

INTERIM REPORT JANUARY – MARCH 2023

Q1 CONTINUED STRONG GROWTH

JANUARY - MARCH 2023

- Net sales increased by 80 percent (66 percent at constant exchange rates¹) and amounted to SEK 119.7 million (66.3).
- The North America (NA) segment reported a sales growth of 109 percent (87 percent at constant exchange rate).
- The Europe & Rest of the World (EUROW) segment reported a sales growth of 34 percent (32 percent at constant exchange rates).
- The gross margin amounted to 90.5 percent (90.5).
- Operating result before effects from the Group's incentive programs¹ amounted to SEK +4.6 million (-12.5). Reported operating result amounted to SEK +0.8 million (-16.5).
- Earnings per share, before and after dilution, were SEK +0.00 (-0.32).

EVENTS DURING THE PERIOD

- The FDA has announced that the label extension application for CERAMENT G, to include open fracture/trauma, should be made within the 510(k) regulatory framework and not within the De Novo regulatory framework.

EVENTS AFTER THE PERIOD

- Nothing to report.

KEY FIGURES	Jan - Mar		12 months	
	2023	2022	LTM	2022
Net sales, SEKm	119.7	66.3	382.2	328.8
Sales growth, % ¹	80.5	48.0	63.1	54.5
Gross profit, SEKm	108.3	60.0	346.0	297.7
Gross margin, % ¹	90.5	90.5	90.5	90.5
Operating result, SEKm	0.8	-16.5	-47.3	-64.5
Result for the period, SEKm	0.3	-16.4	-51.5	-68.2
Equity at period end, SEKm	272.2	252.5	272.2	268.9
Net debt, SEKm ¹	-174.0	-173.8	-174.0	-183.8
Operating cash flow, SEKm	-8.6	-8.0	0.7	-47.0
Cash at period end, SEKm	190.4	195.6	190.4	201.3
Earnings per share before and after dilution, SEK	0.00	-0.25	-0.79	-1.06

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



CEO COMMENTS

Strong sales growth driven by CERAMENT G in the US

CERAMENT is taking market share from other treatment options, in a market where the number of surgical procedures is gradually recovering from the pandemic.

Sales in the quarter were SEK 120 million (66), an increase of 80 percent compared to last year (66 percent increase at constant exchange rates). Since the direct pandemic effects of on healthcare systems began to subside, we have seen an increasing customer base as well as an increasing use of CERAMENT among existing customers. In addition, a strong reception of CERAMENT G in the US and a continued gradual recovery of orthopedic procedures are noted. This has driven overall sales growth, in constant currency, from 32 percent in Q2 2022, 39 percent in Q3 and 49 percent in Q4 to 66 percent in Q1 2023.

We are so far very satisfied with the sales of CERAMENT G in the US. In the quarter, sales of CERAMENT G in the US amounted to SEK 35 million, an increase compared to the previous quarter (Q4 2022) of SEK 20 million. The launch is proceeding according to plan, but we do not yet want to draw any conclusions about the penetration rate for the full year. We anticipate that market penetration may occur in waves, as contracts and hospital approvals increase. The number of approvals for CERAMENT G in regional and national hospital systems increased during the quarter. Large and prestigious institutions have evaluated CERAMENT G with positive listing as a result, including the Veterans Health Administration, with 171 affiliated hospitals, and Johns Hopkins Hospital. The feedback from orthopedic surgeons and healthcare professionals is positive. The handling of CERAMENT G during surgery, the possibility of single-stage procedure and the clinical benefits have received positive feedback and contributed to an increasing number of users. The follow-up of the first patients treated, during November-December last year, shows good results, in line with the clinical studies that formed the basis for the FDA authorization. As the first and only market-approved antibiotic-releasing bone graft, CERAMENT G has a unique position in the US market, with a market potential of over USD 780 million.

Sales in the US grew overall by 109 percent in the quarter compared to last year (87 percent in constant currency).

Work on the application for extended indication area (trauma/fracture) is progressing well and is expected to be submitted in Q3 2023, in accordance with the guidelines for a 510(k) Premarket Notification.

