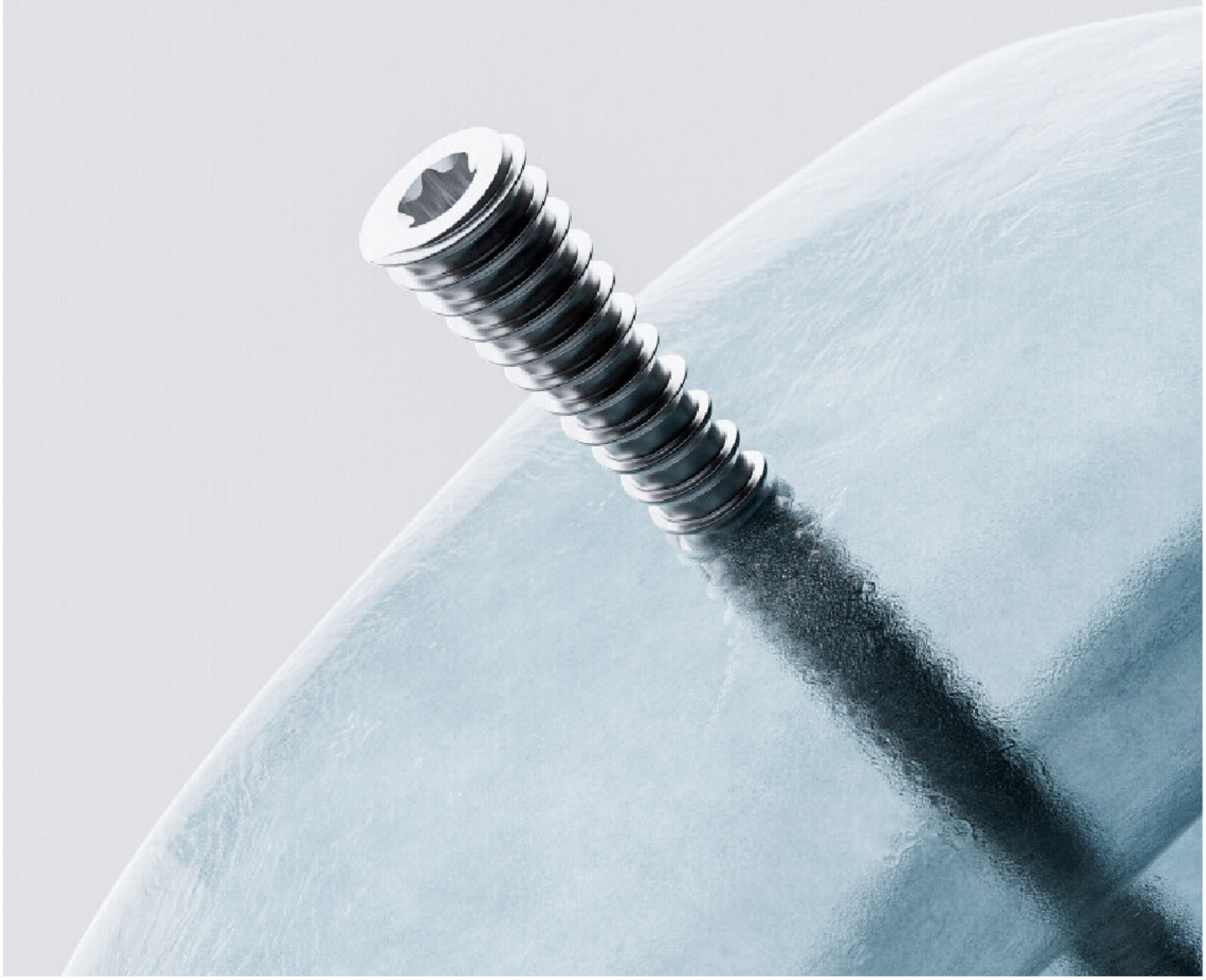
Bioretec™

Healing Beyond Absorption

Bioretec Ltd.

