



BONESUPPORT™

INTERIM REPORT JANUARY – MARCH 2024

Q1 THE GROWTH JOURNEY CONTINUES

JANUARY - MARCH 2024

- Net sales increased by 54 percent (54 percent at constant exchange rates¹) and amounted to SEK 184.4 million (119.7).
- The North America (NA) segment reported a sales growth of 65 percent (65 percent at constant exchange rate).
- The Europe & Rest of the World (EUROW) segment reported a sales growth of 27 percent (24 percent at constant exchange rates).
- The gross margin amounted to 92.6 percent (90.5).
- The operating result before effects from the Group's incentive programs¹ amounted to SEK 41.6 million (4.6). Reported operating result amounted to SEK 32.3 million (0.8).
- Earnings per share before and after dilution were SEK 0.33 (0.00).

EVENTS DURING THE PERIOD

- In March, the FDA announced that CERAMENT BONE VOID FILLER has been approved for use in Spine Inter Body Fusion (IBF) in the US.
- In March, the FDA announced that CERAMENT G was approved for use in open fractures in the US.

EVENTS AFTER THE PERIOD

- Nothing to report.

KEY FIGURES	Jan - Mar		12 months	
	2024	2023	LTM	2023
Net sales, SEKm	184.4	119.7	655.8	591.1
Sales growth, % ¹	54.0	80.5	71.6	79.8
Gross profit, SEKm	170.8	108.3	603.4	540.9
Gross margin, % ¹	92.6	90.5	92.0	91.5
Operating result, SEKm	32.3	0.8	45.5	13.9
Result for the period, SEKm	21.8	0.3	266.6	245.0
Earnings per share before dilution, SEK	0.33	0.00	4.08	3.77
Earnings per share after dilution, SEK	0.33	0.00	4.04	3.74
Operating cash flow, SEKm	17.0	-8.6	-25.6	-18.3
Cash at period end, SEKm	187.2	190.4	187.2	167.4
Equity at period end, SEKm	574.4	272.2	574.4	545.2
Net cash at period end, SEKm ¹	170.6	174.0	170.6	149.9

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

1. Alternative performance measures, see definitions on page 24.



CEO COMMENTS

Successful regulatory milestones and continued strong growth

BONESUPPORT started the year with significant regulatory progress for the CERAMENT platform which enables future extension of application areas. Alongside this, sales continue to develop very positively.

During the quarter, CERAMENT G received approval from US Food and Drug Administration, the FDA, for use in trauma/open fracture. It is unusual with such a quick approval, even for a product that has received categorization as Breakthrough Device. The approval is based on extensive clinical evidence, which has shown, among other things, that patients with open fracture (category: GAIIB) treated with CERAMENT G had an infection incidence of 3.7 percent compared to the weighted and matched control group at 14.5 percent. The FDA's summary letter states that the patient group treated with CERAMENT G had an "extremely low rate of deep infection". Furthermore, a very good bone remodeling was found in the treatment group, with bone healing in 96 percent of the patients, compared with the standard of care's 71-95 percent. These two parameters are behind the low amputation rate of 3.7 percent, which in comparable studies have historically been around 16 percent for this kind of injury.

CERAMENT G has received a broad label, which means that all extremities are covered by the regulatory clearance. In the US, approximately 140,000 bone graft surgeries are performed on open fractures annually. Our estimates indicate that local antibiotics are used in approximately 40 percent of these procedures. CERAMENT G is the only resorbable, FDA-approved synthetic bone graft with antibiotic elution.

During the first quarter, we also received FDA regulatory clearance for CERAMENT BVF in the Inter Body Fusion (IBF) procedure. This is a procedure in which CERAMENT BVF is placed between the vertebrae for fusion. We interpret the rapid approval as a sign of trust by the regulatory authorities in CERAMENT. The regulatory approval is a prerequisite for market promotion and reimbursement. Prior to the launch, at the earliest in Q4 2025, we will conduct a variety of preclinical application studies, collect, and analyze the necessary data, and

build training programs for surgeons. We will also work methodically to ensure the right skills and resources within a distributor-led sales force and build a strong network of leading opinion leaders (KOLs). As a result of the pre-clinical studies, we will report slightly higher R&D costs in the upcoming quarters.

With the two most recent regulatory successes, CERAMENT further solidifies its role as an orthobiologics platform, applicable to a variety of indications involving bone healing.