In EUROW, sales increased by 34 percent (32 percent in constant currency) compared to the first quarter last year. We saw some recovery in the number of orthopedic procedures, which, however, is still below pre-pandemic levels, mainly limited by staff shortages and high sickness absence. We also saw a continued normalization of marketing activities. A positive example was the Oxford Bone Infection Conference (OBIC), with 240 participating orthopedic surgeons, held this year in physical presence for the first time in three years. The interest in CERAMENT was great and we see that we are in a very strong position to address the orthopedic backlog that has built up.

At the end of the quarter, the SOLARIO-study had enrolled 470 of the 500 patients. Recruitment is holding steady pace and could be expected to close in the next couple of months. The French CRIQAc network has announced that the CONVICTION study is expected to be completed by the end of 2026.

We summarize another record quarter with accelerated sales growth, supported by a high market penetration rate for CERAMENT G in the US and a business that generated positive operating profit.

Emil Billbäck, CEO



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.

JANUARY - MARCH

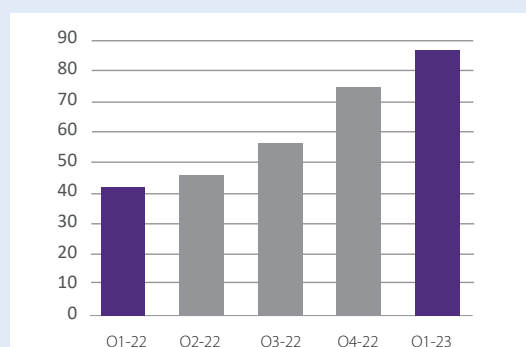
Sales

Sales for the period amounted to SEK 85.9 million (41.2), which corresponds to a growth of 109 percent (87 percent in 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 34.8 million (0).

Contribution¹

The contribution from the segment was SEK 24.9 million (6.6). The increased sales led to an increase in gross profit of SEK 43.0 million compared to previous year. Sales and marketing expenses during the quarter amounted to SEK 55.7 million (30.1), of which sales commissions to distributors and fees amounted to SEK 29.5 million (14.3). The increase, excluding sales commissions and fees, was driven by positive currency effects of SEK 2.6 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 1.0 million (1.9).

Net sales per quarter, SEKm



Net sales, gross profit and contribution, SEKm

	Jan - Mar		Full year
	2023	2022	2022
Net sales	85.9	41.2	216.9
Gross profit	81.6	38.6	204.0
Contribution	24.9	6.6	42.3

¹ APM: 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.

JANUARY - MARCH

Sales

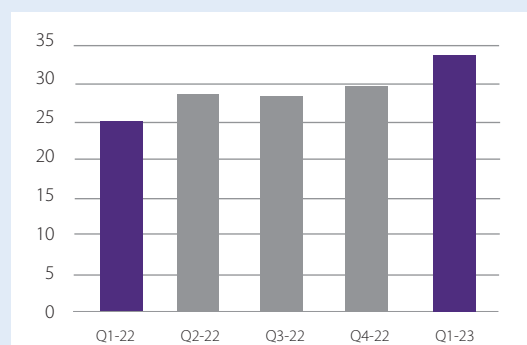
Sales for the period amounted to SEK 33.8 million (25.2), corresponding to a growth of 34 percent (32 percent in constant exchange rates). Although there has been a continued recovery in the number of orthopedic procedures during the period, they are still below the pre-pandemic levels.

Sales in key direct markets accounted for 84 percent (84) of the segment's sales during the quarter. Sales of the antibiotic-eluting products CERAMENT G and CERAMENT V corresponded to 86 percent (86).

Contribution¹

The contribution from the segment amounted to SEK 7.3 million (5.6). Sales and marketing expenses increased compared to the corresponding quarter last year and amounted to SEK 20.0 million (15.8). The increase is partly attributable to filled vacancies, and to a generally higher level of activity.

Net sales per quarter, SEKm



Net sales, gross profit and contribution, SEKm

	Jan - Mar		Full year
	2023	2022	2022
Net sales	33.8	25.2	111.9
Gross profit	27.3	21.5	93.7
Contribution	7.3	5.6	23.1

¹ APM: 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 study¹ showing that CERAMENT immediately improved anchor strength of hip screw with 400 percent.

