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Stockholm, 21 June, 2017

Final price in BONESUPPORT™'s initial public offering set at SEK 29 per share – trading on Nasdaq Stockholm commences today

BONESUPPORT HOLDING AB (publ) (“BONESUPPORT” or the “Company”) hereby announces the outcome of the offering of newly issued shares in the Company (the “Offering”) and its listing on Nasdaq Stockholm. The Offering attracted strong interest among Swedish and international investors and the Offering was oversubscribed several times.

The Offering

- The final price of the Offering has been set at SEK 29 per share, corresponding to a market capitalization of SEK 1,416 million based on the total number of outstanding shares in BONESUPPORT following the Offering, providing the Over-allotment option (defined below) is fully utilized.
- In total, 17,241,379 new shares in BONESUPPORT are issued in the Offering, corresponding to issue proceeds of SEK 500 million in total before issue costs and SEK 461 million after issue costs.
- Furthermore, the Company has issued an over-allotment option (the “Over-allotment option”) of 2,586,206 new shares, corresponding to SEK 75 million and 15 percent of the total number of shares in the Offering.
- The total number of shares in BONESUPPORT after the Offering will amount to 46,252,600 shares if the Over-allotment option is not utilized, and 48,838,806 shares if the Over-allotment option is fully utilized.
- Through the Offering, the Cornerstone Investor Swedbank Robur Fonder AB as well as the existing shareholders HealthCap V L.P., Stiftelsen Industrifonden, Lundbeckfond Invest A/S, Carl Westin Ltd, Tredje AP-fonden, Tellacq AB, OFP V Advisor AB and Arctic Funds PLC have together agreed to acquire shares in line with their commitments of SEK 236 million. This corresponds to approximately 41.0 percent of the number of shares in the Offering, assuming a full exercise of the Over-allotment option.
- Immediately following the completion of the Offering, and assuming that the Over-Allotment option is exercised in full, BONESUPPORT's largest shareholders will include HealthCap V L.P (13.5 %), Stiftelsen Industrifonden (9.8 %), Lundbeckfond Invest A/S (9.8 %), Swedbank Robur Fonder AB (9.2 %), Tredje AP-fonden (8.3 %), Carl Westin Ltd. (5.5 %) and Tellacq AB (5.3 %).
- Trading in the Company's shares on Nasdaq Stockholm commences today, 21 June 2017, under the ticker “BONEX” (ISIN code: SE0009858152).
- Trading is conditional until the settlement day, which is expected to be 26 June 2017.

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"I am delighted with the strong support we have generated from both new investors, including Swedbank Robur, and our existing investors. The backing of these high quality investors highlights the significant potential of BONESUPPORT's CERAMENT™ products," commented Richard Davies, CEO of BONESUPPORT. "Our IPO will provide us with the funds we need to execute our strategy of driving sales in both the US and Europe, generating additional clinical data to enhance the competitive positioning of our products and completing the FORTIFY study, which is key to gaining US approval for CERAMENT G. Our stronger financial position will also allow us to invest in our pipeline of new products that are designed to promote bone growth. This strategy provides the foundation for our 2020 financial targets and will allow us to generate significant value for our shareholders."

About BONESUPPORT

BONESUPPORT is an innovative and rapidly growing commercial stage orthobiologics company, based in Lund, Sweden. The Company develops and commercializes innovative injectable bioceramic 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 synthetic bone graft substitutes CERAMENT™ BONE VOID FILLER (BVF), CERAMENT™ G and CERAMENT™ V¹ 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. The Company's research and development is focused on the continuing development and refinement of its existing technology to extend its use into additional indications by the elution of other drugs and therapeutic agents.

BONESUPPORT's products are based on an innovative technology backed by an intellectual property portfolio of approximately 100 registered and/or pending patents. BONESUPPORT has a nine year track record of safety and efficacy in treating patients with an estimated number of 30,000 procedures performed to date with its products worldwide based on sales data.

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.

Advisors

Carnegie Investment Bank AB (publ) and ABG Sundal Collier AB are acting as Joint Global Coordinators and Joint Bookrunners in the Offering. Setterwalls Advokatbyrå AB is legal advisor to the Company. Baker & McKenzie Advokatbyrå KB is legal adviser to the Joint Global Coordinators and Joint Bookrunners.

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¹ CERAMENT G: Not available in the United States, for investigational use only. CERAMENT V: Not available in the United States.

PRESS RELEASE



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In any EEA Member State, other than Sweden, that has implemented Directive 2003/71/EC as amended (together with any applicable implementing measures in any member State, the "Prospectus Directive"), this communication is only addressed to and is only directed at qualified investors in that Member State within the meaning of the Prospectus Directive.

In the United Kingdom, this announcement and the information that this announcement contains is only directed at persons in the United Kingdom that are (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order") or (ii) high net worth entities, and other persons to whom this announcement may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "Relevant Persons"). This communication must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which this communication relates is available only to Relevant Persons and will be engaged in only with Relevant Persons. Persons distributing this communication must satisfy themselves that it is lawful to do so.

Any offering of the securities referred to in this announcement will be made by means of a prospectus. This announcement is not a prospectus for the purposes of the Prospectus Directive. A prospectus prepared in accordance with the Prospectus Directive has been published and is held available at www.bonesupport.com. Investors should not subscribe for any securities referred to in this announcement except on the basis of information contained in the aforementioned prospectus.

Certain matters discussed in this announcement constitute forward-looking statements. Forward looking statements are statements that are not historical facts and may be identified by words such as "believe", "expect", "anticipate", "intends", "estimate", "will", "may", "continue", "should" and similar expressions. The forward-looking statements in this release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or impossible to predict and are beyond its control. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The information, opinions and forward-looking statements contained in this announcement speak only as at its date, and are subject to change without notice.

In connection with the offer or sale of securities referred to herein, the Joint Global Coordinators may over-allot securities/conduct stabilization or effect transactions with a view to supporting the market price of the securities at a level higher than that which might otherwise prevail. Any stabilization action or over-allotment will be conducted by the Joint Global Coordinators in accordance with all applicable laws and rules.