

Half-year report 2025 (unaudited)



Correction: Bioretec Ltd's Half-year report 2025

Bioretec announced on 27 October 2025 that it will adjust and restate its previously reported figures for H1/2025.

The adjustment and restatement is related to the sales and distribution agreement with Tri-State Biologics ("TSB"), originally announced on 22 November 2024 (the "TSB Distribution Agreement"). The TSB Distribution Agreement was, upon its signing, based on a stocking distribution model, whereby TSB first purchases products from Bioretec for further sale and distribution by TSB to hospitals in the target geography. Following the signing of the TSB Distribution Agreement, a product repurchase addendum was added on 5 May 2025 to the TSB Distribution Agreement, whereby Bioretec would repurchase from TSB such unpaid products for which TSB was unable to procure purchasers within the payment terms ("Repurchase Addendum"). Following such repurchase under the Repurchase Addendum, Bioretec could then distribute such unpaid products directly to end-users itself, similarly to direct distribution models to which Bioretec is aiming to shift towards in an effort to move away from stocking distribution models in the United States, excluding the Orthopediatrics agreement focused solely on the pediatrics market.

In the company release dated 27 October 2025, Bioretec estimated that the corrections made in the accounting treatment related to the Repurchase Addendum and the products to be repurchased would result in a decrease of previously reported H1/2025 net sales of EUR 0.52 million, as well as an increase in costs of EUR 0.65 million. However, after further review, it was also determined that a one-time credit invoice related to the conclusion of a previous U.S. pilot distributor agreement with Spartan Medical had been incorrectly booked against net sales in Q2/2025. While the Repurchase Addendum causes a restatement of H1/2025 net sales by EUR 0.52 Million as per the company release dated 27 October 2025, the corrected accounting treatment of the aforementioned credit invoice of Spartan Medical offsets this reduction in net sales.

In this corrected half-year report, the aforementioned one-time credit invoice related to Spartan Medical's distribution agreement (of EUR 0.5 million), as well as the products to be repurchased worth approximately EUR 0.65 million under the TSB Distribution Agreement, are now reported in other expenses, increasing the previously reported other expenses by a total of approximately EUR 1.1 million. The previously reported total level of net sales remains mostly unchanged and represents the true volume of realized sales during the period of April-June 2025. Other minor changes detected during further review, related to changes in inventory and operating expenses, have also been adjusted.

APRIL-JUNE 2025 IN BRIEF

- Bioretec successfully closed a funding round of EUR 9 million, demonstrating investor confidence in the company.
- Activa sales developed as expected, with growth particularly in China and Asia, while momentum for RemeOs™ sales builds globally.
- First surgeries performed with RemeOs Trauma Screw in Europe mark another key event supporting the commercialization of RemeOs product line worldwide.
- Net sales decreased by 50.9% and amounted to EUR 678 thousand (4-6/2024: EUR 1,379 thousand). The comparison period included a high initial delivery to a new distributor outside the U.S..
- Sales margin (excl. other income) was EUR 486 (1,033) thousand, or 71.7% (74.9%) of net sales. Sales margin reflects preparation for commercial growth and was impacted by an increase in materials and services costs related to the shift in distribution partners, as well as the lower margin of sales to China. Sales margin during the market development and scale-up phases is planned to improve as sales increase and direct distribution channel partners are well established.
- Profit (loss) for the reporting period was EUR -4,330 (-787) thousand. The cost of the rights issue financing round arranged in June 2025 amounted to EUR 1,065 thousand.
- Earnings per share (undiluted) were EUR -0.14 (-0.04).

JANUARY-JUNE 2025 IN BRIEF

- Net sales amounted to EUR 2,074 thousand (1-6/2024: EUR 2,061 thousand).
- Sales margin (excl. other income) was EUR 1,308 (1,451) thousand or 63.1% (70.4%) of net sales. The sales margin includes other income of EUR 202 (72) thousand accrued relating to received grants.
- Profit (loss) for the reporting period was EUR -5,628 (-1,884) thousand.
- Earnings per share (undiluted) were EUR -0.18 (-0.09).

This half-year report is unaudited.

KEY FIGURES

EUR 1,000	4-6/2025	4-6/2024	Change, %	1-6/2025	1-6/2024	Change, %	1-12/2024
Net sales	678	1,379	-50.9%	2,074	2,061	0.6%	4,544
Sales margin	589	1,045	-43.6%	1,510	1,523	-0.8%	3,391
Sales margin (excl. other income)	486	1,033	-53.0%	1,308	1,451	-9.9%	3,221
Sales margin, % of net sales	86.9%	75.7%		72.8%	73.9%		74.6%
Sales margin% (excl. other income)	71.7%	74.9%		63.1%	70.4%		70.9%
EBITDA	-3,321	-752		-4,557	-1,864		-4,053
EBIT	-3,373	-782		-4,660	-1,921		-4,202
Profit/-loss for the period (+/-)	-4,330	-787		-5,628	-1,884		-4,614
R&D spend on total revenue, %	117.3%	31.6%		69.1%	41.4%		48.0%
Equity ratio, %	79.6%	77.9%		79.6%	77.9%		84.9%
Cash and cash equivalents at the end of the period	11,467	3,947	190.5%	11,467	3,947	190.5%	6,289
Earnings per share (undiluted)	-0.14	-0.04		-0.18	-0.09		-0.20
Earnings per share (diluted)	-0.13	-0.04		-0.17	-0.08		-0.17
Shares at end of period (undiluted)	30,783,092	20,336,858		30,783,092	20,336,858		23,336,858
Shares at end of period (diluted)	33,821,751	24,908,133		33,821,751	24,908,133		27,515,133
Personnel at end of the period	57	43	32.6%	57	43	32.6%	47