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 study² of CERAMENT G. 100 patients, treated at Nuffield Orthopaedic Centre, Oxford University

ONGOING RANDOMIZED CONTROLLED TRIALS

	SOLARIO	CONVICTION
Indication	Osteomyelitis	Osteomyelitis
Purpose	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
Effect measure	<ul style="list-style-type: none">• Treatment time• Antibiotic resistance• Side effects• Cost	<ul style="list-style-type: none">• ICUR Reinfection• Complications• Amputations
Number of patients	500	220
Follow up time	12 month	24 month
Place	Europe	France, CRIOAc
Expected completion	Mid 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

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.

These results over a long follow-up period confirm that our protocol using CERAMENT G remains very effective over several years.

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*³, shows that the use of CERAMENT G, along with a surgical debridement, resulted in avoidance of amputation in 94 percent of cases.

RESULTS FROM CERTIFY DRIVE CHANGED STANDARD OF CARE

CERTiFy⁴ 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 addition, 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 EBJIS (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 mid 2024. A positive result of the study may contribute to a paradigm shift in the protocol for treating bone infections.

THE CONVICTION STUDY

The French CRIOA⁵ 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 CRIOA network.

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 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.

⁴ 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.

⁵ CRIOA (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

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, ie 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 procedures¹. 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): \$100.

CERAMENT G OR CERAMENT V LEADS TO REDUCED DAYS OF CARE IN PATIENTS WITH BONE INFECTIONS²

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*² 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 percent² 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.³ 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 Aljawadi et. al.⁴ on 80 patients with severe open tibial fractures treated with CERAMENT G in a one-step procedure. In the study, one patient (1.3 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. Aljawadi, A et. al. Adjuvant Local Antibiotic Hydroxyapatite Bio-Composite in the management of open Gustilo Anderson IIIB fractures. *Journal of Orthopaedics*, 2020; 18: 261-266.

FINANCIAL OVERVIEW

PROFIT AND LOSS

JANUARY – MARCH 2023

Net sales

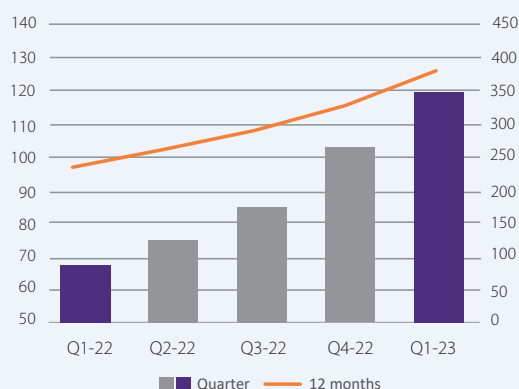
Net sales amounted to SEK 119.7 million (66.3), an increase of 80 percent compared to the previous year (66 percent at constant exchange rates).

In the North America segment, net sales amounted to SEK 85.9 million (41.2), which corresponds to growth of 109 percent (87 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 34.8 million (0).

Net sales for the EUROW segment amounted to SEK 33.8 million (25.2), which corresponds to an increase of 34 percent (32 percent at constant exchange rates). Although there has been a continued recovery in the number of orthopedic procedures during the period, they are still below the pre-pandemic levels.

The currency translation effect in the period amounted to SEK +3.1 million (+4.5).

Net sales per quarter, SEKm



Cost of sales

Cost of sales sold amounted to SEK 11.4 million (6.3), giving a gross margin of 90.5 percent (90.5).

Selling expenses

Selling expenses, including sales commissions and fees, amounted to SEK 78.9 million (49.5), an increase of 59 percent. This is explained in the table below:

	Jan - Mar 2023	Jan - Mar 2023 (CER)	Jan - Mar 2022
SEKm			
Sales commissions and fees	29.9	27.1	14.3
Personnel expenses	33.8	32.1	24.7
Other selling expenses	13.5	12.5	10.5
Total selling expenses	78.9	71.7	49.5

As a result of the growth in sales, the NA segment reported a cost increase to SEK 55.7 million (30.1), of which sales commissions and fees increased from SEK 12.9 million to SEK 29.5 million. In EUROW, expenses amounted to SEK 20.0 million (15.8). Non-allocated costs reduced to SEK 3.2 million (4.5).

Research and development expenses

Research and development expenses amounted to SEK 12.5 million (12.1). Personnel costs amounted to SEK 7.6 million (7.5). Other expenses totaled SEK 4.8 million (4.6).

The NA segment reported research and development expenses amounting to SEK 1.0 million (1.9).

Administrative expenses

Administrative expenses amounted to SEK 15.5 million (14.5).