Sales for the quarter were SEK 184 million, corresponding to a growth of 54 percent (54 percent also in constant exchange rates) compared with the corresponding period last year. The sales growth was largely driven by continued strong market penetration of CERAMENT G in the US. We also see that existing customers are continuously increasing their usage, and in addition to this, new users being initiated. The approval process in US hospital chains continues at the same pace as previously, even if the overall priority of the sales teams now, is to ensure training and education on the product by recently added users, within hospitals where listing has been accomplished. After the negative impact of the pandemic subsided, market promotion and market penetration have gained momentum. The quarter's strong sales means that, in constant exchange rate, we have more than tripled sales over the last eight quarters.

During the quarter, we held several satellite symposia, including events at the American College of Foot and Ankle Surgeons (ACFAS) in Tampa, the American Academy of Orthopaedic Surgeons (AAOS) in San Francisco, and the Oxford Bone Infection Conference (OBIC) in Oxford. These symposia were very well received and over 400 surgeons participated, which significantly underlines the great interest and commitment to deepen the understanding of our technology and how CERAMENT contributes to added value for patients and healthcare.

The strong sales and the leverage in the business model meant that the Company reported a record-breaking operating profit of SEK 42 million in the quarter, before the effects of incentive programs. The positive development gives us room to invest in our future strategic journey.

BONESUPPORT's strong growth is a clear indication that more and more healthcare providers appreciate the patient benefits

that CERAMENT provides. With our unique technology, we are well positioned to continue our growth journey and make a sustainable difference for patients all over the world by replacing an outdated standard of treatment. I am excited about the opportunities that lie ahead.

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), and in March 2024 approval was received from the FDA also for open fractures. Launch of CERAMENT G took place during October 2022.

JANUARY - MARCH

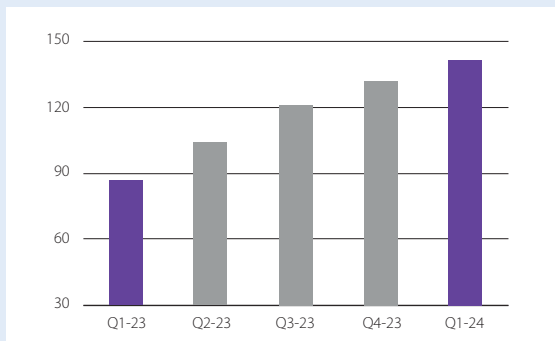
Sales

Sales for the period amounted to SEK 141.5 million (85.9), which corresponds to a growth of 65 percent (65 percent also in constant exchange rate). The strong growth in the quarter comes from strong sales of CERAMENT G, increased use among existing customers and continued strong recruitment of new customers. Sales of CERAMENT G in the quarter amounted to SEK 92.7 million (34.8).

Contribution¹

The contribution from the segment was SEK 55.8 million (24.9). The increased sales led to an increase in gross profit of SEK 53.2 million compared to previous year. Sales and marketing expenses during the quarter amounted to SEK 78.4 million (55.7), of which sales commissions to distributors and fees amounted to SEK 47.8 million (29.5). The increase, excluding sales commissions and fees, was primarily driven by investments in the organization that were carried out with regard to the launch of CERAMENT G and the underlying sales growth.

Net sales per quarter, SEKm



Net sales, gross profit and contribution, SEKm

	Jan - Mar		Full year
	2024	2023	2023
Net sales	141.5	85.9	442.4
Gross profit	134.8	81.6	419.3
Contribution	55.8	24.9	155.1

1. Alternative performance measures, see definitions on page 24.



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

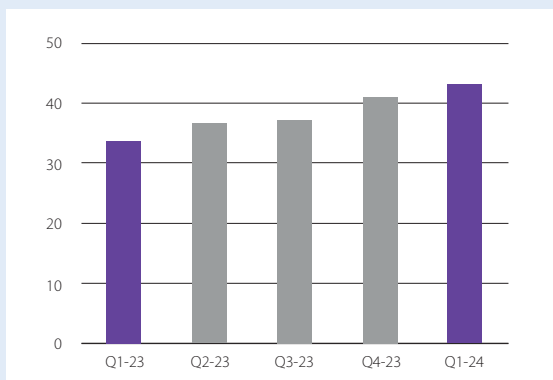
Sales for the period amounted to SEK 43.0 million (33.8), corresponding to a growth of 27 percent (24 percent in constant exchange rates).

Sales in key direct markets accounted for 85 percent (84) of the segment's sales during the quarter. Sales of the antibiotic-eluting products CERAMENT G and CERAMENT V corresponded to 89 percent (86). The market is characterized by strong demand and that the healthcare systems have processed the healthcare debt that arose in connection with the pandemic.

