net sales growth

The difference in net sales between two periods in relation to net sales for the earlier period. Shows the operations' sales performance. BONESUPPORT's objective during 2023-2025 is to grow sales with 40 percent per year, measured as an average and normalized sales growth CAGR.

## Net sales growth in constant exchange rates (CER)

The difference in net sales between two periods in relation to net sales for the earlier period. The net sales for the current period is recalculated using the earlier period's exchange rates. Shows the operations' sales performance.

## Gross profit

Net sales minus cost of sales. Shows the profit to cover other expenses and profit margin.

## Gross margin

Net sales minus cost of sales, divided by net sales. Shows the gross profit in relation to net sales and the margin to cover other expenses and profit margin.

## Contribution

Net sales minus cost of sales, minus directly attributable selling expenses and research and development expenses. A measure of result showing the performance of segments and their contribution to cover other Group costs.

## Operating result before effects from the Group's incentive programs

Operating result reduced with expenses for IFRS2 and reduced with the change in the liability for social security contributions for these incentive programs.

## Interest bearing debt

Lease liabilities, short and long term. Shows the debt level of the Group and forms the base for interest expenses.

## Net debt

Interest bearing debt minus cash and cash equivalents. Shows the Group's net debt and is used to measure the leverage level of the Group and future funding needs.

SEKm	Jul - Sep		Jan - Sep		Full year
	2023	2022	2023	2022	2022
Net sales	158.2	84.6	418.3	225.6	328.8
<b>Sales growth, %</b>	<b>87.0</b>	<b>54.2</b>	<b>85.4</b>	<b>48.9</b>	<b>54.5</b>
Cost of sales	-12.4	-7.8	-36.0	-22.3	-31.1
<b>Gross profit</b>	<b>145.8</b>	<b>76.8</b>	<b>382.3</b>	<b>203.3</b>	<b>297.7</b>
<b>Gross margin, %</b>	<b>92.1</b>	<b>90.8</b>	<b>91.4</b>	<b>90.1</b>	<b>90.5</b>
Directly attributable selling expenses	-89.6	-55.5	-253.0	-152.2	-159.8
Selling expenses, not directly attributable	-6.6	-4.4	-14.3	-11.3	-18.1
<i>Selling expenses including commissions and fees</i>	-96.1	-59.9	-267.3	-163.5	-238.4
Directly attributable research and development expenses	-0.3	-2.7	-2.5	-6.1	-14.6
Research and development expenses, not directly attributable	-12.2	-9.9	-37.1	-32.2	-38.4
<i>Research and development expenses</i>	-12.5	-12.6	-39.6	-38.3	-53.1
<b>Contribution</b>	<b>55.9</b>	<b>18.6</b>	<b>126.9</b>	<b>45.0</b>	<b>123.3</b>

Interest bearing debt and net debt	Sep 30		Dec 31
	2023	2022	2022
SEKm			
Non-current borrowings	8.5	13.3	12.4
Current borrowings	4.5	5.2	5.1
<b>Interest bearing debt</b>	<b>13.0</b>	<b>18.4</b>	<b>17.5</b>
Cash and cash equivalents	164.1	212.6	201.3
<b>Net debt</b>	<b>-151.0</b>	<b>-194.1</b>	<b>-183.8</b>

Operating result before effects from the Group's incentive programs	Jul - Sep		Jan - Sep		Full year
	2023	2022	2023	2022	2022
SEKm					
Operating result	14.9	-13.9	21.6	-45.3	-64.5
Of which incentive costs	-9.7	-9.5	-21.2	-19.2	-28.4
<b>Operating result before effects from the Group's incentive programs</b>	<b>24.6</b>	<b>-4.4</b>	<b>42.8</b>	<b>-26.1</b>	<b>-36.2</b>

Net sales growth in constant exchange rates	Jul - Sep			Jan - Sep		
	Net sales growth	Net sales 2023 calculated with CER	Net sales 2022	Net sales growth	Net sales 2023 calculated with CER	Net sales 2022
SEKm						
NA	102%	113.6	56.3	103%	291.6	143.5
EUROW	26%	35.6	28.3	26%	103.1	82.1
<b>Total</b>	<b>76%</b>	<b>149.2</b>	<b>84.6</b>	<b>75%</b>	<b>394.7</b>	<b>225.6</b>

# GLOSSARY

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**Allograft.** The bone graft transplanted between genetically non-identical individuals of the same species. Allograft can be living related (harvested from femoral heads during hip arthroplasty) or cadaveric.

**Autograft.** A bone graft harvested from the patient's own skeleton, usually from the iliac crests.

**Bisphosphonate.** A group of medicines that inhibit bone breakdown.

**BMA.** Bone Marrow Aspirate.

**BMP.** Bone Morphogenic Protein.

**Bone cement.** Binders used to attach prostheses to bone or glue bone, often in the form of a hardening plastic, polymethyl acrylate (PMMA), or Calcium Phosphate.

**Bone graft substitute.** A synthetic material used as bone grafts instead of biological bone tissue.

**CERAMENT BVF.** CERAMENT BONE VOID FILLER.

**CERAMENT G.** CERAMENT with gentamicin.

**CERAMENT V.** CERAMENT with vancomycin.

**CERTiFy.** A prospective, randomized, controlled clinical trial with 135 patients in 20 leading trauma centers in Germany, aimed to compare treatment of CERAMENT BVF with autologous bone graft (autograft) transplantation.

**Clinical study.** A study on humans of e.g. a medical device or a pharmaceutical product.

**CONVICTION.** A randomized, controlled trial to evaluate the efficacy of CERAMENT G in the treatment of osteomyelitis (chronic bone infection).

**CRIOAc.** A healthcare network in France that is implemented through a nationwide health ministry program to improve outcomes in the management of bone and joint infections.