Administrative expenses before effects from the Group's incentive programs amounted to SEK 11.7 million (10.6), of which personnel costs amounted to SEK 5.6 million (4.5).

Effects regarding incentive programs amounted to an expense of SEK 3.8 million (3.9). Of the total cost, SEK 0.3 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, and then mainly in USD.

Operating result

Operating result amounted to SEK +0.8 million (-16.5), including effects from the Group's incentive programs. Operating result before effects from the Group's incentive programs amounted to SEK +4.6 million (-12.5), an underlying improvement of SEK 17.1 million.

Result for the period

For the reasons described above, the result for the quarter amounted to SEK +0.3 million (-16.4), which corresponds to earnings per share before and after dilution of SEK +0.00 (-0.25).

FINANCIAL POSITION AND CASH FLOW

SEKm	Mar 31		Dec 31
Financial position	2023	2022	2022
Cash and cash equivalents	190.4	195.6	201.3
Interest bearing debt ¹	16.4	21.8	17.5
Net debt ¹	-174.0	-173.8	-183.8
Equity	272.2	252.5	268.9

SEKm	Jan - Mar		Full year
Cash flow	2023	2022	2022
Operating activities	-8.6	-8.0	-47.0
Investing activities	-0.4	-0.6	-3.3
Financing activities	-1.8	-2.2	42.8
Total	-10.9	-10.8	-7.5

Cash and cash equivalents at the end of the period amounted to SEK 190.4 million (195.6), a decrease of SEK 10.9 million since the be-

ginning of the year. The change is mainly explained by cash flow from operating activities amounting to SEK -8.6 million (-8.0).

¹ APM: 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. The result for the quarter was SEK -2.1 million (-2.0).

EMPLOYEES

On average, the Group had 101 (86) employees (full-time equivalent) during the quarter, of whom 22 (21) 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 G-shares, 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 G-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 March 31, 2023, the total number of ordinary shares amounted to 65,055,575, distributed among 7,359 shareholders. The major shareholders are shown in the table on this page. During the quarter, the number of shares increased as a result of converted employee stock options and as a result of converted class C-shares.

As of March 31, 2023, the total number of C-shares amounted to 1,142,060. BONESUPPORT HOLDING AB holds all C-shares. During the quarter, 500,378 class C-shares were converted to ordinary shares for distribution to the participants in the performance share program LTI 2019.

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

Shareholders March 31, 2023

Name	% of shares	% of votes
HealthCap V LP	10.0%	10.1%
Swedbank Robur Fonder	9.2%	9.4%
Avanza	9.1%	9.2%
Fjärde AP-Fonden	4.9%	4.9%
Capital Group	4.4%	4.5%
Tredje AP-Fonden	4.3%	4.3%
Lancelot Avalon	3.1%	3.2%
Other shareholders	55.0%	54.4%

FINANCIAL CALENDAR

- May 17, 2023 Annual General Meeting
- July 13, 2023 Interim report Q2 2023
- October 26, 2023 Interim report Q3 2023

NOMINATION COMMITTEE

The nomination committee is elected based on the principles decided at the AGM May 19, 2022. 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 17, 2023 in Lund, Sweden. The members of the committee are:

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

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

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 not been reviewed by the Company's auditors.

Lund April 27, 2023

Emil Billbäck
CEO

CONDENSED CONSOLIDATED INCOME STATEMENT

SEKt	Note	Jan - Mar		Full year
		2023	2022	2022
Net sales	7	119,742	66,342	328,818
Cost of sales	7	-11,406	-6,305	-31,111
Gross profit	7	108,336	60,037	297,707
Selling expenses		-49,030	-35,189	-158,073
Sales commissions and fees	7	-29,896	-14,332	-80,375
Research and development expenses		-12,455	-12,135	-53,088
Administrative expenses	3, 8	-15,536	-14,540	-73,305
Other operating income		3,074	6,999	43,206
Other operating expenses		-3,725	-7,296	-40,607
Operating result	7	768	-16,456	-64,535
Net financial items	7	-175	-217	-159
Result before income tax	7	593	-16,673	-64,694
Income tax	9	-285	300	-3,473
Result for the period		308	-16,373	-68,167
Earnings per share before dilution, SEK		0.00	-0.25	-1.06
Earnings per share after dilution, SEK		0.00	-0.25	-1.06
Average number of shares, thousands		64,794	64,332	64,332