Contribution¹

The contribution from the segment amounted to SEK 10.7 million (7.3). Selling and marketing expenses increased compared to the corresponding quarter 2023 and amounted to SEK 25.4 million (20.0), as a result of filled vacancies, increase in sales representatives, as well as a continued high activity level and one-off expenses of SEK 1.1 million.

Net sales per quarter, SEKm



Net sales, gross profit and contribution, SEKm

	Jan - Mar		Full year
	2024	2023	2023
Net sales	43.0	33.8	148.6
Gross profit	36.0	27.3	122.9
Contribution	10.7	7.3	30.0

1. Alternative performance measures, see definitions on page 24.



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 and that CERAMENT immediately improves anchor strength of hip screws¹.

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.

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	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.

During 2022 results from a long-term study² with CERAMENT G were presented. One hundred patients with bone infection treated at Nuffield Orthopaedic Centre, Oxford University Hospitals, were followed for an average of six years. At the end of the study, it was concluded that:

- 94 percent of patients remained infection-free
- 3 percent fracture frequency within the first year following the surgical intervention, thereafter no fractures

During 2023, further long-term data was presented where CERAMENT G had been used in severe open fractures³. 81 patients with severe open fractures and significant tissue loss who were managed in a one-step procedure with CERAMENT G at Manchester University Hospital, was followed up after surgery for an average of 55.8 months. 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 people with diabetes. 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*⁴, 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.

STEPS FOR THE FUTURE

During the Capital Markets Day in November 2023, the Company announced that in 2024, the Company will focus on developing evidence and compiling data within the strategically prioritized areas spinal fusion and the management of bone infection using CERAMENT V, for future launches in the USA.

RESULTS FROM CERTIFY DRIVE CHANGED STANDARD OF CARE

CERTiFy⁵, a randomized, controlled clinical trial conducted at 20 trauma centers in Germany with 135 patients with 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 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. A positive result of the study may contribute to a paradigm shift in the protocol for treating bone infections.

THE CONVICTION STUDY

The French CRIOAc⁶ 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.

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.
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

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 positive 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 from treatment with CERAMENT G and CERAMENT V in a one-step procedure, naturally leads to fewer return visits and fewer surgeries. This, in turn, leads to reduced hospital stays. The significance of health benefits and the calculation models for evaluating the cost-effectiveness of health benefits differ between different healthcare systems.

In connection with the launch of CERAMENT G in the USA, BONESUPPORT has been granted New Technology Add-on Payment (NTAP), providing enhanced reimbursement for new innovative surgical procedures in inpatient care. As of January 1, 2024, Transitional Pass-Through (TPT) payment has also been granted, offering increased reimbursement in outpatient care within the American Centers for Medicare & Medicaid Services (CMS). These programs are established to promote innovation and enhance access to groundbreaking treatments.

HEALTH ECONOMIC MODEL OSTEOMYELITIS USA

In 2022, a cost-benefit analysis was conducted to assess the potential implications for the American healthcare system of transitioning to a single-stage procedure with CERAMENT G. 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): S100.

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 can 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 Henry et. al.⁴ 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

JANUARY – MARCH 2024

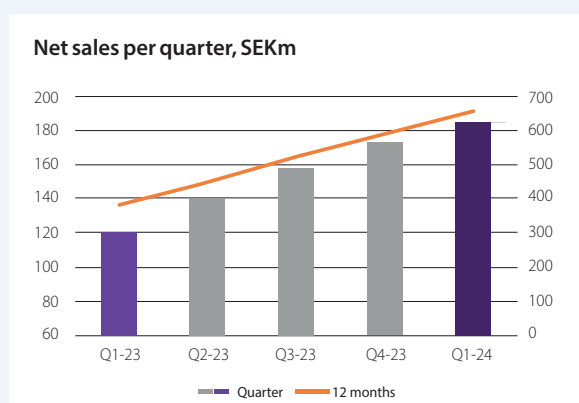
Net sales

Net sales amounted to SEK 184.4 million (119.7), an increase of 54 percent compared to the previous year (54 percent also at constant exchange rates).

In the North America segment, net sales amounted to SEK 141.5 million (85.9), which corresponds to growth of 65 percent (65 percent also at constant exchange rate). The strong growth in the quarter comes from strong sales of CERAMENT G, increased use among existing customers and continued strong recruitment of new customers. Sales of CERAMENT G in the quarter amounted to SEK 92.7 million (34.8).