KEY EVENTS IN APRIL-JUNE 2025

- Bioretec's Board of Directors appointed MBA Sarah van Hellenberg Hubar-Fisher as the company's interim CEO as of 15 May 2025, following the resignation of CEO Alan Donze.
- Mirva Ekman, M.Sc. (Mechanical Engineering), was appointed Quality Director and member of the Management Team as of 22 April 2025.
- Bioretec arranged a rights issue in June 2025, where shareholders were offered up to 6,156,618 new shares for subscription primarily on the basis of shareholders' pre-emptive subscription right in the same proportion as they already hold shares in the company and secondarily by other shareholders or by other persons. The objective of the rights issue was to strengthen Bioretec's capital structure and to ensure its ability to implement its RemeOs™ commercialisation strategy. The rights issue was oversubscribed and Bioretec received gross proceeds of approximately EUR 9.2 million from the rights issue. As a result of the rights issue, the total number of shares in Bioretec increased by 6,156,618 from 24,626,474 to 30,783,092.

CEO'S COMMENTS

Securing Investor Confidence and Driving Focus for Future Growth

The second quarter included the close of our successful funding round of EUR 9 million, highlighting investors' confidence in our innovative product offering, market potential, and strategic direction. This funding round supports the needed investment in leadership resourcing for marketing and sales, global capacity building in operations, and continued R&D investment to support our robust product pipeline. Commercial traction in H1 was highlighted by continued Activa sales development with demand particularly in China and Asia, and the first surgical cases with the RemeOs Trauma Screw being performed in Europe.

Our robust product pipeline advanced on multiple fronts, including ongoing work to advance 510(k) submissions for the RemeOs cannulated screw in the U.S., progress in our Breakthrough designated and patented hybrid composite for the RemeOs Spinal Interbody Cage program, ethical approval for first in human DrillPin clinical trials, and the commencement of post-marketing clinical follow-up for the CE-marked RemeOs line. In support of our broadened distribution network in the U.S. and the growing demand for efficiency and infection control in that market, we completed the launch of sterile, single-use instruments for our Activa cannulated screw, with the first instruments delivered and now available for use.

Sales margin reflects our commitment to prepare for commercial and operational growth namely in the U.S. market. The margin was impacted by an increase in materials and services costs, such as instrumentation and logistics costs, related to our commercial strategy to shift from using solely stocking distributors to including also direct distribution partners in the U.S.. Furthermore, the first two quarters of the year resulted in high volume demand as a percentage of revenue coming from China, with slightly lower margins. Sales margin during the market development and scale-up phases is planned to improve as our sales increase and direct distribution channel partners are well established.

The first half of the year also marked a period of transition in the organization from a leadership perspective. It has been an honor for me to step in as interim CEO of Bioretec in mid-May, and I am proud of the oversubscribed funding round we completed in June. I want to thank our shareholders for their strong participation and continued confidence in our journey ahead. As we continue to focus on scale and strategy refinement, I remain confident that Bioretec is well-positioned to deliver value to shareholders and patients alike.

Sarah van Hellenberg Hubar-Fisher, CEO

SALES AND MARKETING

First RemeOs deliveries in Europe, ramp-up of sales channel partners in the U.S.

In April–June 2025, Bioretec's net sales amounted to EUR 678 (1,379) thousand, and in January–June, EUR 2,074 (2,061) thousand. The net sales for the first six months remained at last year's level, supported with the high-volume orders from China in the first quarter. After receiving the CE mark in the first quarter 2025, the focus shifted to the ramp-up of RemeOs™ production and U.S. distribution partners, with the first shipments to Bioretec's U.S. logistics provider. In Europe, Bioretec carried out the first deliveries for surgeries with RemeOs products. In the U.S., Bioretec focused on the ramp-up of the sales channel, with training of new distribution partners.

Sales by geographical area

In January–June 2025, 17% (25%) of net sales came from Europe, 9% (19%) from the U.S., and 74% (57%) from the rest of the world. Net sales in the rest of the world increased by 31% (12%). Although the tail of the high-volume orders received from China in the first quarter were shipped in the second quarter, a larger share of deliveries was directed to other parts of Asia and South America. In Europe, the market was steady, excluding the high initial delivery to a new distributor in the comparison period. In the U.S., sales were impacted by the shift from using solely stocking distributors at year end 2024 to also including direct distribution partners in the second quarter 2025.

EUR 1,000	1-6/2025	1-6/2024	Change, %	1-12/2024
Europe	353	508	-30.4%	906
U.S.	184	383	-52.1%	1,109
Rest of the world	1,537	1,170	31.3%	2,529
TOTAL	2,074	2,061	0.6%	4,544

Market development¹

Bioretec operates in the global orthopedic market, which grew to an estimated USD 61.9 billion in 2024, up from USD 59.0 billion in 2023, representing a 5.0% increase. In 2024, the overall market was stabilizing after the exceptionally strong 2023 that was driven by procedures initially canceled or deferred during the pandemic. Aging population and improving technology tailwinds including demand for absorbables/non-permanent implants are expected to sustain a growth rate of approximately 4% in the coming years.

Bioretec's strategic emphasis is on the growth of the absorbables segment within the global orthopedic trauma market, which is expected to grow of 14.5% annually (CAGR) and reach USD 5.2 billion by 2035. This robust growth is driven by factors such as aging populations, rising incidence of orthopedic conditions, technological advancements in biomaterials, and growing clinical adoption of bioabsorbable implants due to their advantages—such as eliminating the need for implant removal surgeries and supporting natural bone healing.

