

PRESS RELEASE

Lund, Sweden, 10:00 CET 19 July 2019

Correction as reference to MAR was missing in previous press release

Item affecting comparability in Q2 2019

BONESUPPORT will record an item affecting comparability with a negative impact of approximately SEK 11.0 million on operating profit in the second quarter 2019. The item is a provision related to product returns from the previous US distributor, Zimmer Biomet.

The provision is based on first indications from Zimmer Biomet and all returns will undergo a review and approval process. We expect the amount to be fixed and agreed during the third quarter 2019

The provision has no significant impact on previously communicated financial targets.

The distribution agreement with Zimmer Biomet was terminated in May 2018 and was replaced by a network of independent distributors and BONESUPPORT's own commercial organization, to allow a better market coverage and accelerated market penetration for current products and future launches in the US market. Zimmer Biomet's exclusive period ended in October 2018, when the independent distributors started selling CERAMENT BVF in parallel. From May 2019 Zimmer Biomet is not allowed to sell CERAMENT BVF and the distribution contract dictates that BONESUPPORT shall buy back sellable inventory at original transfer price.

In 2017 Zimmer Biomet had self-reported in-market sales of around USD 14 million of CERAMENT BVF.

About BONESUPPORT™

BONESUPPORT (Nasdaq Stockholm: BONEX) 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. BONESUPPORT's bone graft substitutes are based on the patented technology platform CERAMENT. The company is conducting several clinical studies to further demonstrate the clinical and health economic benefits its products deliver and a Premarket approval filing with the FDA (USA) for its gentamicin eluting product is planned in 2020. The company is based in Lund, Sweden, and the net sales amounted to SEK 97 million in 2018. Please visit www.bonesupport.com for more information.

BONESUPPORT and CERAMENT are registered trademarks of BONESUPPORT AB.

For more information contact:**BONESUPPORT HOLDING AB**

Emil Billbäck, CEO
+46 (0) 46 286 53 70

Håkan Johansson, CFO
+46(0) 46 286 53 70
ir@bonesupport.com

Cord Communications

Charlotte Stjerngren
+46 (0)708 76 87 87
charlotte.stjerngren@cordcom.se
www.cordcom.se

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