



# **BONESUPPORT**

**Q3 (2024) Report**

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# BONESUPPORT – Third quarter report 2024

The background of the slide features a collection of medical supplies, including several syringes and vials, arranged on a light-colored surface. The items are slightly out of focus, creating a professional and clinical atmosphere. One syringe in the foreground has 'LOT# 210107' printed on its barrel.

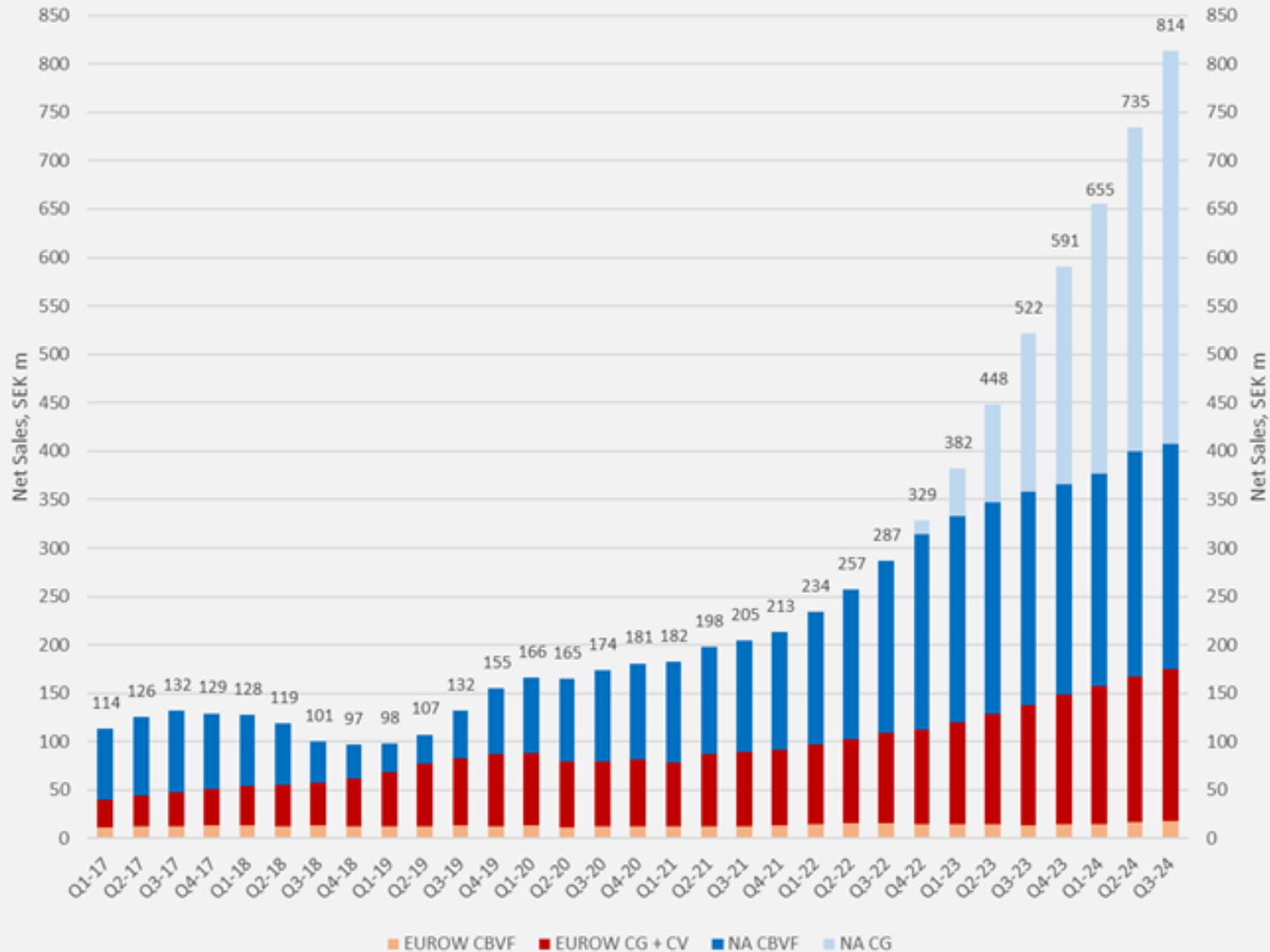
## Q3 2024:

- Net sales **SEK 238 m**, growth: **+50%** versus Q3 2023, (**+54%** in **constant exchange rates**, CER)
- Operating result (before accounting effects of incentive programs): **SEK 48 m** (SEK 25 m)
- Reported EBIT: **SEK 41 m** (SEK 15 m)
- Strong positive cash flow

- **SOLARIO study meets its primary end point, proving the ability for CERAMENT G and CERAMENT V to enable a shorter period of systemic antibiotics.**
- **Progressing preparations for entry into Spinal Fusion segment**
- **CERAMENT G in the US reaches sales of SEK 134 m in the quarter**

# Strong launch momentum for CERAMENT G in the US

LTM Quarterly Sales per Segment



- CERAMENT G in the US reaching SEK 134 m in the quarter
- Launch conference for Open Trauma indication at OTA in Montreal, Oct 23<sup>rd</sup> - 26<sup>th</sup>
- Total antibiotic eluting CERAMENT grew with 81% versus Q3 2023

CBVF= CERAMENT Bone Void Filler  
 CG = CERAMENT G (Gentamicin)  
 CV = CERAMENT V (Vancomycin)

NA CBVF also contains sales from application tools, e.g. syringes and bead tray

# North America

## Strong surgeon preference and increasing peer-to-peer referrals

### Q3 2024

- Sales of **SEK 192 m**, growth of **59%** over Q3 2023 (growth of **63%** in constant exchange rate, CER)

### Highlights in quarter:

- NTAP submission for Open Trauma
- CERAMENT G sales of SEK 134 m
- Progressing market access through IDNs (integrated delivery networks)/ Hospital systems
- Increasing referrals and word-of-mouth in between surgeons on CERAMENT G
- Market survey model shows: Local antibiotics is used in est. 38% of extremity surgery with bone graft (est. 47% in Europe)
- Progressing preparations for Spinal Fusion market entry

# EUROW

## Market share gains fuels sales performance

### Q3 2024

- Sales of **SEK 46 m**, growth of **22%** vs Q3 2023, (growth of **21%** in constant exchange rates, CER)
- Seasonality impact

### Highlights

- CERAMENT V approved (MDSAP) for Canada. Hire resources for conversion to hybrid market
- **SOLARIO** study met its primary endpoints

# SOLARIO – Game changing evidence for local antibiotics

## Study summary<sup>1</sup>

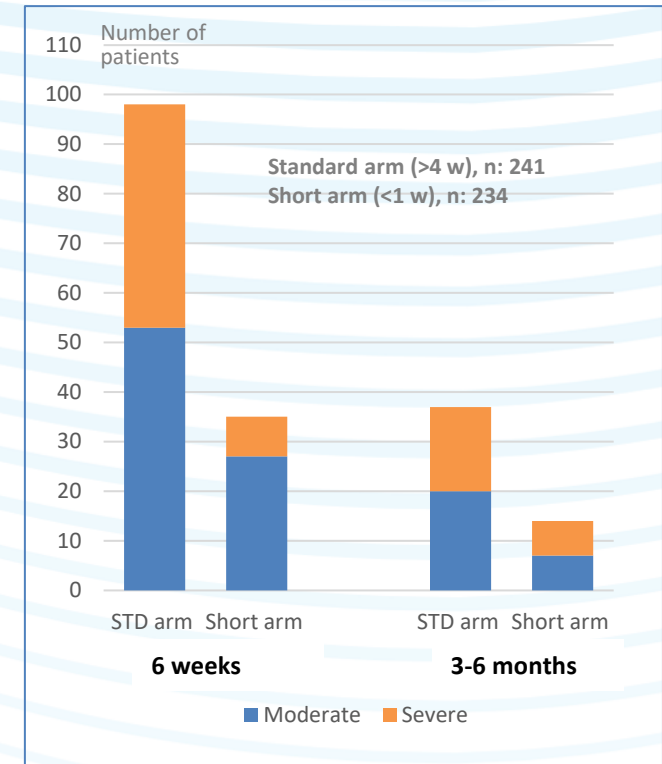
- Randomized controlled multicenter trial with 500 adult patients with orthopedic infections
- Surgically treated with antibiotic-eluting bone substitute materials such as CERAMENT G and CERAMENT V
- 2 groups: Short systemic antibiotics,  $\leq 7$  days and Standard systemic antibiotics, at least 4 weeks