The global orthopedic trauma market is valued at around USD 9.1 (8.5) billion in 2024, representing 15% of the overall global orthopedic market. The trauma market grew in the mid-single-digits (6.3%) driven by a resurgent core fracture repair market and the faster-growing foot and ankle segment. Through 2028, the trauma market is projected to grow to USD 10.7 billion with a CAGR of 4.3%, supported by healthy demand, expanding foot and ankle market and core trauma innovation. One of the main focus areas for Bioretec is the foot and ankle segment, which continues to stand out as a dynamic and growing market, attracting a wide range of players from industry leaders to innovative disruptors. Given the segment's vast array of treatments and products, it forms a key focus area in Bioretec's short and medium-term product pipeline. Industry forecasts project a robust 7% annual growth rate for the global foot and ankle market from 2024 to 2034. Bioretec is well-positioned to leverage this potential and capitalize on the opportunities in the evolving orthopedic landscape.

The United States continues to be the largest market globally for orthopedic trauma products, and a high priority for Bioretec, representing a 66% share in 2024. In Europe, the Medical Device Regulation continues to pose regulatory hurdles, creating significant expense for companies opting to stay in that market area. Bioretec continues its commercial and clinical activity in Europe, including targeting RemeOs indication expansion for the U.S. through real-world evidence collection. Bioretec continues to monitor the impacts of VBP (volume-based procurement) in China, as the region remains a strategically important growth market for major orthopedic companies, estimated to become the largest market (per volume) in the world in the coming years.

Over the long term, the orthopedic trauma market is expected to grow steadily, fueled by aging populations and rising rates of diabetes and obesity. Bioretec remains dedicated to delivering innovative orthopedic solutions that improve patient outcomes and make a meaningful impact on global healthcare.

¹Sources for market forecasts: Orthoworld: The Orthopedic Industry Annual Report published May 2025 and Global Data Report 2023 <https://www.sphericalinsights.com/press-release/bioabsorbable-orthopedic-implant-market>, published July 2025

R&D highlights in January–June 2025

PRODUCT DEVELOPMENT IN THE REMEOS PRODUCT FAMILY

RemeOs Trauma Screw – A Development Milestone and Strategic Expansion Path

In January 2025, Bioretec achieved a major R&D and regulatory milestone with the CE mark approval of the RemeOs™ Trauma Screw product group under the European Medical Device Regulation (MDR). This approval marks the culmination of years of multidisciplinary development, translating advanced materials science into a clinically versatile solution. The approved portfolio comprises four product lines and over 200 screw variants, based on a high-purity, all-natural, REE-free absorbable magnesium-calcium-zinc alloy. This material offers metallic fixation strength without permanent implantation. The next development phase is focused on expanding the market approvals in the U.S. This is supported by ongoing collaboration with the FDA and robust clinical evidence from both EU PMCF studies and real-world data. R&D remains central to building the next-generation trauma portfolio, with a focus on eliminating implant removal while maintaining strength, biocompatibility, and predictable healing.

RemeOs DrillPin – Advancing the Pipeline with a Smart Fixation Solution

The RemeOs DrillPin represents the next stage of innovation, purposefully designed for both adult and pediatric orthopedic applications. It has received ethics committee approvals for first-in-human and pediatric clinical trials in high-volume indications such as hammertoe correction and pediatric distal radius fractures – areas with significant unmet clinical needs. In the U.S. alone, roughly 500,000 hammertoe procedures and more than 250,000 pediatric distal radius fracture treatments are performed each year, with most currently relying on temporary metallic K-wires that often require removal under anesthesia. Ongoing clinical trials are validating the DrillPin's technical and clinical benefits, paving the way for future regulatory approvals and expanding market access in foot and ankle as well as pediatric trauma care. The RemeOs DrillPin offers a fully absorbable alternative that eliminates the need for removal and simplifies both the surgical workflow and patient recovery.

Technically, the DrillPin introduces several surgeon-centered innovations:

- Self-drilling design eliminates the need for predrilling, saving time and simplifying the surgical workflow.
- Cut-to-length capability enhances intraoperative flexibility and adaptability across different patient anatomies.
- Designed for both adult and pediatric patient populations, expanding the clinical applicability of the system.

These clinical and technical strengths are now being validated through trials that will support regulatory readiness and access to new high-volume markets in foot and ankle as well as pediatric trauma. The RemeOs DrillPin exemplifies Bioretec's strategy of translating clinical insight into absorbable, patient-friendly solutions.

Advancing with a Patented Hybrid Composite

Bioretec continued to advance its spinal portfolio pipeline with a patented hybrid composite, following FDA Breakthrough Device designation for the RemeOs Spinal Interbody Cage intended for Anterior Interbody Cervical Fusion (AICF). The cage features the combination of an osteopromotive Mg-Ca-Zn alloy core with an osteostimulative, bioactive shell – forming a fully absorbable, MRI-compatible, and multifunctional composite. This innovative hybrid material is engineered to optimize and modulate degradation and hydrogen evolution, ensuring both mechanical stability and bioactivity throughout the healing process. The cage supports fusion until the bone achieves structural integrity, representing a significant advancement in innovation in absorbable spinal implants and expanding the reach of Bioretec's offering into high-value, evidence-driven indications.

Development and Launch of Single-Use Instruments for the U.S. Market

To facilitate U.S. market entry, Bioretec has developed sterile, single-use instrument kits compatible with its absorbable implant platforms. Development began in January 2025 and was completed by June, with the first ActivaScrew-compatible kits launched in early July. RemeOs-specific kits will follow. These ready-to-use instruments, are tailored to U.S. hospital demands for efficiency and infection control, eliminating the complexities of reusable trays and streamlining workflow in high-volume surgical settings. Their rapid development and validation underscore Bioretec's agile R&D approach and commercial readiness, reinforcing Bioretec's role as a solutions-oriented MedTech innovator.