Half-year report

January-June 2026



H1 close signals momentum

April–June 2026 in brief

- Net sales amounted to EUR 1,100 thousand (4–6/2025: EUR 678 thousand)
- Adjusted sales margin was 68.0% (57.1%) of net sales
- EBITDA was EUR -2,251 (-3,321) thousand
- The result for the reporting period amounted to EUR -3,307 (-4,330) thousand

January–June 2026 in brief

- Net sales amounted to EUR 2,320 thousand (1–6/2025: EUR 2,074 thousand)
- Adjusted sales margin was 69.2% (56.8%) of net sales
- EBITDA was EUR -3,625 (-4,557) thousand
- The result for the reporting period amounted to EUR -4,678 (-5,628) thousand

Key figures

EUR 1,000 unless otherwise indicated	4–6/2026	4–6/2025	Change, %	1–6/2026	1–6/2025	Change, %	1–12/2025
Net sales	**1,100**	678	62.2%	**2,320**	2,074	11.9%	**3,522**
Adjusted sales margin, % of net sales [1]	**68.0%**	57.1%		**69.2%**	56.8%		**59.3%**
EBITDA	**-2,251**	-3,321		**-3,625**	-4,557		**-8,476**
EBIT	**-2,311**	-3,373		**-3,746**	-4,660		**-8,686**
EBIT, % of net sales	**-210.1%**	-497.8%		**-161.5%**	-224.7%		**-246.6%**
Profit / loss for the period	**-3,307**	-4,330		**-4,678**	-5,628		**-9,483**
R&D expenditure, % of net sales	**90.9%**	117.3%		**67.9%**	69.1%		**85.8%**
Equity ratio, %	**88.0%**	79.6%		**88.0%**	79.6%		**84.3%**
Return on equity, %	**-25.1%**	-39.0%		**-33.8%**	-48.2%		**-97.3%**
Cash and cash equivalents	**12,022**	11,467	4.8%	**12,022**	11,467	4.8%	**4,126**
Earnings per share (undiluted)	**-0.003**	-0.17		**-0.01**	-0.23		**-0.34**
Earnings per share (diluted)	**-0.002**	-0.13		**-0.003**	-0.17		**-0.28**
Number of shares at the end of the period	**1,341,785,963**	30,783,092		**1,341,785,963**	30,783,092		**30,788,092**
Number of shares (diluted)	**1,527,790,429**	33,821,751		**1,527,790,429**	33,821,751		**33,821,751**
Number of personnel at the end of the period	**58**	57	1.8%	**58**	57	1.8%	**60**

[1] From Q1/2026, the company has transitioned to reporting adjusted sales margin to be aligned with industry reporting standards. The adjusted sales margin describes the profitability of implant sales before commercialization-related expenses, such as sales commissions. Adjusted sales margin comprises the net sales of implants deducted by related cost of sales and extraordinary expenses. Items recognized below the adjusted sales margin will include, among others, commissions and external services considered fixed in nature.

Significant events in April–June 2026

- On April 2, Bioretec published an exemption document relating to its rights issue.
- On April 20, Bioretec published the notice to the Annual General Meeting to be held on May 8, 2026.
- On April 23 and April 24, Bioretec published the preliminary and final results of the rights issue, respectively. The final results of the rights issue show that a total of 1,286,801,534 new shares were subscribed for in the offering, corresponding to approximately 87.1 per cent of the 1,477,828,416 new shares offered in the offering. The subscription price in the offering was EUR 0.01 per new share. Bioretec received gross proceeds of approximately EUR 12.9 million from the offering.
- On April 28, Bioretec announced that 1,286,801,534 new shares subscribed for in the rights issue and 24,196,337 new shares issued to Stephen Industries Inc Oy as an underwriting fee pursuant to the underwriting commitment have been registered with the Trade Register maintained by the Finnish Patent and Registration Office. In addition, Bioretec announced that it would adjust the terms and conditions of its stock option programs due to the completed rights issue.
- On May 8, Bioretec announced the resolutions of the Annual General Meeting and the constitutive meeting of the Board of Directors held on the same date.
- On May 13, Bioretec announced that it clarifies its 2026–2028 financial target regarding the sales margin to concern the adjusted sales margin.
- On June 1, Bioretec announced that it initiates new change negotiations in production to enhance operational efficiency. The change negotiations were concluded on June 17.
- On June 1, Bioretec announced that its Board of Directors has resolved on a new stock option plan.
- On June 17, Bioretec announced the appointment of Conan Cavanagh as Head of Research & Development and member of the Management Team.