Net sales for the EUROW segment amounted to SEK 43.0 million (33.8), which corresponds to an increase of 27 percent (24 percent at constant exchange rates). The market is characterized by strong demand and that the healthcare systems have processed the healthcare debt that arose in connection with the pandemic.

The currency translation effect in the period amounted to SEK -2.9 million (+3.1).



Cost of sales

Cost of sales amounted to SEK 13.6 million (11.4), giving a gross margin of 92.6 percent (90.5). The improved gross margin is due to the strong growth for CERAMENT G in North America.

Selling expenses

Selling expenses, including sales commissions and fees, amounted to SEK 107.9 million (78.9), an increase of 37 percent. This is explained in the table below:

	Jan - Mar 2024	Jan - Mar 2024 (CER ¹)	Jan - Mar 2023
SEKm			
Sales commissions and fees	48.2	48.3	29.9
Personnel expenses	40.9	40.5	33.8
Other selling expenses	18.9	18.9	15.2
Total selling expenses	107.9	107.7	78.9

As a result of the growth in sales, the NA segment reported a cost increase to SEK 78.4 million (55.7) of which sales commissions and fees increased from SEK 29.5 million to SEK 47.8 million. In EUROW, expenses amounted to SEK 25.4 million (20.0), of which SEK 1.1 million were one-off expenses. Non-allocated costs increased to SEK 4.2 million (3.2).

Research and development expenses

Research and development expenses amounted to SEK 14.1 million (12.5).

Administrative expenses

Administrative expenses amounted to SEK 23.2 million (15.5).

Administrative expenses before effects from the Group's incentive programs amounted to SEK 13.9 million (11.7), of which personnel costs amounted to SEK 6.4 million (5.6).

Effects regarding incentive programs amounted to an expense of SEK 9.3 million (3.8). Of the total cost, only SEK 0.3 million is cash flow related. The remainder regards technical accounting measures.

1. Alternative performance measures, see definitions on page 24.

Other operating income and expenses

Other operating income and expenses consisted primarily of exchange rate gains and losses on operating assets and liabilities.

Operating result

The operating result amounted to SEK 32.3 million (0.8), including effects from the Group's incentive programs. The operating result before effects from the Group's incentive programs amounted to SEK 41.6 million (4.6), an underlying improvement of SEK 37.0 million.

Income tax

The quarter's tax expense amounted to SEK 9.6 million (0.3), of which SEK 0.8 million refers to corrections for previous periods.

Result for the period

For the reasons described above, the result for the quarter amounted to SEK 21.8 million (0.3). This corresponds to earnings per share before and after dilution of SEK 0.33 (0.00).

FINANCIAL POSITION AND CASH FLOW

SEKm	Mar 31		Dec 31
Financial position	2024	2023	2023
Cash and cash equivalents	187.2	190.4	167.4
Interest bearing debt ¹	16.6	16.4	17.5
Net cash ¹	170.6	174.0	149.9
Equity	579.4	272.2	545.2

SEKm	Jan - Mar	Full year	
Cash flow	2024	2023	2023
Operating activities	17.0	-8.6	-18.3
Investing activities	-1.9	-0.4	-6.1
Financing activities	-1.6	-1.8	-6.7
Total	13.4	-10.9	-31.0

Cash and cash equivalents at the end of the period amounted to SEK 187.2 million (190.4), an increase of SEK 19.9 million since the beginning of the year. The change is mainly explained by cash flow from operating activities amounting to SEK 17.0 million.

Net cash has increased with SEK 20.7 million since the beginning of the year. The comment on cash flow also explains the change in net cash.

1. Alternative performance measures, see definitions on page 24.

OTHER DISCLOSURES

PARENT COMPANY

The Parent Company, BONESUPPORT HOLDING AB (publ), is a holding company. The Parent Company generated SEK 16.1 million (14.3) in sales of internal services to subsidiaries during the quarter.

The favorable interest rate situation has meant that a positive financial net of SEK 2.6 million (1.8) is reported.

Reported deferred tax income amounted to SEK 0.6 million (0.0) during the quarter.

The result for the quarter was SEK +2.7 million (-2.1).

No investments were made during the quarter.

EMPLOYEES

On average, the Group had 121 (101) employees (full-time equivalent) during the quarter, of whom 29 (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 March 31, 2024, the total number of ordinary shares amounted to 65,721,195, distributed among 10,518 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, 2024, the total number of C-shares amounted to 965,155. During the quarter, 663,745 class C-shares were converted to ordinary shares for distribution to the participants in the performance share programs LTI 2020 and LTI 2021. During the quarter, the number of C-shares also changed due to a directed issue of 486,840 series C-shares and an immediate repurchase of them. BONESUPPORT HOLDING AB holds all C-shares.