FINANCIAL REVIEW

Group financial development

NET SALES, PROFITABILITY, AND FINANCIAL PERFORMANCE

Net sales and sales margin

In April–June 2025, Bioretec Group's net sales decreased 50.9% year-on-year, amounting to EUR 678 (1,379) thousand.

Net sales for January–June 2025 remained steady as expected and amounted to EUR 2,074 (2,061) thousand.

Sales margin (excl. other income) in April–June 2025 amounted to EUR 486 (1,033) thousand or 71.7% (74.9%) of net sales. Sales margin was impacted by the continued deliveries to China with slightly lower margins as well as an increase in materials and services costs related to the shift in distribution partners. Sales margin during the market development and scale-up phases is planned to improve as the sales increase and direct distribution partners are well established.

For January–June 2025, the sales margin (excl. other income) was EUR 1,308 (1,451) thousand or 63.1% (70.4%) of net sales.

Operating expenses

In April–June 2025, Bioretec Group's total operating expenses were EUR 3,962 (1,827) thousand. In January–June 2025, operating expenses grew 79%, amounting to EUR 6,170 (3,444) thousand. The increase is partly due to a growing headcount (+33% since June 2024) and ongoing efforts in commercialization in the U.S. and product development, as well as the effect of corrections as described in the beginning of this report (a total of approx. EUR 1.1 million). Additionally, the salary expenses included non-recurring costs related to the resignation of the former CEO, and an estimated annual bonus accrued by the end of June.

The Group's R&D expenses in January–June 2025 grew 69%, totaling to EUR 1,433 (854) thousand. The growth was related to the various ongoing development projects and additional headcount.

EBITDA and net profit (loss) for the period

Bioretec Group's EBITDA in April–June 2025 amounted to EUR -3,321 (-752) thousand. EBITDA for January–June amounted to EUR -4,557 (-1,864) thousand. The EBITDA was burdened by the increased headcount, additional one-off costs, higher fixed costs related to the product development and commercialization activities as well as the ramp-up of new business and products.

Net loss for January–June 2025 was EUR -5,628 (-1,884) thousand. Net loss includes the cost of the rights issue arranged in June 2025, amounting to EUR 1,065 thousand.

FINANCIAL POSITION AND CASH FLOWS

On 30 June 2025, the Group's equity ratio was 79.6% (77.9%), and the Group's total liabilities were EUR 3,504 (1,847) thousand. Interest-bearing liabilities amounted to EUR 484 (721) thousand, including EUR 247 (484) thousand of long-term liabilities.

At the end of the reporting period, the Group had EUR 11,467 (3,947) thousand of cash and cash equivalents and money market deposits.

In January–June 2025, cash flow from operating activities totaled EUR -3,860 (-2,259) thousand.

In January–June 2025, the Group's capital expenditure totaled EUR 222 (457) thousand. Investments during the financial period included new production machinery, production facility and office modifications, costs related to IPR and market authorization processes, and capitalized costs of the new ERP system.

Cash flow from financing activities in January–June 2025 was EUR 9,260 (-246) thousand. Capital loan of EUR 138 thousand and related accrued interest amounting to EUR 12 thousand were paid during the period. Additionally, the cash flow from financing includes the gross proceeds of the rights issue organized in June 2025, totalling EUR 9.3 million. Costs related to the rights issue (EUR 1.065 million) were mostly unpaid as of June 2025.

PERSONNEL AND MANAGEMENT

At the end of June 2025, Bioretec had 57 (43) employees. The average number of employees from 1 January to 30 June 2025 was 49 (39). Salaries and other personnel expenses in January–June 2025 totaled EUR 2,712 (1,690) thousand.

Bioretec's Board of Directors appointed MBA Sarah van Hellenberg Hubar-Fisher as the company's interim CEO as of 15 May 2025, following the resignation of CEO Alan Donze. Mirva Ekman, M.Sc. (Mechanical Engineering), was appointed Quality Director and member of the Management Team as of 22 April 2025.

On 30 June 2025, the members of Bioretec's Management Team were Sarah van Hellenberg Hubar-Fisher (interim Chief Executive Officer), Timo Lehtonen (Chief Technology Officer) Johanna Salko (Chief Financial Officer), Mirva Ekman (Quality Director), Esa Hallinen (Director of Operations), Rami Ojala (Sales and Marketing Director), Mari Ruotsalainen (Director of Regulatory Affairs), and Frank Sarcone (VP of U.S. sales).

BOARD OF DIRECTORS

On 30 June 2025, Bioretec's Board of Directors had six members: Kustaa Poutiainen (Chairperson of the Board), Michael Piccirillo, Sarah van Hellenberg Hubar-Fisher, Päivi Malinen, Justin Barad and Antti Vasara.

Upon the appointment as the company's interim CEO, Sarah van Hellenberg Hubar-Fisher stepped down from her position as Deputy Chairperson of the Board of Directors and Chairperson of the Remuneration Committee. As a result of this change, the Board assumes the duties of the Remuneration Committee until further notice.

AUDITOR

Bioretec's auditors are Authorized Public Accountants PricewaterhouseCoopers, with Kalle Laaksonen, Authorized Public Accountant, as the responsible auditor.

ANNUAL GENERAL MEETING AND BOARD AUTHORIZATIONS

The Annual General Meeting of Bioretec Ltd was held on 21 March 2025 in Tampere, Finland. The Annual General Meeting approved the financial statements for the financial year 1 January–31 December 2024 and resolved to discharge the members of the Board of Directors and the CEO from liability for the financial period 1 January–31 December 2024. The Annual General Meeting approved the Board of Directors' proposal not to distribute dividends.