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

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEKt	Jan - Mar		Full year
	2023	2022	2022
Loss for the period	308	-16,373	-68,167
<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	117	2	1,831
Total comprehensive income for the period	425	-16,371	-66,336

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

CONDENSED CONSOLIDATED BALANCE SHEET

SEkt	Note	Mar 31		Dec 31
		2023	2022	2022
ASSETS				
Non-current assets				
Intangible assets		8,401	8,346	8,384
Tangible assets and right-of-use assets		23,255	26,647	24,625
Financial assets		1	0	
Total non-current assets		31,657	34,993	33,009
Current assets				
Inventories		56,121	52,584	56,310
Trade receivables	6	79,281	38,233	62,624
Other current assets	6	19,013	10,592	18,593
Cash and cash equivalents	6	190,399	195,610	201,281
Total current assets		344,814	297,019	338,808
TOTAL ASSETS		376,471	332,012	371,817
EQUITY AND LIABILITIES				
Equity attributable to equity holders of the Parent	4	272,245	252,537	268,928
Non-current liabilities				
Leasing debt	6	10,532	15,408	12,350
Provisions		344	363	344
Total non-current liabilities		10,876	15,771	12,694
Current liabilities				
Leasing debt	6	5,851	6,440	5,101
Trade payables	6	8,204	12,331	23,571
Other operating liabilities	6	79,295	44,933	61,524
Total current liabilities		93,350	63,704	90,196
TOTAL EQUITY AND LIABILITIES		376,471	332,012	371,818

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
As at January 1, 2022	40,909	0	1,563,670	129	5,490	-1,344,494	265,704
Loss January - December 2022				1,831		-68,167	-66,336
Share swap ¹						51,039	51,039
Change in fund for development expenses					545	-545	0
New share issue, employee stock options	450	14	166				630
Share-based payment transactions						17,891	17,891
As at January 1, 2023	41,359	14	1,563,836	1,960	6,035	-1,344,276	268,928
Result January - March 2023				117		308	425
Change in fund for development expenses					143	-143	0
Transaction costs, share issue						-58	-58
New share issue, employee stock options	14	-14	26				26
Share-based payment transactions						2,924	2,924
As at March 31, 2023	41,373	0	1,563,862	2,077	6,178	-1,341,245	272,245

¹ During 2021, BONESUPPORT entered into a share swap agreement to secure the commitments in the Group's performance share programs 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

	Jan - Mar		Full year
SEKt	2023	2022	2022
Operating result	768	-16,456	-64,535
Non-cash adjustments:			
-Share-based payments	2,924	3,174	17,891
-Depreciation regarding right of use assets	1,703	1,559	7,109
-Unrealized exchange rate differences	1,002	-2,746	-14,474
-Other	1,762	822	4,459
Interests received	16	0	811
Interests paid	-193	-217	-716
Income tax paid	-98	-1	-2,686
Net cash flows from operating activities before changes in working capital	7,884	-13,865	-52,141
Changes in working capital	-16,510	5,889	5,156
Net cash flows from operating activities	-8,626	-7,976	-46,985
Investments in intangible assets	-357	-309	-1,321
Investments in equipment and tools	-79	-325	-1,958
Net cash flows from investing activities	-436	-634	-3,279
Share swap ¹	0	0	50,684
New share issue, employee stock options	40	30	230
Transaction costs, share issue	-58	0	0
Repayments of leasing debt	-1,780	-2,245	-8,132
Net cash flows from financing activities	-1,798	-2,215	42,782
Net cash flows	-10,860	-10,825	-7,482
Cash and cash equivalents as at beginning of period	201,281	206,464	206,464
Net exchange difference	-22	-29	2,299
Cash and cash equivalents as at end of period	190,399	195,610	201,281

1 During 2021, BONESUPPORT entered into a share swap agreement to secure the commitments in the Group's performance share programs 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