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

Shareholders March 31, 2024

Name	% of shares	% of votes
HealthCap V LP	9.9%	10.0%
Swedbank Robur Fonder	9.5%	9.7%
Capital Group	7.8%	7.9%
Avanza Pension	4.4%	4.5%
Handelsbanken Fonder	3.8%	3.9%
Tredje AP-Fonden	2.2%	2.2%
Andra AP-Fonden	2.2%	2.2%
Other shareholders	59.6%	60.1%

FINANCIAL CALENDAR

- 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 chair 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 if 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

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 25, 2024

Emil Billbäck
CEO

CONDENSED CONSOLIDATED INCOME STATEMENT

SEKt	Note	Jan - Mar		Full year
		2024	2023	2023
Net sales	7	184,419	119,742	591,077
Cost of sales	7	-13,622	-11,406	-50,160
Gross profit	7	170,797	108,336	540,917
Selling expenses		-59,699	-49,030	-217,166
Sales commissions and fees	7	-48,213	-29,896	-154,244
Research and development expenses		-14,139	-12,455	-57,001
Administrative expenses	3, 8	-23,211	-15,536	-90,314
Other operating income		37,649	3,074	32,700
Other operating expenses		-30,894	-3,725	-40,962
Operating result	7	32,290	768	13,930
Net financial items	7	-819	-175	1,818
Result before income tax	7	31,471	593	15,748
Income tax	9	-9,626	-285	229,273
Result for the period		21,845	308	245,021
Earnings per share before dilution, SEK		0.33	0.00	3.77
Earnings per share after dilution, SEK		0.33	0.00	3.77
Average number of shares, thousands		65,388	64,794	64,951
Average number of shares after dilution, thousands		66,497	64,794	65,592

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEKt	Jan - Mar		Full year
	2024	2023	2023
Result for the period	21,845	308	245,021
<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	3,703	117	-1,225
Total comprehensive income for the period	25,548	425	243,796

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
		2024	2023	2023
ASSETS				
Non-current assets				
Intangible assets		13,337	8,401	12,206
Tangible assets and right-of-use assets	9	22,936	23,255	23,996
Deferred tax asset	9	240,141	0	249,677
Financial assets		1	1	1
Total non-current assets		276,415	31,657	285,880
Current assets				
Inventories		103,322	56,121	83,304
Trade receivables	6	126,994	79,281	116,563
Other current assets	6	35,232	19,013	35,718
Cash and cash equivalents	6	187,210	190,399	167,351
Total current assets		452,758	344,814	402,936
TOTAL ASSETS		729,173	376,471	688,816
EQUITY AND LIABILITIES				
Equity attributable to equity holders of the Parent	4, 9	574,384	272,245	545,177
Non-current liabilities				
Leasing debt	6, 9	10,268	10,532	13,222
Provisions		357	344	357
Total non-current liabilities		10,625	10,876	13,579
Current liabilities				
Leasing debt	6, 9	6,371	5,851	4,262
Trade payables	6	21,118	8,204	19,660
Other operating liabilities	6	116,675	79,295	106,138
Total current liabilities		144,164	93,350	130,060
TOTAL EQUITY AND LIABILITIES		729,173	376,471	688,816

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, 2023	41,359	14	1,563,836	2,360	6,035	-1,344,676	268,928
Result January - December 2023				-1,225		245,021	243,796
Change in fund for development expenses					2,018	-2,018	0
New share issue, employee stock options	15	-14	26				27
Transaction costs, share issue						-163	-163
Deferred tax on earlier transaction costs						12,521	12,521
Share-based payment transactions						20,069	20,069
As at January 1, 2024	41,374	0	1,563,862	1,135	8,053	-1,069,247	545,177
Result January - March 2024				3,703		21,845	25,548
Change in fund for development expenses					1,295	-1,295	0
New share issue, employee stock options	1		49				50
Transaction costs, share issue						-35	-35
Deferred tax on transaction costs						7	7
Share-based payment transactions						3,638	3,638
As at March 31, 2024	41,375	0	1,563,911	4,838	9,348	-1,045,087	574,384