The Annual General Meeting resolved that the number of members of the Board of Directors will be six (6). Michael Piccirillo, Sarah van Hellenberg Hubar-Fisher, Päivi Malinen and Kustaa Poutiainen were re-elected as members of the Board. Antti Vasara and Justin Barad were elected as new members of the Board of Directors. The term of the Board of Directors will end at the conclusion of the Annual General Meeting 2026.

At its constitutive meeting held after the Annual General Meeting, the Board of Directors of Bioretec Ltd elected Kustaa Poutiainen as the Chairperson of the Board and Sarah van Hellenberg Hubar-Fisher as the Deputy Chairperson.

The Board of Directors resolved to establish an Audit Committee and a Remuneration Committee. The members of the Committees were elected as follows:

- Audit Committee: Päivi Malinen (Chairperson), Michael Piccirillo and Sarah van Hellenberg Hubar-Fisher
- Nomination/Remuneration Committee: Sarah van Hellenberg Hubar-Fish (Chairperson), Antti Vasara and Justin Barad

The Annual General Meeting resolved that the Chairperson of the Board will be paid EUR 3,750 per month and the Deputy Chairperson EUR 2,500 per month. Members of the Board will be paid EUR 2,000 per month. Reasonable travel expenses of the members of the Board of Directors will be reimbursed in accordance with the maximum amount of the respective travel allowance base approved by the Tax Administration.

The Annual General Meeting elected audit firm PricewaterhouseCoopers Oy as the auditor of the company until the closing of the 2026 Annual General Meeting. Audit firm PricewaterhouseCoopers Oy has notified the company that it will appoint Kalle Laaksonen, Authorized Public Accountant, as the responsible auditor. The auditor will be compensated as reasonably invoiced.

Authorization of the Board of Directors to resolve on the issuance of shares and special rights entitling to shares

The Annual General Meeting authorized the Board of Directors to resolve on the issuance of shares, as well as the issuance of option rights and other special rights entitling to shares pursuant to Chapter 10 of the Finnish Companies Act, as follows:

Pursuant to the authorization, up to 7,000,000 shares (including shares to be issued based on the special rights) may be issued, which on the date of the notice to the Annual General Meeting corresponded to approximately 30% of all the shares in the company.

Shares or special rights entitling to shares may be issued in one or more tranches, either with or without payment. The shares issued pursuant to the authorization may be new shares or shares in the company's possession.

The authorization may be used for financing or execution of acquisitions or other business arrangements, to strengthen the balance sheet and financial position of the company, or for other purposes determined by the Board of Directors. The authorization may not be used for share-based incentive or commitment plans.

Pursuant to the authorization, the Board of Directors may resolve upon issuing new shares, without consideration, to the company itself.

The Board of Directors is authorized to resolve on all terms for share issues and granting of special rights entitling to shares in the company. The Board of Directors is authorized to resolve on a share issue and an issue of special rights entitling to shares according to the shareholders' pre-emptive rights and/or in deviation from the shareholders' pre-emptive right, provided that there is a weighty financial reason for the company to do so.

The authorization is valid until the end of the next Annual General Meeting, however no longer than until 30th of June 2026. The authorization cancels previous unused share issue authorizations.

Resolution on the issue of option rights to the members of the Board of Directors (Option Program 2025-1)

The Annual General Meeting resolved on an option program directed at the members of the Board of Directors and on the issue of option rights. There are weighty financial reasons for the company to issue the option rights because the option rights are intended to be a part of the incentive and commitment program of the members of the Board of Directors

The Annual General Meeting resolved to issue 25,000 option rights to each member elected at the Annual General Meeting, i.e. an aggregate of 150,000 option rights. Each option right entitles to subscribe for one (1) new share. The option rights are issued free of charge.

Shares can be subscribed to on the basis of the option rights, as follows:

- with the first 33% of the option rights given to the option right holder: the share subscription period starts on the 22nd of March 2026,
- the following 33% of the option rights given to the option right holder: the share subscription period starts on the 22nd of March 2027,
- the remaining 34% of the option rights given to the option right holder: the share subscription period starts on the 22nd of March 2028.

The subscription period for the shares ends on the 31st of December 2030.

The subscription price for a share subscribed for with one option right is EUR 2.79. The subscription price is the trade volume weighted average quotation of the share on Nasdaq Helsinki Ltd maintained Nasdaq First North Growth Market Finland marketplace from 20 December 2024 to 20 March 2025 increased by 10%, rounded downwards to the nearest cent.

The subscription price payable for shares shall be recorded in the company's reserve for invested unrestricted equity. The dividends and distribution of assets per share paid will be deducted from the share subscription price.

As a result of the subscription of shares based on the option rights, the number of shares in the company can increase by a maximum of 150,000 shares. The shares to be subscribed based on the option rights to be issued correspond to a maximum of 0.61 percent of all the company's shares and votes on the date of the resolution (0.64 percent at the date of the notice to the General Meeting), after the potential share subscription.

The theoretical market value of one option right is approximately EUR 1.1357 and the theoretical market value of all option rights combined is approximately EUR 170,340. The theoretical market value of an option right has been calculated using the Black & Scholes stock option pricing model with the following input factors: valuation date 20 March 2025, share price EUR 2.33, share subscription price EUR 2.79, risk free interest rate 2.51 %, time to maturity of option rights 5.79 years and volatility 55.65 %.

The terms and conditions of the option program are available on the webpage of the company.

