

BONESUPPORT starts selling CERAMENT® BONE VOID FILLER Direct in the US via its own New Distributor Network

- 25 independent distributors contracted
- Total of 512 distributor reps now selling CERAMENT BVF
- New distribution network will positively impact North American reported sales and net margins

Lund, Sweden, 08:00 CET, 22 October 2018 - BONESUPPORT, an emerging leader in orthobiologics for the management of bone voids, announces that it has started selling CERAMENT® BVF direct via its own US distributor network.

Emil Billbäck, BONESUPPORT's CEO said "The launch of our own US distribution network is a key strategic milestone as we work towards our goal of becoming a global orthobiologics leader focused on the treatment of bone voids. Gaining control of our destiny in the US delivers multiple significant benefits that we are confident will allow us to build a much stronger BONESUPPORT business and deliver significant value to all of our stakeholders."

BONESUPPORT created its own network of highly motivated distributors and expanded its US commercial organization to:

- Access a much larger market opportunity for CERAMENT BVF
- Increase its ability to drive end-user sales
- Deliver higher net margins
- Expand its US product offering
- Raise brand awareness ahead of the CERAMENT G launch

BONESUPPORT's US network currently consists of 25 high quality distributors, that cover all key areas of the US bone void filler market that the Company is targeting. Together these distributors employ a total of 512 sales reps.

BONESUPPORT selected its distributors based on:

- their close relationships to the leading orthopedic surgeons in their region,
- a track record of sales success, and
- dynamic sales reps who spend significant time in the operating theatre with the surgeons who are the key target customers for CERAMENT BVF.

BONESUPPORT'S own US commercial organization of 21 employees is, in parallel, approaching key national purchasing organizations to ensure that CERAMENT BVF will have access to a growing number of hospitals.

This strengthened US commercial platform will launch new products from its recent agreements with Collagen Matrix Inc. and MTF Biologics, which are complementary to CERAMENT BVF, in the first half of 2019.

Patrick O'Donnell, General Manager & Executive Vice President of Commercial Operations North America, said "We are extremely pleased with the strength and reach of the US network of independent distributors that we now have in place. Their highly motivated reps will start selling CERAMENT BVF today targeting orthopedic surgeons, focused on trauma, total joint arthroplasty, foot & ankle, and orthopedic oncology. I am very confident that our new enlarged commercial platform will drive significant US sales growth in 2019 and beyond."

BONESUPPORT terminated its exclusive distribution agreement for CERAMENT BVF with Zimmer Biomet (ZB) for the US market in May 2018. Under the terms of this agreement, ZB's exclusivity expired on 20 October 2018. ZB will continue to be a non-exclusive distributor of CERAMENT BVF until 21 April 2019.

About BONESUPPORT™

BONESUPPORT is an innovative 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 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 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), ortho-oncology and foot and ankle.

BONESUPPORT's total sales increased from SEK 62 million in 2015 to SEK 129 million in 2017, representing a compound annual growth rate of 45%.

BONESUPPORT is currently conducting two important clinical trials to generate data demonstrating the clinical and health economic benefits its products deliver. The first trial, CERTiFy, is comparing CERAMENT BVF with autograft, the most widely used approach for managing bone voids. Top line results from this study are due to be announced at the end of 2018. The FORTIFY study is assessing CERAMENT G's ability to improve on the standard-of-care management of patients with open fractures of the tibial diaphysis. The primary endpoints of the trial will include the absence of deep infection at the fracture site and a reduction in the number of secondary procedures intended to promote fracture union. Data from this study will be used for a planned Premarket approval filing with FDA in 2020.

The Company's research and development is focused on extending the use of its CERAMENT technology into further indications via the incorporation of additional 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 also preparing to expand its product offering in the US and has entered into strategic agreements with Collagen Matrix Inc. and MTF Biologics to gain access to products that are complementary to CERAMENT BVF.

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.

BONESUPPORT® and CERAMENT® are registered trademarks.

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