**C-shares.** Performance shares within performance share programs issued in the form of class C-shares.

**DBM.** Demineralized Bone Matrix. A processed form of allograft, an acid-extracted matrix from human bone sources.

**FDA.** US Food and Drug Administration. The federal medical authority in the US.

**GPO.** Group Purchasing Organization. An entity with the purpose to realize savings and efficiencies by aggregating purchasing volumes.

**Hematoma.** A localized collection of blood outside the blood vessels.

**HEOR.** Health Economics and Outcomes Research. Scientific discipline that quantifies the economic and clinical outcomes of medical technology.

**HTA.** Health Technology Assessment. Systematic evaluation of the relative safety, efficacy and cost-effectiveness of a treatment in comparison to current treatment alternatives.

**ICUR.** Incremental Cost-Utility Ratio. A quote that compares cost and utility between two alternative treatment alternatives.

**LTM.** Latest twelve months.

**Micro-CT.** Micro Tomography, uses X-ray scanning to recreate a 3D-model without destroying the object.

**Osteoinduction.** Osteoinduction at bone graft material (or a growth factor) can stimulate the differentiation of osteoblasts, forming new bone tissues.

**Osteomyelitis.** A bacterial infection affecting bones.

**PMA.** Pre-market approval. Market pre-approval from the FDA in the US for class III medical devices.

**PMMA.** Poly methyl methacrylate, often called "bone cement".

**SOLARIO.** A randomized, unblinded, European multicenter study with the aim of investigating if synthetic bone graft substitutes containing antibiotics can lead to shorter treatment times compared to systemic antibiotics.

**Tibial plateau fracture.** Fracture of the upper part of the tibia.

**Toxicity.** The degree to which substance (a toxin or poison) can harm humans or animals.

# Our soul & our heart



## MISSION

*Restoring health to improve the quality of life for patients with bone disorders*

BONESUPPORT's unique product technology has properties with the potential to revolutionize the care of patients with bone disorders by enabling faster rehabilitation, limiting the number of surgical procedures and reducing the risk of severe infections. For patients, this means that they can return to a more normal life more quickly. Up to and including June 2023, BONESUPPORT's products have been used in approximately 100,000 surgical procedures in more than 20 countries. The most common procedures consist of bone disorders where the body is unable to perform natural healing and single-stage surgery in connection with bone infection.



## VISION

*Becoming a global orthobiologics leader*

BONESUPPORT's unique technology means that over time, the Company's injectable bio-ceramic bone graft substitutes remodel to natural bones and have the ability to release drugs. This enables new treatment standards in the treatment of bone diseases/skeletal injuries.

BONESUPPORT's objective during 2023-2025 is to grow sales with 40 percent per year.



## STRATEGY

*The strategy is based on three pillars:*

**Innovation** – BONESUPPORT has the market's most innovative solution for the treatment of bone disorders.

**Clinical and Health Economic Evidence** – The clinical evidence for the CERAMENT platform continues to grow and now amounts to more than 240 publications and abstracts. An important milestone for BONESUPPORT is the CERTiFy study, which shows that CERAMENT is at least as good as autograft.

**Effective commercial platform** – BONESUPPORT's commercial and medical organization provides healthcare with products, information, service and training.

## ABOUT BONESUPPORT

BONESUPPORT HOLDING AB (publ), org.nr. 556802-2171, based in Lund, is the Parent Company of BONESUPPORT AB. BONESUPPORT is a commercial orthobiology company primarily aimed at the orthopedic markets in the US and Europe. BONESUPPORT has its registered office in Lund and wholly owned subsidiaries in the US, the UK, Germany, Sweden, Denmark, Switzerland, Spain, the Netherlands and Italy.

The Company is not aware of any other commercially available products with the same properties as CERAMENT G and CERAMENT V, i.e. an injectable antibiotic-eluting bone graft substitute with proven rapid remodeling into host bone.

BONESUPPORT has well-documented safety and efficacy experience and estimates, based on sales data, that up to and including June 2023 more than 100,000 treatments have been performed with its products worldwide. There is great market potential in trauma, chronic osteomyelitis, revision arthroplasty and oncology, as well as bone and foot infections due to diabetes.

The CERAMENT portfolio is currently commercially available in the largest European markets, as well as in a number of markets outside Europe. In addition, CERAMENT BVF and CERAMENT G are commercially available in the United States, CERAMENT G in Canada, and CERAMENT BVF and CERAMENT G in Australia.

# PRESENTATION OF INTERIM REPORT JULY – SEPTEMBER 2023

The Company invites investors, analysts and media to a web conference (in English) on October 26, 2023 at 10.00 CET, where CEO Emil Billbäck and CFO Håkan Johansson will present and comment on the report and also answer questions. The report will be avail-

able on BONESUPPORT's website from 08.00 CET on the same day and the presentation from the webcast will be uploaded during the day on October 26, 2023. For further details regarding participation, see the investor pages at [www.bonesupport.com](http://www.bonesupport.com)

## FORWARD-LOOKING STATEMENTS

The report contains certain forward-looking information that reflects BONESUPPORT's current views of future events and financial and operational performance. Words such as "intends", "anticipates", "expects", "can", "plans", "estimates" and similar expressions regarding indications or forecasts of future developments or trends, and which are not based on historical facts, constitute forward-looking information. Forward-looking information is inherently associated with both known and unknown risks and uncertainties because it is dependent on future events and circumstances.

Forward-looking information is not a guarantee of future results or developments and actual results may differ materially from results referred to in forward-looking information. Forward-looking information in the report is only applicable on the date of issue of the report. BONESUPPORT does not commit to publishing updates or revision of any forward-looking statements as a result of new information, future events or similar circumstances other than those required by applicable legislation.

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