Authorization of the Board of Directors to resolve on the issuance of option rights to the CEO of the company (Option Program 2025-2)

The Annual General Meeting resolved to authorize the Board of Directors to resolve on the issuance of option rights as follows:

- The option rights can be granted to Alan Donze, the CEO of the company (the "CEO");
- Based on the option rights issued under the authorization, a maximum of 610,105 shares can be subscribed, which corresponds to approximately 2.6% of all the company's shares on the date of the notice of the General Meeting.
- Option rights can be issued in one or more tranches.
- The subscription price of the shares subscribed with option rights shall be determined based on the trade volume weighted average quotation of the share on Nasdaq Helsinki Ltd maintained Nasdaq First North Growth Market Finland marketplace from 20 December 2024 to 20 March 2025 increased by 10%, rounded downwards to nearest cent.
- The Board of Directors decides on all other terms and conditions related to the issuance of stock options.
- The authorization is valid until the end of the next Annual General Meeting, however no longer than until 30 June 2026.

Authorization of the Board of Directors to resolve on the issuance of option rights (Option Program 2025-3)

The Annual General Meeting resolved to authorize the Board of Directors to resolve on the issuance of option rights as follows:

- The authorization can be used to issue option rights to the employees of the company and its subsidiaries as well as to members of the company's Key Opinion Leader group and consultants ("Target Group"). The authorization cannot be used to issue option rights to the CEO or members of the Board of Directors of the company.
- Based on the option rights issued under the authorization, a maximum of 1,127,000 shares can be subscribed, which corresponds to approximately 4.8% of all the company's shares on the date of the notice of the General Meeting.
- Option rights can be issued in one or more tranches.
- The subscription price of the shares subscribed with option rights shall be determined based on the trade volume weighted average quotation of the share on Nasdaq Helsinki Ltd maintained Nasdaq First North Growth Market Finland marketplace from 20 December 2024 to 20 March 2025 increased by 10%, rounded downwards to nearest cent.
- The Board of Directors decides on all other terms and conditions related to the issuance of the option rights.
- The authorization is valid until 31 December 2026.

Amendment of the Articles of Association

The Annual General Meeting resolved to amend Article 10 of the Articles of Association to include the possibility of holding a General Meeting as a so-called remote meeting. Before the proposed amendment, Article 10 of the Articles of Association was empty.

The Annual General Meeting resolved to amend Article 10 to read as follows:

10 § Organization of the General Meeting as a hybrid or remote meeting

The Board of Directors may decide that a shareholder may also participate in the General Meeting by fully exercising their right to vote during the meeting by means of a telecommunication connection and a technical aid (hybrid meeting).

The Board of Directors may also decide that the General Meeting shall be held without a meeting place in such a way that the shareholders exercise their voting rights fully and in a timely manner during the meeting by means of a telecommunication connection and a technical aid (remote meeting).

The amendment of the Articles of Association will take effect upon registration in the Finnish Trade Register.

SHARES AND RELATED PROGRAMS

Bioretec has one share class. Each share has equal voting rights, and all shares of the company provide equal rights to the dividend. The company's shares are listed on the Nasdaq First North Growth Market Finland marketplace.

On 30 June 2025, Bioretec had a total of 30,783,092 (20,336,858) shares. During the reporting period, the average number of shares was 27,059,975 (19,936,858). The average number of shares (diluted) during the reporting period was 30,668,442 (24,908,133). Bioretec does not hold its shares. The share capital was EUR 3,749 (3,749) thousand.

There were 122 trading days in the review period. A total of 2,849,537 (4,396,119) shares were traded during the period, and the total value of the shares traded was EUR 6,139,659 (10,981,141). The highest price of the share was EUR 2.77 (2.94), and the lowest price was EUR 1.67 (2.21). The volume-weighted average price was EUR 2.15 (2.50), and the closing price at the end of the period was EUR 1.81 (2.88). In accordance with the closing price, the combined market value of the shares was approximately EUR 55.7 (58.6) million.

Shareholders

Bioretec's shares are in the book-entry system maintained by Euroclear Finland, and Euroclear Finland maintains Bioretec's official shareholder register. On 30 June 2025, Bioretec had a total of 4,832 (4,678) registered shareholders, of whom 93% (93%) were private individuals. There were 3,297,632 (1,244,482) nominee-registered and foreign-owned shares, which was 11% (6%) of all shares and votes. The largest shareholders and shareholders by sector are available on the company's website at <https://bioretec.com/investors/investors-in-english/share/shareholders>.

On 30 June 2025, the members of Bioretec's Board of Directors owned a total of 3,712,152 (2,223,060) company shares. The interim CEO did not own any of the company's shares at the end of June 2025. Other members of the Group's Management Team owned a total of 833 (5,624) company shares. Consequently, the company's executive management held 12.1% (11.0%) of all of the company's shares and votes.

Option programs

The company has established several share option programs as incentive plans for Bioretec's key personnel, members of the Board of Directors, and for example members of the Scientific Advisory Board. On 27 June 2025,

the Board of Directors resolved to adjust the subscription prices of the company's new shares under the company's existing stock option programs to account for the dilutive effect of the rights issue completed in June 2025.

On 30 June 2025, there were four stock option programs open: stock options 2018-1, 2020-1, 2023-1 and 2025-1. The stock options are issued free of charge. The shareholder's rights begin when the shares are registered in the Trade Register. The stock option plans that were open in the first half of 2025 or that were registered in the Trade Register in the first half of 2025 are presented in the table below.

Program ID	Nr of options	Share subscription price, EUR	Nr of shares to be subscribed ¹	Subscription period	Nr of unexercised options ²	Nr of shares to be subscribed based on remaining unexercised options ¹
2018-1A	8,500,000	1.42	566,667	1.1.2019-31.12.2026	7,225,000	481,667
2018-1B	8,500,000	1.42	566,667	1.1.2020-31.12.2026	8,500,000	566,667
2018-1C	1,500,000	2.13	100,000	1.1.2021-31.12.2026	1,500,000	100,000
2018-1D	1,500,000	2.13	100,000	1.1.2022-31.12.2026	1,500,000	100,000
2020-1A	8,450,000	2.13	563,324	1.1.2022-31.12.2026	5,650,000	376,662
2020-1B	9,150,000	2.84	609,998	1.1.2023-31.12.2026	5,300,000	353,332
2020-1C	8,400,000	3.55	559,998	1.1.2024-31.12.2026	4,550,000	303,332
2023-1	1,000,000	2.35	1,000,000	21.10.2024-31.12.2029	607,000	607,000
2025-1	150,00	2.64	150,000	22.3.2026-31.12.2030	150,000	150,000
Total	47,150,000		4,216,653		34,982,000	3,038,659

¹ Option programs implemented before reverse split (taken place in spring 2021) entitle to subscribe one (1) new company share with 15 options.

