



Bactiguard's EBITDA for Q2 and full-year 2023 negatively impacted by 42 MSEK due to one-time adjustments

The Board of Directors of Bactiguard Holding AB today issues a profit warning for Q2 and the full-year financials for 2023. The profit warning includes write-down of inventories, an accrual of various accounts receivable overdue and adjacent projects, and costs related to other structural changes. In total, the EBITDA is expected to be negatively affected by 42 MSEK for Q2 2023 and full-year 2023. The adjustments are of a one-time character and are the result of an in-depth review of financial items negatively affecting the business.

Of the total EBITDA impact of 42 MSEK, the write-down of inventories (related to stock of devices and raw materials) stands for approximately 15 percent, the accrual of accounts receivable overdue and adjacent projects (related to license partners and distributors in Southeast Asia) for approximately 70 percent, and the costs for other structural changes for approximately 15 percent.

“It was crucial for me, as the new CEO, to get into every detail of what could potentially negatively impact our business and in connection with preparing the Q2 report, we made an in-depth review of all financial items. In essence, what we are doing now is a well-needed clean up to be able to focus on our growth strategy. We see vast opportunities in our therapeutic focus areas and will continue our efforts in Licensing and the US go-to-market strategy. And importantly, the adjustments are of a one-time character,” states Thomas von Koch, interim CEO of Bactiguard.

As previously reported, Bactiguard is on a transformation journey with 2022 and 2023 characterized by investments in the organization to lay the foundation for a long-term and resilient growth. The investments in the transformation of Bactiguard will consequently affect profitability, as stated most recently in the Q1 2023 report. As also reported in the Q1 2023 report, revenue streams from Bactiguard's largest license partner Becton Dickinson (BD) are anticipated to be adjusted over the coming quarters as they have built up a significant stock in-house.

The financial targets for 2026 stay firm and assume that the license development projects progress accordingly, including Zimmer Biomet and their broader orthopaedics portfolio, and Dentsply Sirona. The strategic goal of adding 1-2 new license agreements per year also stays firm.

Bactiguard Holding AB will publish its interim report Q2 2023 on July 18, 2023, at 08:00 CEST which will be followed by a press conference at 11:00 CEST.

This is information that Bactiguard Holding AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out below 2023-07-07, at 12:45 CEST.

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About Bactiguard

Bactiguard is a global medtech company with a purpose to prevent infections. We provide safe, cost-effective, and easy-to-use infection prevention technology and solutions across five therapeutic areas – orthopedics, urology, intravascular/critical care, dental, and wound care.

Bactiguard's unique technology is based on a thin noble metal coating that prevents bacterial adhesion and biofilm formation on medical devices. Bactiguard's solutions are biocompatible and make a positive impact by decreasing patient suffering, saving lives and healthcare resources. The solutions also fight antimicrobial resistance, one of the most serious threats to global health and modern medicine.

Bactiguard operates through license partnerships with leading global medtech companies, such as BD and Zimmer Biomet, differentiating their medical devices with our coating technology, and through the Bactiguard Infection Protection (BIP) product portfolio. BIP includes coated medical devices such as catheters and trauma implants, and wound care products and sutures.

Bactiguard is headquartered in Stockholm, has production in Sweden and Malaysia, and in total around 210 employees. Listed on Nasdaq Stockholm, the company reported revenues of 253.5 MSEK in 2022.

Read more on www.bactiguard.com

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