Significant events after the reporting period

- On July 2, Bioretec announced that Chief Financial Officer Tuukka Paavola will leave the company with immediate effect. The duties of the Chief Financial Officer will be assumed on an interim basis by Controller Anna-Mari Venola.
- On August 5, Bioretec announced the appointment of Panu Mikkonen (M.Sc. Econ.) as Chief Financial Officer, effective 6 October 2026. In this role, Mikkonen will report to Chief Executive Officer Sarah van Hellenberg Hubar-Fisher and will join the company's Management Team.

Bioretec™

CEO Sarah van Hellenberg Hubar-Fisher's comments

H1 close signals momentum

In the second quarter, our commercial momentum continued by growing net sales by 62% to EUR 1.1 million. We achieved 133% year-over-year growth in the U.S. and 63% in Europe, demonstrating consistent volume growth and representation of market demand across targeted geographies. Our revenue base continues to reflect deliberate diversification through a broader mix of customers and distribution partners across key markets, reducing concentration risk and strengthening the quality of revenue. This is also reflected as improvements in the adjusted sales margin.

Alongside our commercial progress, we maintained a strong focus on cost discipline and operational efficiency. These results continue to signal the impact of the significant strategic adjustments made in 2025 and provide the foundation for sustainable long-term growth. Commercial growth combined with disciplined execution will be key to further improving the scalability of our business.

Expansion of the RemeOs™ platform remains a priority

Our strategy for 2026–2028 prioritizes disciplined execution, capital efficiency, and continued innovation through the expansion of the RemeOs™ platform. In research and development, our focus is on progressing the near-term product pipeline and expanding our patent portfolio across all three distinct materials, addressing a broader range of clinical needs in upper and lower extremities. In early development, we continue to progress our preclinical efforts for our spine portfolio, demonstrating further breadth of indication expansion and material performance with our hybrid composite.

Whilst we secure our future position with the continued development of material expertise and experience, we must also strengthen our focus on evidence generation through reputable clinical studies and related publications that demonstrate the value of our breakthrough claims.

To support us on this path, we announced the appointment of Conan Cavanagh as Head of Research & Development, effective as of 1 September 2026. Conan will be responsible for our R&D strategy, product portfolio management, and the execution of the product development program. We are confident that his experience will support the execution of our strategy, technology development and international growth. In addition, our former CTO Timo Lehtonen will continue his contributions toward our world class materials science leadership, technology expertise and strategy as an External Executive Advisor.

Discipline and Delivery

The results from the first half of this year represent a focus on discipline to drive deliverables. Across all functions of the business, our priorities and processes remain under scrutiny, ensuring that resourcing is allocated appropriately and effectively and the spirit of execution remains in service of a high performing organization. As we build our category leadership position further, we continue to set the foundation for a commercially robust and scalable business in high-value markets with repeatable demand drivers.

To achieve this, we will invest in strengthening our market presence and visibility across key markets, driving excellence in defined measures of success per market such as repeat surgeon utilization, consistent growth targets, industry defining publications, and expansion of the RemeOs™ product line.

The first two quarters of 2026 have provided clear signals that our strategy and commercial investments are translating into measurable results. We carry this momentum and increased confidence into the rest of 2026, with a continued commitment to defining our position as a category leader and delivering on our promise of patient outcomes that represent the best in material science where Biology meets Bone.

Net sales, profitability and financial performance

Net sales and adjusted sales margin

In April–June 2026, net sales increased by 62.2% year over year to EUR 1,100 (678) thousand, supported by increased volumes and a broader mix of customers and distribution partners across key markets. Net sales increased across all geographical areas: in Europe by 63.9%, in the U.S. by 133.6% and in the rest of the world by 33.5%.

In January–June 2026, net sales increased by 11.9% year over year to EUR 2,320 (2,074) thousand. The growth was mainly driven by significantly increased net sales in Europe (+120.3%) and in the U.S. (+225.2%), while net sales in the rest of the world decreased by 38.6%.

Net sales by geographical area

EUR 1,000	4–6/2026	4–6/2025	Change, %	1–6/2026	1–6/2025	Change, %	1–12/2025
Europe	**345**	210	63.9%	**779**	353	120.3%	**887**
The U.S.	**305**	131	133.6%	**597**	184	225.2%	**488**
Rest of the world	**449**	337	33.5%	**944**	1,537	-38.6%	**2,146**
Total	**1,100**	**678**	**62.2%**	**2,320**	**2,074**	**11.9%**	**3,522**

The adjusted sales margin increased to 68.0% (57.1%) of net sales in April–June 2026 and to 69.2% (56.8%) in January–June 2026. The increase in the adjusted sales margin was primarily driven by changes in the sales mix and a higher share of sales in higher-margin markets such as Europe and the U.S.