² The number of remaining options and shares have been deducted with those options, which have already been subscribed and registered as shares. Additionally, the unallocated share of option programs 2020 and 2023 has been deducted, as the board no longer has a mandate to allocate options based on those.

RIGHTS ISSUE

The Board of Directors of Bioretec Ltd resolved on 28 May 2025, based on the authorisation of the Annual General Meeting of the company held on 21 March 2025, to offer Bioretec's shareholders up to 6,156,618 new shares for subscription primarily on the basis of shareholders' pre-emptive subscription right in the same proportion as they already hold shares in the company and secondarily by other shareholders or by other persons in a rights issue of approximately EUR 9.2 million. The subscription price for each new share was EUR 1.50. The objective of the rights issue was to strengthen Bioretec's capital structure and to ensure its ability to implement its RemeOs™ commercialisation strategy. The proceeds from the rights issue are intended to be used to strengthen the commercialization of the RemeOs pipeline by expanding sales and marketing activities and the enhancement of distribution networks in key markets, support the company's product development within the RemeOs portfolio, and fund operational scaling, covering working capital requirements and investments in machinery and facility expansion.

A total of 7,658,836 new shares were subscribed for in the rights issue, corresponding to approximately 124.4 per cent of the 6,156,618 new shares offered in the rights issue, and the rights issue was thus oversubscribed. A total of 4,882,744 new shares were subscribed for with subscription rights, corresponding to approximately 79.3 per cent of the 6,156,618 new shares. The remaining 1,273,874 new shares were allocated in accordance with the terms and conditions of the rights issue in the secondary subscription to subscribers who subscribed for new shares also with subscription rights. Bioretec received gross proceeds of approximately EUR 9.2 million from the rights issue. As a result of the rights issue, the total number of shares in Bioretec increased by 6,156,618 from 24,626,474 to 30,783,092.

SIGNIFICANT RISKS AND UNCERTAINTIES

Bioretec's Board of Directors is responsible for Bioretec's risk management. The purpose of risk management is to identify, assess and manage risks so that they do not affect the achievement of the company's objectives. The company has a risk management policy, which is confirmed by the Board of Directors. The risk management policy supports the implementation of the strategy and business objectives and ensures business continuity.

The company has identified risks and uncertainties that could affect the company's results and financial position. It is Bioretec's strategy to identify and manage risks continuously.

Bioretec's risks can be divided into:

- Risks related to financing, including equities, shares, and the trading of those
- Risks related to the operating environment, industry, and regulations
- Risks related to product development, manufacturing, and commercialization of products

The company is exposed to various financial risks, such as liquidity, currency, and credit risk. The most important financial risk is the sufficiency of the funding needed to support the Group's strategic growth targets. Liquidity risk is continuously monitored by following up on the amount of available funds, customer credits, and open accounts payables as well as reviewing the monthly forecasted cash flow.

Industry-related risks are mainly associated with target markets, which are both highly regulated and conservative, and where the introduction of new technologies happens slowly. Risks related to legislation, rules, and regulatory compliance are associated with the Group's industry sector. One of the main risks related to the operating environment is the uncertainty caused by geopolitical tensions. Those have already increased energy, material, and logistics costs, reduced the security of supply, and reduced sales. The strong commercialization efforts in the U.S. market may increase the exposure to changes in tariffs and exchange rates.

SIGNIFICANT EVENTS AFTER THE REVIEW PERIOD

No significant events after the review period.

FINANCIAL REPORTING IN 2025

In 2025, Bioretec will publish the following financial reports:

- business review for January–September 2025 on Thursday 13 November 2025

The releases will be available online at Bioretec Ltd's website at <https://bioretec.com/investors/investors-in-english/reports-and-presentations>.

FORWARD-LOOKING STATEMENTS

The report contains certain forward-looking information that reflects Bioretec'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 known and unknown risks and uncertainties because it depends 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. Bioretec does not commit to publishing updates or revisions of any forward-looking statements as a result of new information, future events or similar circumstances other than those required by applicable legislation.

ACCOUNTING PRINCIPLES

Bioretec Group's half-year report has been prepared in accordance with the Finnish Accounting Act, as well as with the rules of Nasdaq First North Growth Market Finland. Bioretec Oy, Bioretec GmbH and Bioretec Inc. form the Bioretec Group.

Accounting principles have not changed during the reporting period. This half-year report is unaudited. The full-year 2024 figures are audited.

