

BONESUPPORT™ DATA PRESENTED AT EORS HIGHLIGHTS CERAMENT® BONE VOID FILLER'S ABILITY TO ELUTE DRUGS WITH POTENTIAL TO ENHANCE BONE GROWTH

Lund, Sweden, 08.00 CEST, 20 September 2017 – BONESUPPORT an emerging leader in innovative injectable bio-ceramic bone substitute products to treat bone voids caused by trauma, infection, disease or related surgery based on its unique CERAMENT platform announces that a pre-clinical study evaluating the in-vivo release kinetics of radio-labelled bone morphogenetic protein (rhBMP-2) and zoledronic acid (ZA) from CERAMENT BONE VOID FILLER (BVF) was presented at the European Orthopaedic Research Society (EORS) in Munich on 15th September. The presentation was given by Mr Deepak Raina, Department of Orthopaedics, Medical Faculty, Lund University, Sweden.

In his presentation, Mr Raina, outlined data showing that CERAMENT BVF achieved co-delivery of both rhBMP-2 and ZA in-vivo measured over a period of four weeks. After 4 weeks, CERAMENT BVF had eluted 57% of rhBMP-2 and 23% of ZA. This is an important finding since the constant availability of rhBMP-2 over a long period could give osteo-inductive properties to CERAMENT BVF while at the same time the presence of ZA locally prevents bone resorption.

These data suggest that by using CERAMENT BVF to elute BMPs it could be possible to overcome the problems of local delivery of BMPs using currently available approaches.

Another pre-clinical study, which demonstrated in vivo that CERAMENT loaded with a combination of rhBMP-2 and ZA in very low doses was able to quantitatively and qualitatively generate a high amount of mineralized bone volume was covered in a paper published in Nature Scientific Reports (Raina, D et al, reference below). The study showed that the mineralized volume was significantly higher when CERAMENT was combined with rhBMP-2 and ZA compared to CERAMENT in combination with just rhBMP-2.

Mr Deepak Raina, commenting on his presentation said: "The important findings that we presented at EORS suggest that by capitalizing on CERAMENT BVF's elution characteristics it could be possible to overcome the current problems associated with the local delivery of BMP to promote bone growth. The growing body of data that our research group is generating with CERAMENT BVF provides greater confidence that this novel approach could lead to a commercially available product able to enhance bone growth."

Richard Davies, CEO of BONESUPPORT, commented: "We are pleased that these in vivo data on CERAMENT BVF combined with bone morphogenetic protein and zoledronic acid have been presented at this prestigious scientific conference. These data provide further support to our product pipeline strategy which is focused on developing new CERAMENT products that are able to enhance bone growth."

Raina, D. et al. A Biphasic Calcium Sulfate Hydroxapatite Carrier Bone Morphogenetic Protein -2 and Zoledronic Acid Generates Bone (2016) Nature Scientific Reports <http://bit.ly/22xgU84>

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Notes to Editors

About BONESUPPORT™

BONESUPPORT is an innovative and rapidly growing commercial stage orthobiologics company, based in Lund, Sweden. The Company develops and commercializes innovative injectable bio-ceramic bone graft substitutes that remodel to the patient's own bone and have the capability of eluting drugs directly into the bone void.

BONESUPPORT's marketed bio-ceramic bone graft substitutes CERAMENT®BONE VOID FILLER (BVF), CERAMENT® G* and CERAMENT® V* are all based on the Company's novel and proprietary CERAMENT technology platform.

The Company's products are targeting a large addressable market opportunity across trauma, chronic osteomyelitis (bone infection), revision arthroplasty (replacement of a joint prosthesis) and infected diabetic foot.

BONESUPPORT's total sales increased from SEK 41 million in 2014 to SEK 105 million in 2016, representing a compound annual growth rate of 60 percent. The Company's financial target is to achieve revenue exceeding SEK 500 million in the financial year 2020, with a gross margin exceeding 85 percent and a positive operating profit.

The Company's research and development is focused on the continuing development and refinement of its CERAMENT technology to extend its use into additional indications by the elution of other drugs and therapeutic agents. The Company currently has a pipeline of pre-clinical product candidates that have been designed to promote bone growth.

BONESUPPORT is listed on Nasdaq Stockholm and trades under the ticker "BONEX" (ISIN code: SE0009858152). Further information is available at www.bonesupport.com

*CERAMENT G: Not available in the United States, for investigational use only. CERAMENT V: Not available in the United States

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