CONSOLIDATED STATEMENT OF CASH FLOWS

SEKt	Jan - Mar		Full year
	2024	2023	2023
Operating result	32,290	768	13,930
Non-cash adjustments:			
-Share-based payments	3,638	2,924	20,069
-Depreciation regarding right of use assets	2,170	1,703	7,426
-Unrealized exchange rate differences	-18,009	1,002	16,021
-Other	1,911	1,762	4,546
Interests received	71	16	4,938
Interests paid	-891	-193	-3,121
Income tax paid	-67	-98	-4,218
Net cash flows from operating activities before changes in working capital	21,113	7,884	59,591
Changes in working capital	-4,156	-16,510	-77,848
Net cash flows from operating activities	16,957	-8,626	-18,257
Investments in intangible assets	-1,583	-357	-5,240
Investments in equipment and tools	-346	-79	-820
Net cash flows from investing activities	-1,929	-436	-6,060
New share issue, employee stock options	50	40	27
Transaction costs, share issue	-35	-58	-163
Repayments of leasing debt	-1,611	-1,780	-6,567
Net cash flows from financing activities	-1,596	-1,798	-6,703
Net cash flows	13,432	-10,860	-31,020
Cash and cash equivalents as at beginning of period	167,351	167,351	167,351
Net exchange difference	6,427	-22	-2,910
Cash and cash equivalents as at end of period	187,210	156,469	133,421

CONDENSED CONSOLIDATED INCOME STATEMENT PER QUARTER

SEkt	2024	2023				2022		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Net sales	184,419	172,743	158,204	140,388	119,742	103,221	84,623	74,632
<i>North America</i>	141,461	131,631	121,008	103,863	85,947	73,390	56,286	46,012
<i>EUROW</i>	42,958	41,112	37,196	36,525	33,795	29,831	28,337	28,620
Cost of sales	-13,622	-14,146	-12,423	-12,185	-11,406	-8,814	-7,797	-8,195
Gross profit	170,797	158,597	145,781	128,203	108,336	94,407	76,826	66,437
Gross margin, %	92.6%	91.8%	92.1%	91.3%	90.5%	91.5%	90.8%	89.0%
Selling expenses	-59,699	-59,633	-53,470	-55,033	-49,030	-46,762	-38,751	-37,370
Sales commissions and fees	-48,213	-44,398	-42,663	-37,183	-29,896	-28,140	-21,103	-16,800
Research and development expenses	-14,139	-17,547	-12,490	-14,613	-12,455	-14,810	-12,557	-13,586
Administrative expenses	-23,211	-33,303	-21,626	-19,849	-15,536	-21,251	-20,798	-16,716
Other operating income	37,649	2,949	9,414	17,263	3,074	4,445	19,903	11,859
Other operating expenses	-30,894	-14,323	-10,078	-12,836	-3,725	-7,172	-17,460	-8,679
Operating result	32,290	-7,658	14,868	5,952	768	-19,283	-13,941	-14,855
Net financial items	-819	4,299	-2,126	-180	-175	588	-462	-68
Result before income tax	31,471	-3,359	12,742	5,772	593	-18,695	-14,403	-14,923
Income tax	-9,626	14,093	216,029	-564	-285	-1,841	-552	-1,380
Result for the period	21,845	10,734	228,771	5,208	308	-20,536	-14,955	-16,303

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

CONDENSED PARENT COMPANY INCOME STATEMENT

SEkt		Jan - Mar		Full year
		2024	2023	2023
Net sales		16,070	14,304	53,688
Administrative expenses		-20,095	-17,424	-70,725
Other operating income		109	67	185
Other operating expenses		-1,981	-816	-894
Operating loss		-5,897	-3,869	-17,746
Net financial items		2,552	1,781	10,683
Result after financial items		-3,345	-2,088	-7,063
Income tax	9	603	0	17,391
Result for the period		-2,742	-2,088	10,328

Parent Company result for the period equals comprehensive income.

CONDENSED PARENT COMPANY BALANCE SHEET

SEkt	Note	Mar 31		Dec 31
		2024	2023	2023
ASSETS				
Non-current assets				
Deferred tax asset	9	30,523	0	29,912
Non-current financial assets	6	1,269,111	1,188,583	1,262,539
Total non-current assets		1,299,634	1,188,583	1,292,451
Current assets				
Other receivables		0	0	75
Prepaid expenses	6	2,043	1,247	1,962
Cash	6	38,410	117,444	43,315
Total current assets		40,453	118,691	45,352
TOTAL ASSETS		1,340,087	1,307,274	1,337,803
EQUITY AND LIABILITIES				
Equity				
Restricted equity	4	41,375	41,374	41,374
Unrestricted equity	9	1,225,699	1,203,588	1,228,420
Total equity		1,267,074	1,244,962	1,269,794
Non-current liabilities		53,076	46,656	50,524
Current liabilities	6	19,937	15,656	17,485
TOTAL EQUITY AND LIABILITIES		1,340,087	1,307,274	1,337,803

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 2023 have also been applied in this interim report. New or amended standards or interpretations of standards effective as of January 1, 2024 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 2023.