	2023	2022				2021		
SEKt	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Net sales	119,742	103,221	84,623	74,632	66,342	61,402	54,877	51,777
North America	85,947	73,390	56,286	46,012	41,188	34,798	32,670	29,068
EUROW	33,795	29,831	28,337	28,620	25,154	26,604	22,207	22,709
Cost of sales	-11,406	-8,814	-7,797	-8,195	-6,305	-6,582	-6,051	-5,448
Gross profit	108,336	94,407	76,826	66,437	60,037	54,820	48,826	46,329
Gross margin, %	90.5%	91.5%	90.8%	89.0%	90.5%	89.3%	89.0%	89.5%
Selling expenses	-49,030	-46,762	-38,751	-37,370	-35,189	-35,389	-33,112	-32,530
Sales commissions and fees	-29,896	-28,140	-21,103	-16,800	-14,332	-13,890	-11,790	-10,547
Research and development expenses	-12,455	-14,810	-12,557	-13,586	-12,135	-14,395	-11,326	-15,031
Administrative expenses	-15,536	-21,251	-20,798	-16,716	-14,540	-14,827	-5,401	-13,991
Other operating income	3,074	4,445	19,903	11,859	6,999	5,175	1,447	1,187
Other operating expenses	-3,725	-7,172	-17,460	-8,679	-7,296	-3,267	-1,925	-1,357
Operating result	768	-19,283	-13,941	-14,855	-16,456	-21,773	-13,280	-25,940
Net financial items	-175	588	-462	-68	-217	-279	-519	-32
Result before income tax	593	-18,695	-14,403	-14,923	-16,673	-22,052	-13,799	-25,972
Income tax	-285	-1,841	-552	-1,380	300	-2,151	-269	-1,073
Result for the period	308	-20,536	-14,955	-16,303	-16,373	-24,203	-14,068	-27,045

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

CONDENSED PARENT COMPANY INCOME STATEMENT

SEKt	Jan - Mar		Full year
	2023	2022	2022
Net sales	14,304	11,473	47,783
Administrative expenses	-17,424	-14,761	-61,831
Other operating income	67	67	119
Other operating expenses	-816	-256	-2,791
Operating loss	-3,869	-3,477	-16,720
Net financial items	1,781	1,480	-4,756
Result after financial items	-2,088	-1,997	-21,476
Income tax	0	0	0
Result for the period	-2,088	-1,997	-21,476

Parent Company result for the period equals comprehensive income.

CONDENSED PARENT COMPANY BALANCE SHEET

SEKt	Note	Mar 31		Dec 31
		2022	2021	2021
ASSETS				
Non-current assets				
Non-current financial assets	6	1,188,583	1,154,144	1,160,841
Total non-current assets		1,188,583	1,154,144	1,160,841
Current assets				
Other receivables		0	74	75
Prepaid expenses	6	1,247	321	1,066
Cash	6	117,444	157,644	143,402
Total current assets		118,691	158,039	144,543
TOTAL ASSETS		1,307,274	1,312,183	1,305,384
EQUITY AND LIABILITIES				
Equity				
Restricted equity	4	41,374	40,939	41,359
Unrestricted equity		1,203,588	1,225,422	1,205,723
Total equity		1,244,962	1,266,361	1,247,082
Non-current liabilities		46,656	36,841	43,882
Current liabilities	6	15,656	8,981	14,420
TOTAL EQUITY AND LIABILITIES		1,307,274	1,312,183	1,305,384

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.

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		Jan - Mar		Full year
Related party	Service	2023	2022	2022
Mary I O'Connor (Board member)	Consultancy	275	0	624
Mary I O'Connor (Board member)	Reimbursement of expenses	0	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	23,000	-23,000
Conversion of class C-shares to ordinary shares	500,378	0
March 31, 2023	65,055,575	83,044

Series C-shares		
December 31, 2022	1,642,438	0
Conversion of class C-shares to ordinary shares	-500,378	0
March 31, 2023	1,142,060	0

NOTE 5

PLEGDED SECURITIES AND CONTINGENT LIABILITIES

The US subsidiary BONESUPPORT Inc. has provided a guarantee of USD 56 thousand (56), corresponding to SEK 581 thousand (520) 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 (0), corresponding to SEK 5,184 thousand (0).

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 3.0 million (2.3) in the quarter. US and UK were the only markets that delivered more than ten percent of the consolidated net sales.