## Results

- The short regimen achieved equally good prevention of recurrence of infection as the standard regime
- An average **reduction of 47 antibiotic days\***/patient, and a **total reduction of 11,275 antibiotic days\***
- **Significantly fewer and milder adverse events (AE)**

## Short regimen advantages

Reduced antibiotic costs, fewer adverse events and costs associated with adverse events, better patient adherence, improved antibiotic use and decreased risk of AMR (Anti-Microbial Resistance)



## Clinical and cost implication insights from literature references


- **5%-20%** of patients with long-term systemic Vancomycin develop severe kidney damage (Nephrotoxicity)
- The cost for intravenous antibiotic combination treatment; weekly up to 3,500 USD in the US and up to 1,575 £ in the UK

## The Global Burden of AMR 2050<sup>2,3,4</sup>

- >10 million deaths every year. Costing the world up to \$100 trillion. Negative GDP impact up to 3.8%

\*Total antibiotic days: Each antibiotic on each day is reported and registered. Many of the antibiotics are prescribed in combination dosages.

1. Dudareva M, Kumin M, Vach W, Kaier K, Ferguson J, McNally M, Scarborough M. Short or Long Antibiotic Regimes in Orthopaedics (SOLARIO): a randomized controlled open-label non-inferiority trial of duration of systemic antibiotics in adults with orthopaedic infection treated operatively with local antibiotic therapy. *Trials* 2019; 20: 693. 2. Dadgostar P. Antimicrobial Resistance: Implications and Costs. *Infect Drug Resist.* 2019 Dec 20;12:3903-3910. doi: 10.2147/IDR.S234610. PMID: 31908502; PMCID: PMC6929930. 3. TACKLING DRUG-RESISTANT INFECTIONS GLOBALLY: FINAL REPORT AND RECOMMENDATIONS [Home | AMR Review \(amr-review.org\)](#) 4. [Antimicrobial Resistance \(AMR\) \(worldbank.org\)](#)