Operating expenses

In April–June 2026, total operating expenses decreased by 22% and amounted to EUR 3,101 (3,962) thousand.

In January–June 2026, total operating expenses decreased by 14% and amounted to EUR 5,315 (6,170) thousand. The comparison period included EUR 1.1 million of other operating expenses related to the correction of the previous half-year report. Excluding this item, total operating expenses increased by 9% in Q2 and 5% in H1. The increase was mainly a result of increased other operating expenses, while total personnel expenses stayed roughly at the same level as in the comparison period. Throughout the reporting period, Bioretec maintained a strong focus on cost discipline and operational efficiency.

R&D expenses in April–June 2026 grew by 26% and amounted to EUR 1,000 (795) thousand.

R&D expenses in January–June 2026 grew by 10% and amounted to EUR 1,576 (1,433) thousand. The growth was mainly related to the ongoing projects on developing the RemeOs™ product family.

EBITDA and net profit

EBITDA amounted to EUR -2,251 (-3,321) thousand in April–June 2026 and to EUR -3,625 (-4,557) thousand in January–June 2026. The improvement in EBITDA was driven by increased net sales.

Net loss for April–June 2026 was EUR -3,307 (-4,330) thousand and for January–June 2026 EUR -4,678 (-5,628) thousand. Net loss includes the costs of the rights issue arranged in April 2026, amounting to EUR 1,011 thousand.

Financial position and cash flows

On June 30, 2026, the Group's equity ratio was 88.0% (79.6%) and total liabilities EUR 2,514 (3,504) thousand. The Group's return on equity in January–June 2026 was -33.8% (-48.2%). Interest-bearing liabilities amounted to EUR 247 (484) thousand, including EUR 0 (247) thousand of long-term liabilities.

At the end of the financial period, the Group had EUR 12,022 (11,467) thousand of cash and cash equivalents and money market deposits.

In January–June 2026, cash flow from operating activities totaled EUR -3,807 (-3,860) thousand. Cash flow from financing activities amounted to EUR 11,903 (9,260) thousand. The company arranged a EUR 12.9 million rights issue in April 2026 and estimates that it has sufficient working capital to execute its strategy into the third quarter of 2027 under the current business plan.

In January–June 2026, the Group's capital expenditure totaled EUR 200 (222) thousand. Investments during the financial period consisted of costs related to production equipment and related facilities along with R&D project equipment, IPR and market authorization processes, as well as costs capitalized on the new ERP system.

Research and development

Bioretec offers two product families, Activa and RemeOs™. The Activa product family is based on self-reinforced PLGA and facilitates healing in orthopedic indications under appropriate immobilization. The RemeOs™ product family utilizes state-of-the-art absorbable metal alloy technology. RemeOs™ implants have greater load-bearing capacity than previous generations of absorbable implants and are well-suited for treating bone fractures across a wide range of indications.

Bioretec has a strong pipeline for launching additional products. The Company is especially committed to expanding the RemeOs™ family with several synergistic products in the coming years, with new types of absorbable metal alloy products already in advanced development and clinical trials.

As highlighted in the strategic priorities for 2026–2028, Bioretec plans to introduce one new product every 12–18 months and establish RemeOs™ as the leading absorbable product family and metal alloys as the preferred solution in the absorbable implant market globally.

Bioretec has divided the introduction and commercialization of new products in the pipeline into three different timeframes:

Short term (<18 months):

- Activa Headless Cannulated Screw
- RemeOs™ Trauma Screw (US portfolio expansion)
- RemeOs™ DrillPin

Medium term (18–36 months):

- Differentiated RemeOs™ absorbable trauma product(s) (e.g. elastic intramedullary nails, specialty screws, staples, anchors)

Long term (36+ months):

- RemeOs™ Spine portfolio
- RemeOs™ IM Nails
- RemeOs™ Plates

The company is not in a position to give a specific order or estimated timeline for the commercialization of individual products as this is highly dependent on regulatory approval timelines and subsequent prioritization of R&D resources.