The wars in Ukraine and Israel have 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	Jan - Mar		Full year
		2024	2023	2023
Mary I O'Connor (Board member)	Consultancy	275	275	1,121
Mary I O'Connor (Board member)	Reimbursement of expenses	0	0	27
Christine Rankin (Board member)	Reimbursement of expenses	0	0	4

NOTE 4

NUMBER OF SHARES AND POTENTIAL SHARES

Ordinary shares	Number of shares	Potential shares
December 31, 2023	65,055,575	83,044
Exercised employee stock options	1,875	-1,875
Conversion of class C-shares to ordinary shares	663,745	0
March 31, 2024	65,721,195	81,169

Series C-shares		
December 31, 2023	1,142,060	0
Conversion of class C-shares to ordinary shares	-663,745	0
Directed share issue	486,840	0
March 31, 2024	965,155	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 449 thousand (581) for rented premises. The Parent Company, BONESUPPORT HOLDING AB, guarantees a corresponding amount. The Parent Company has also provided a general guarantee, which at the end of the period amounted to USD 1,000 thousand (500), corresponding to SEK 10,691 thousand (5,184).

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 3.2 million (3.2) in the quarter. The US and UK were the only markets that delivered more than ten percent of the consolidated net sales. In the US, net sales amounted to SEK 141.4 million (85.9) in the quarter, and in the UK, net sales amounted to SEK 21.7 million (16.0). There is no individual customer to whom sales are larger than ten percent of total net sales.

SEKt	Jan - Mar 2024				Jan - Mar 2023			
Profit and loss items	NA	EUROW	Other	Total	NA	EUROW	Other	Total
Net sales	141 461	42 958	0	184 419	85 947	33 795	0	119 742
<i>of which CERAMENT BVF</i>	45 526	4 554	0	50 080	49 063	4 069	0	53 132
<i>of which CERAMENT drug eluting¹</i>	92 676	38 356	0	131 031	34 791	29 726	0	64 517
<i>of which other</i>	3 260	49	0	3 308	2 092	0	0	2 092
Cost of sales	-6 703	-6 919	0	-13 622	-4 371	-6 473	-562	-11 406
Gross profit	134 758	36 039	0	170 797	81 576	27 322	-562	108 336
Sales commissions and fees	-47 817	-373	0	-48 190	-29 546	-350	0	-29 896
Other operative costs	-31 116	-25 016	0	-56 132	-27 108	-19 633	0	-46 741
Contribution	55 825	10 650	0	66 475	24 922	7 339	-562	31 699
Other operating items	0	0	-34 185	-34 185	0	0	-30 931	-30 931
Operating result	55 825	10 650	-34 185	32 290	24 922	7 339	-31 493	768
Net financial items	0	0	-819	-819	0	0	-175	-175
Result before income tax	55 825	10 650	-35 004	31 471	24 922	7 339	-31 668	593

1. CERAMENT drug eluting includes CERAMENT G and CERAMENT V.

The amounts in the tables above are eliminated for Group transactions. Intercompany sales from EUROW to NA amounted to SEK 124.2 million (77.8) during the quarter.

NOTE 8

OPTION PROGRAMS AND PERFORMANCE SHARE PROGRAMS

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

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 program

LTI 2023 was decided at the Annual General Meeting in 2023 runs until December 31, 2026. The investment period for the participants ended on December 31, 2023 and the vesting period started on January 1, 2024.

In the program, each savings share gives the opportunity to be allotted a maximum of 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.

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 2023.

Employee stock option programs	No. of options¹	Equal to no. of shares	WAEP²
Balance January 1, 2024	415,208	83,044	26.50
Exercised	-9,375	-1,875	26.50
Balance March 31, 2024	405,833	81,169	26.50

Performance share programs	Right to no. of shares
Balance January 1, 2024	1,209,132
Distributed regarding completed program	-549,132
Balance March 31, 2024	660,000

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, have been recognized as operating expenses amounting to SEK 3,638 thousand (2,924). The social security contributions amounted to an expense of SEK 5,671 thousand (907). The liability for social security contributions at the end of the period amounts to SEK 5,183 thousand (4,367).

NOTE 9 TAXES

The Group has tax losses carried forward based on historical losses. 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 gradually increasing positive operating profit, together with a communicated sales target for 2024, 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 on tax losses carried forward 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 of the deferred taxes has been posted in the income statement.