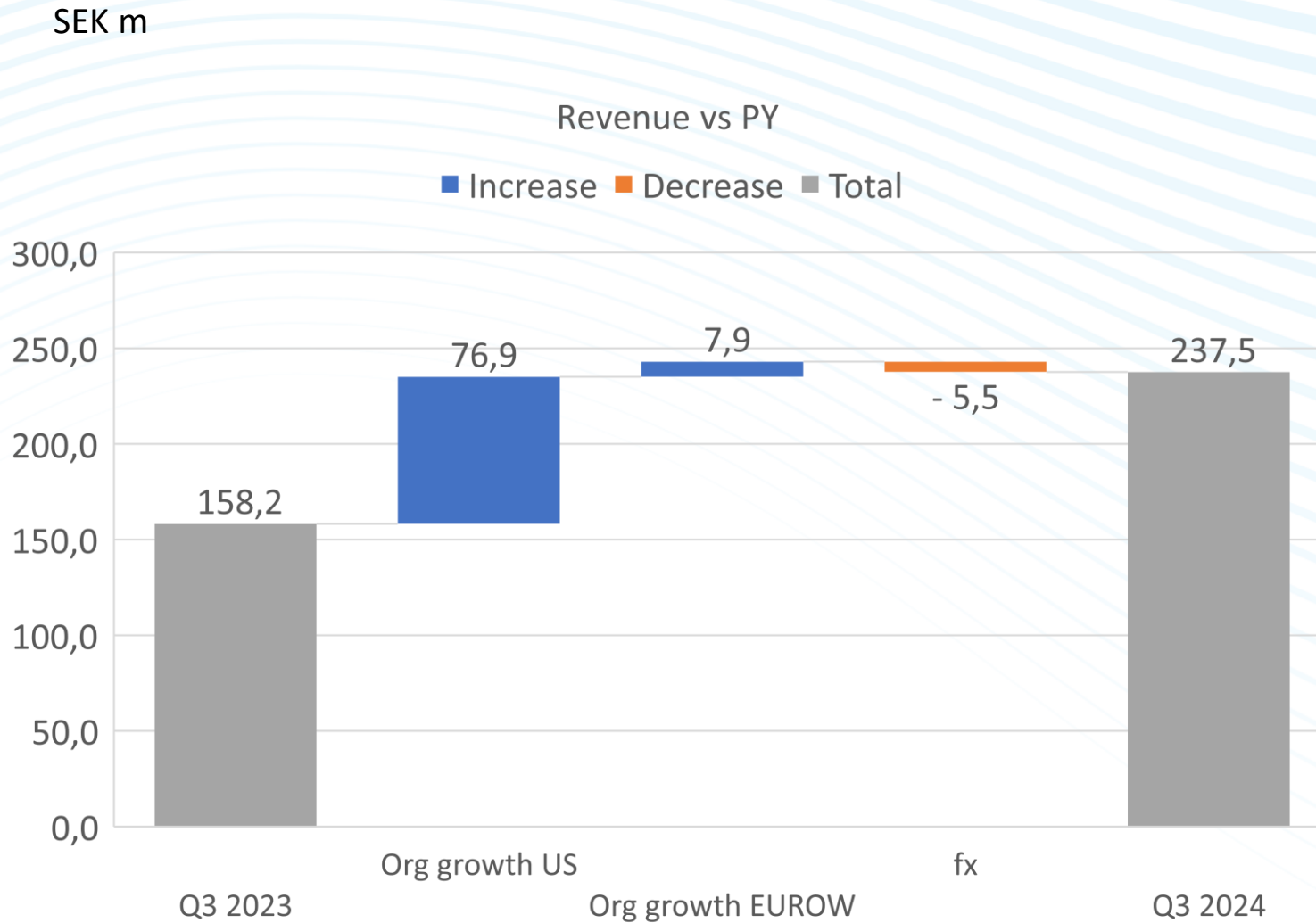


# **BONESUPPORT Q3 (2024) Report**

## **Financial Report**



# Q3 2024 net sales SEK 237.5 m



- NA: 59 percent reported growth. 63 percent growth in CER
- EUROW: 22 percent reported growth. 21 percent growth CER
- Low impact from currency movements

# North America

**+59%**  
**(+63% CER)**  
**Net sales**  
**Q3-24**

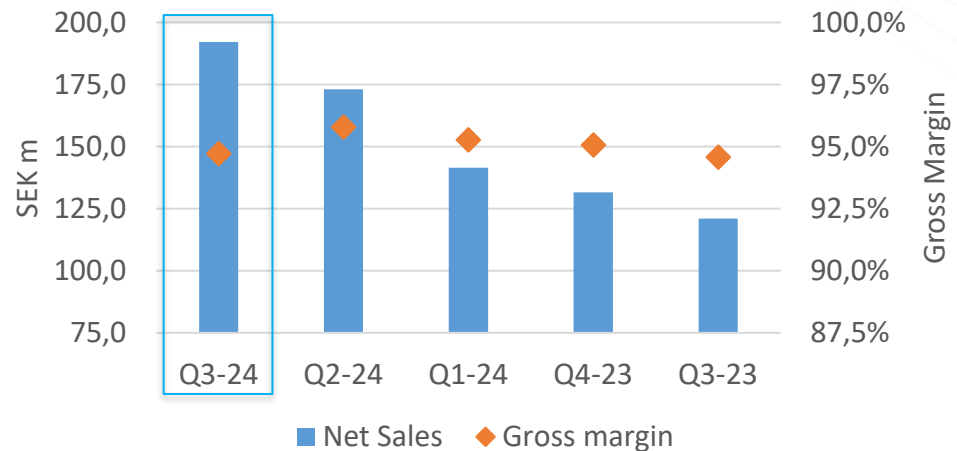
North America	2024			2023	
SEK m	Q3	Q2	Q1	Q4	Q3
Net Sales	192,0	173,0	141,5	131,6	121,0
Gross profit	181,9	165,7	134,8	125,1	114,4
Gross margin	94,7%	95,8%	95,3%	95,1%	94,6%
Contribution	79,3	66,8	55,8	52,0	46,5