SEKt	Jan - Mar 2023				Jan - Mar 2022			
Profit and loss items	NA	EUROW	Other	Total	NA	EUROW	Other	Total
Net sales	85,947	33,795	0	119,742	41,188	25,154	0	66,342
of which CERAMENT BVF	49,063	4,069	0	53,132	39,997	3,602	0	43,598
of which CERAMENT drug eluting ¹	34,791	29,726	0	64,517	0	21,552	0	21,552
of which other	2,092	0	0	2,092	1,191	0	0	1,191
Cost of sales	-4,371	-6,473	-562	-11,406	-2,601	-3,704	0	-6,305
Gross profit	81,576	27,322	-562	108,336	38,587	21,450	0	60,037
Sales commissions and fees	-29,546	-350	0	-29,896	-14,298	-34	0	-14,332
Other operative costs	-27,108	-19,633	0	-46,741	-17,702	-15,798	0	-33,500
Contribution	24,922	7,339	-562	31,699	6,587	5,618	0	12,205
Other operating items	0	0	-30,931	-30,931	0	0	-28,661	-28,661
Operating result	24,922	7,339	-31,493	768	6,587	5,618	-28,661	-16,456
Net financial items	0	0	-175	-175	0	0	-217	-217
Result before income tax	24,922	7,339	-31,668	593	6,587	5,618	-28,878	-16,673

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, three or four 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 ¹	Equal to no. of shares	WAEP ²
Balance January 1, 2023	420,208	84,044	26.50
Exercised	-5,000	-1,000	26.50
Balance March 31, 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	-124,622
Balance March 31, 2023	698,000

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

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

During the year, the cost of performance share programs, excluding social security contributions, was recognized as operating expenses amounting to SEK 2,924 thousand (3,174). The social security contributions amounted to an expense of SEK 907 thousand (784). Liability for social security contributions at the end of the period amounts to SEK 4,367 thousand (6,671).

NOTE 9

TAXES

The Group has tax losses carry-forwards based on historical losses amounting to SEK 1,102 million. The Company makes ongoing assumptions about the Company's future earnings. Based on a prudent assessment of the future utilization of losses carried forwards, the Company has not assigned any value to the taxable losses in the balance sheet.

DEFINITIONS - ALTERNATIVE PERFORMANCE MEASURES

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

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.

	Jan - Mar		Full year
	2023	2022	2022
SEKm			
Net sales	119.7	66.3	328.8
Sales growth, %	80.5	48.0	54.5
Cost of sales	-11.4	-6.3	-31.1
Gross profit	108.3	60.0	297.7
Gross margin, %	90.5	90.5	90.5
Directly attributable selling expenses	-75.6	-45.9	-159.8
Selling expenses, not directly attributable	-3.3	-3.6	-18.1
<i>Selling expenses including commissions and fees</i>	<i>-78.9</i>	<i>-49.5</i>	<i>-238.4</i>
Directly attributable research & development expenses	-1.0	-1.9	-14.6
Research & development expenses, not directly attributable	-11.5	-10.2	-38.4
<i>Research & development expenses</i>	<i>-12.5</i>	<i>-12.1</i>	<i>-53.1</i>
Contribution	31.7	12.2	123.3

Interest bearing debt and net debt		Mar 31		Dec 31
		2023	2022	2022
SEKm				
Non-current borrowings		10.5	15.4	12.4
Current borrowings		5.9	6.4	5.1
Interest bearing debt		16.4	21.8	17.5
Cash and cash equivalents		190.4	195.6	201.3
Net debt		-174.0	-173.8	-183.8

Operating result before effects from the Group's incentive programs		Jan - Mar		Full year
		2023	2022	2022
SEKt				
Operating result		768	-16,456	-64,535
Of which incentive costs		-3,831	-3,922	-28,377
Operating result before effects from the Group's incentive programs		4,599	-12,534	-36,158

Net sales growth in CER		Jan - Mar	
		Net sales 2023 calculated with average rates for 2022	Net sales 2022
SEKm	CER		
NA	87%	77.1	41.2
EUROW	32%	33.3	25.2
Total	66%	110.3	66.3

GLOSSARY

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 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. Until 2023, BONESUPPORT's products have been used in approximately 90,000 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 re-modeling into host bone.

BONESUPPORT has well-documented safety and efficacy experience and estimates, based on sales data, that until 2023 more than 90,000 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 JANUARY – MARCH 2023

The Company invites investors, analysts and media to a web conference (in English) on April 27, 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 available 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 April 27, 2023. For further details regarding participation, see the investor pages at 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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