GROUP	Jan - Mar		Full year
	2024	2023	2023
SEKt			
Deferred tax income	-9,559	0	237,170
Current tax	-67	-285	-7,897
Total income tax	-9,626	-285	229,273

	Mar 31		Dec 31
	2024	2023	2023
Deferred tax asset on tax losses carried forward, recognized in the income statement	175,605	0	194,614
Deferred tax asset on tax losses carried forward, recognized directly over equity	12,528	0	12,521
Deferred tax asset on leasing debt	3,860	0	4,017
Deferred tax liability on right-of-use assets	-3,720	0	-3,903
Deferred tax asset on other temporary differences	51,868	0	42,428
Total deferred tax asset	240,141	0	249,677

PARENT COMPANY	Jan - Mar		Full year
	2024	2023	2023
SEKt			
Deferred tax income	136	0	17,391
Current tax expense	467	0	0
Total income tax	603	0	17,391

	Mar 31		Dec 31
	2024	2023	2023
Deferred tax asset on tax losses carried forward, recognized in the income statement	17,995	0	17,391
Deferred tax asset on tax losses carried forward, recognized directly over equity	12,528	0	12,521
Total deferred tax asset	30,523	0	29,912

ALTERNATIVE PERFORMANCE MEASURES AND FINANCIAL DEFINITIONS

BONESUPPORT uses Alternative Performance Measures (APM) to enhance understandability of the information in its 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:

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.

	Jan - Mar		Full year
	2024	2023	2023
SEKm			
Net sales	184,4	119,7	591,1
Cost of sales	-13,6	-11,4	-50,2
Gross profit	170,8	108,3	540,9
Gross margin, %	92,6	90,5	91,5
Directly attributable selling expenses	-103,7	-75,6	-354,0
Selling expenses, not directly attributable	-4,2	-3,3	-17,3
<i>Selling expenses including commissions and fees</i>	<i>-107,9</i>	<i>-78,9</i>	<i>-371,3</i>
Directly attributable research and development expenses	-0,7	-1,0	-3,0
Research and development expenses, not directly attributable	-13,5	-11,5	-54,1
<i>Research and development expenses</i>	<i>-14,2</i>	<i>-12,5</i>	<i>-57,1</i>
Contribution	66,3	31,7	183,9

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 2024 is to grow sales with over 40 percent (constant exchange rates).

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 wexchange rates. Shows the operations' sales performance.

	Jan - Mar		Net sales growth, %
	2024	2023	
SEKm			
NA	141.5	85.9	65%
EUROW	43.0	33.8	27%
Net sales	184.4	119.7	54%

	Jan - Mar		Net sales growth CER, %
	2024	2023	
SEKm			
NA	141.8	85.9	65%
EUROW	42.0	33.8	24%
Net sales, for which 2024 is in CER	183.8	119.7	54%

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.

SEKm	Jan - Mar		Full year
	2024	2023	2023
Operating result	32.3	0.8	13.9
Of which incentive costs	-9.3	-3.8	-40.1
Operating result before effects from the Group's incentive programs	41.6	4.6	54.1

Interest bearing debt

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

Net cash

Cash and cash equivalents minus interest bearing debt. Is used to measure the Group's future funding needs.

SEKm	Mar 31		Dec 31
	2024	2023	2023
Non-current leasing debt	10.3	10.5	13.2
Current leasing debt	6.4	5.9	4.3
Interest bearing debt	16.6	16.4	17.5
Cash and cash equivalents	187.2	190.4	167.4
Net cash	170.6	174.0	149.9

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 Morphogenetic 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.

MDR. The Medical Device Regulation is an EU regulation designed to ensure the safety and performance of medical devices.

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. 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. For patients, surgical treatment including CERAMENT means that they can return to a more normal life more quickly.



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 is sales growth above 40 percent (in constant currency) during 2024.



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 evidence for the CERAMENT platform continues to grow and now amounts to more than 240 publications and abstracts.

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

ABOUT BONESUPPORT

BONESUPPORT HOLDING AB (publ), org.nr. 556802-2171, based in Lund, Sweden, 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 until December 2023 more than 110,000 treatments have been performed with its products worldwide. There is great market potential in trauma, chronic osteomyelitis, revision arthroplasty, oncology and 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 2024

The Company invites investors, analysts and media to a web conference (in English) on April 25, 2024 at 10.00 CEST, 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 CEST

on the same day and the presentation from the webcast will be uploaded during the day on April 25, 2024. 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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