# EUROW

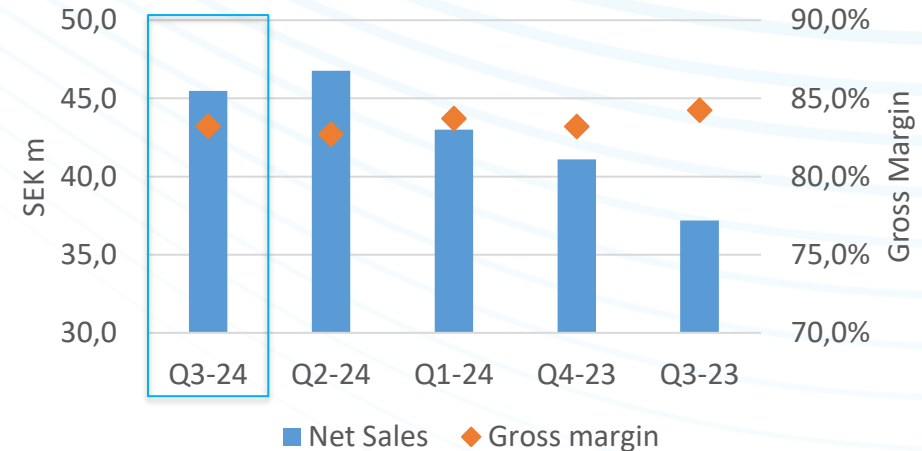
**+22%**  
**(+21% CER)**  
**Net sales**  
**Q3-24**

EUROW	2024			2023	
SEK m	Q3	Q2	Q1	Q4	Q3
Net Sales	45,5	46,8	43,0	41,1	37,2
Gross profit	37,8	38,7	36,0	34,2	31,3
Gross margin	83,2%	82,7%	83,7%	83,2%	84,2%
Contribution	15,6	14,2	10,7	5,7	9,3

Net Sales and gross margin



Net Sales and gross margin



fx impact in Q3-24 1.0 percentage points negative in comparison to Q2-24

## Investments in commercial structure and R&D impacting the quarter

Key Figures	2024				2023			2022
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
SEK m								
Selling expenses	65,5	67,6	59,7	59,6	53,5	55,0	49,0	46,8
Sales Commissions and fees	65,5	62,2	48,2	44,4	42,7	37,2	29,9	28,1
Research and Development expenses	19,7	20,3	14,1	17,6	12,5	14,6	12,5	14,8
Administrative expenses	22,8	22,9	23,2	33,3	21,6	19,8	15,5	21,3
Whereof Provisions related to Incentive programs	7,3	7,4	9,3	18,9	9,7	7,7	3,8	9,2
<b>Total expenses</b>	<b>173,4</b>	<b>173,1</b>	<b>145,3</b>	<b>154,9</b>	<b>130,2</b>	<b>126,7</b>	<b>106,9</b>	<b>111,0</b>

### Q3 Insights

- Selling expenses reflects investments in the organization and systems that have been implemented supporting the launch of CERAMENT G in the US and underlying sales growth but also to leverage on beneficial reimbursement and the regulatory approval for open fractures in the US.
- Research and Development expenses remain focused on the strategic initiatives as presented at the Capital Markets Day in November last year with increasing expenses during the period.
- Administration excluding effects from the long-term incentive programs is remaining stable with temporary resources impacting in the period but continuing to come down in relation to sales.
- The expenses for the long-term incentive programs amount to SEK 7.3 million. Of the total cost, SEK 1.9 million was cash flow impacting.

# 54% Sales growth and doubled adjusted operating profit

Key Figures	2024				2023				2022
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	
SEK m									
Net Sales	237,5	219,8	184,4	172,7	158,2	140,4	119,7	103,2	
Gross Margin (%)	92,9	92,3	92,6	91,8	92,1	91,3	90,5	91,5	
Operating profit	41,0	28,7	32,3	-8,0	14,9	6,0	0,8	-19,3	
Adj. Operating profit (i)	48,3	36,0	41,6	10,9	24,6	13,6	4,6	-10,1	
Cash at period end	153,2	114,6	187,2	167,4	164,1	149,8	190,4	201,3	

(i) Operating result reduced with incentive expenses according to IFRS2 and social charges for these programs.

## Q3 Insights

- Sales increased by 50 percent (54 percent in CER) compared to the second quarter previous year, a sales growth largely driven by continued strong market penetration of CERAMENT G in the US.
- Gross Margin remaining stable and in line with previous quarters the current year.
- The period reported an Adjusted Operating profit of SEK 48.3 m, a SEK 23.7 m improvement compared with previous year - despite adverse fx effects
- With executed improvements in our safety stocks during H1, the quarter reported a strong cashflow, improving cash balance with 39 MSEK compared to previous quarter .



## **BONESUPPORT Q3 (2024) Report**

- **50% sales growth (53% in CER)**
- **48 mSEK EBIT (before incentive cost)**
- **Milestone SOLARIO study results**
- **Strong performance for CERAMENT G USA**
- **Progressing pre-clinical spine studies**