CONSOLIDATED INCOME STATEMENT

EUR 1,000	1-6/2025	1-6/2024	Change, %	1-12/2024
REVENUE	2,074	2,061	0.6%	4,544
Changes in stocks (FG and WIP)	386	178	116.6%	472
Other operating income	202	71	182.8%	170
Total materials and services	-1,152	-788	46.1%	-1,795
Total personnel expenses	-2,712	-1,690	60.4%	-3,824
Total depreciation and amortization	-103	-57	82.0%	-149
Other operating expenses	-3,355	-1,696	97.7%	-3,627
OPERATING PROFIT (LOSS)	-4,660	-1,921	142.6%	-4,209
Net financial expenses	-1,157	38	-3,182.4%	-404
Profit (loss) before taxes	-5,817	-1,883	208.8%	-4,613
Income taxes	189	-1	-37,866.8%	-8
PROFIT (LOSS) FOR THE PERIOD	-5,628	-1,884	198.7%	-4,614

CONSOLIDATED BALANCE SHEET

EUR 1,000	30 Jun 2025	30 Jun 2024	Change, %	31 Dec 2024
ASSETS				
NON-CURRENT ASSETS				
Intangible assets	760	581	30.8%	623
Tangible assets	1,097	1,088	0.8%	1,100
Deferred tax assets	190	0	0	0
CURRENT ASSETS				
Total inventories	2,175	1,136	91.5%	1,509
Short-term debtors	1,423	1,560	-8.8%	1,955
Cash and cash equivalents	11,467	3,947	190.5%	6,289
TOTAL ASSETS	17,113	8,313	105.9%	11,475
EQUITY AND LIABILITIES				
EQUITY				
Restricted share capital	3,749	3,749	0.0%	3,749
Other reserves (reserve for unrestricted equity)	35,330	19,821	78.2%	25,821
Retained earnings (loss)	-19,835	-15,219	30.3%	-15,219
Profit (loss) for the period	-5,628	-1,884	198.7%	-4,614
Exchange differences	-7	0	0%	2
LIABILITIES				
Long-term creditors	247	484	-49.0%	434
Short-term creditors	3,257	1,364	138.9%	1,032
TOTAL EQUITY AND LIABILITIES	17,113	8,313	105.9%	11,475

STATEMENT OF CHANGES IN EQUITY

EUR 1,000	1-6/2025	1-6/2024	Change, %	1-12/2024
Share capital at the beginning of the period	3,749	3,749	0.0%	3,749
Restricted equity total at the end of the period	3,749	3,749	0.0%	3,749
Reserve for invested unrestricted equity at the beginning of the period	25,821	19,701	31.1%	19,701
Period changes	9,509	120	7,824.5%	6,120
Reserve for invested unrestricted equity at the end of the period	35,330	19,821	78.2%	25,821
Retained earnings at the beginning of the period	-19,833	-15,219	30.3%	-15,219
Exchange rate differences	-2	0		0
Retained earnings at the end of the period	-19,835	-15,219	30.3%	-15,219
Result of the period	-5,628	-1,884	198.7%	-4,614
Translation difference	-7	0	0%	2
TOTAL EQUITY	13,609	6,466	110.5%	9,738

FINANCIAL POSITION AND CASH FLOW

EUR 1,000	1-6/2025	1-6/2024	Change, %	1-12/2024
CASH FLOW FROM OPERATING ACTIVITIES				
Cash flow before changes in working capital	-3,438	-1,864	84.4%	-4,053
Change in working capital	-413	-387	-6.8%	-1,032
Net financial expenses and taxes paid	-9	-8	13.5%	-22
CASH FLOW FROM OPERATING ACTIVITIES	-3,860	-2,259	70.9%	-5,107
CASH FLOW FROM INVESTMENTS				
Investments in tangible and intangible assets	-222	-457	-51.5%	-729
CASH FLOW FROM INVESTMENTS	-222	-457	-51.5%	-729
CASH FLOW FROM FINANCING				
Paid share issues	9,505	120	7821.2%	6,120
Change in short- and long-term financing	-188	-325	-42.3%	-375
Paid other financial expenses	-58	-41	40.3%	-531
CASH FLOW FROM FINANCING	9,260	-246	-3,864.4%	5,214
Change in liquid assets (+/-)	5,178	-2,963	-274.8%	-621
Cash and cash equivalents at the beginning of the period	6,289	6,910	-9.0%	6,910
Cash and cash equivalents at the end of the period	11,467	3,947	190.5%	6,289

DEFINITIONS OF KEY FIGURES

Key figure	Calculation formula
Sales margin	Revenue + other operating income - change in inventories - materials and services
Sales margin, %	(Sales margin / revenue) x 100
EBITDA	Revenue + other operating income - change in inventories - materials and services - personnel expenses - other operating expenses
EBIT	Revenue + other operating income - change in inventories - materials and services - personnel expenses - other operating expenses - depreciation and amortization
Net profit (loss)	Revenue + other operating income - change in inventories - materials and services - personnel expenses - other operating expenses - depreciation and amortization - net financial expenses - income taxes
R&D spend on total costs, %	Research and development expenses / (personnel expenses + depreciation + other operating expenses) x 100
Equity ratio, %	Total equity at the end of the period / (total liabilities at the end of the period - advances received at the end of the period) x 100
Cash and cash equivalents	Cash and cash equivalents, including money market deposits at the end of the period
Earnings per share (undiluted)	Profit (loss) for the period / shares outstanding at the end of the period
Earnings per share (diluted)	Profit (loss) of the period / (shares + convertible securities outstanding at the end of the period)

Tampere, 31 October 2025

Board of Directors

Bioretec Ltd

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Information about Bioretec

Bioretec is a globally operating Finnish medical device pioneer at the forefront of redefining the future of orthopedics with breakthrough absorbable implant technologies that provide sustainable and natural bone healing. Bioretec's Activa® and magnesium-based RemeOs™ platforms combine high strength with complete biodegradability, eliminating costly removal surgeries and enabling faster, safer recovery. The company's products are trusted by surgeons in approximately 40 countries worldwide. With the first RemeOs U.S. market authorization received in 2023, CE mark approval in 2025, and a robust innovation pipeline, Bioretec is positioned to disrupt the USD 10+ billion orthopedic trauma and spine market by delivering value-driven solutions that meet the needs of patients, surgeons, and healthcare systems globally.

Better healing – Better life. www.bioretec.com