Regulatory milestones achieved:

- **April 2021:** The U.S. Food and Drug Administration (FDA) grants Breakthrough Device Designation for Bioretec's RemeOs™ Screw products, confirming that the product represents a breakthrough technology in traumatology and orthopedic surgery.
- **December 2021:** Bioretec files for a CE mark for its RemeOs™ Trauma Screw. The CE mark is a legal prerequisite in order to commercialize a medical device in the European Union.

- **May 2022:** Bioretec submits a De Novo request for market authorization in the U.S. for its RemeOs™ Trauma Screw. The De Novo request provides a registration pathway for novel medical devices for which there is no predicate device available in the U.S. market.
- **March 2023:** FDA approves Bioretec's RemeOs™ Trauma Screw as the first bioresorbable metal implant in the U.S. market.
- **March 2024:** The FDA grants Breakthrough Device Designation for Bioretec's RemeOs™ Spinal Interbody Cage, confirming that the product represents a breakthrough technology in spinal surgery.
- **January 2025:** Bioretec receives CE mark approval for its RemeOs™ Trauma Screw product portfolio, allowing market launch in Europe.
- **December 2025:** The FDA grants Breakthrough Device Designation for Bioretec's RemeOs™ DrillPin, becoming the third Breakthrough Device Designation granted to Bioretec by the FDA.

Clinical highlights:

- RemeOs™ Trauma Screw – Post-Market Clinical Follow-Up (PMCF): PMCF activities remain underway, including ongoing case and follow-up data collection and continued onboarding of additional clinical sites. The program continues to capture fracture and fusion outcomes in both upper and lower extremities across adult and pediatric patients, covering a broad range of clinical indications since launch. Recent follow-up results demonstrate excellent clinical outcomes and were presented at EPOS by Prof. Dr. Theddy Slongo.
- RemeOs™ DrillPin – Hammertoe Clinical Trial: The clinical trial evaluating the RemeOs™ DrillPin for hammertoe correction is ongoing. Initial patients have been enrolled and are currently in follow-up, and recruitment continues.
- RemeOs™ DrillPin – Pediatric Wrist Fracture Clinical Trial: Following completion of site initiation activities, the pediatric distal radius fracture clinical trial has entered the enrollment phase. The first patient has been successfully recruited and followed up, demonstrating good early clinical outcomes, with recruitment continuing.
- Training and Education Initiatives: Bioretec has initiated the development of training and education (T&E) platforms for the U.S. and international (OUS) markets. These programs are designed to increase awareness of the clinical benefits and material properties of absorbable implant technologies and to support broader adoption of the RemeOs™ product family.

Operating environment and market development

Bioretec operates in the global orthopedic market, the size of which was estimated to be around USD 65 billion in 2025. Bioretec's strategic emphasis is on orthopedic trauma products, valued at around USD 9.6 billion in 2025, representing ca. 15% of the global orthopedic market. One of the key areas for Bioretec is the foot and ankle segment, which stands out as a dynamic and growing market, driven by various factors such as intensified awareness of foot and ankle health, sports injuries, an aging population and the increasing prevalence of ankle and foot disorders. Further, minimally invasive surgical procedures are becoming increasingly popular for the cure of foot and ankle disorders. The surging demand for foot and ankle devices is generating opportunities for key market players, and it will remain a focus area in Bioretec's short and medium-term product pipeline. Industry forecasts project a robust 7% annual growth rate for the foot and ankle market from 2023 to 2033, potentially reaching a total market value of USD 9.3 billion in 2033. Bioretec is well-positioned to leverage this potential and capitalize on the opportunities in the evolving orthopedic landscape.

Out of the total orthopedic trauma product market, bioabsorbable orthopedic implants represent a segment with particularly attractive growth potential. This segment of the market is currently estimated at around USD 2 billion, and is growing faster than traditional metal fixation, driven by pressure to reduce operations and align with value-based healthcare. With an estimated CAGR of over 10% between 2026 and 2033, the global bioabsorbable orthopedic implant market is expected to reach over USD 4 billion by 2033. Bioretec is already a recognized market player within this segment.

The United States is currently the largest target market for Bioretec, representing a 67% share of the global orthopedic trauma products in 2025. In Europe, the now effective, more stringent Medical Device Regulation (MDR) is reshaping the market landscape. This regulation, more rigorous than its predecessor, the Medical Device Directive, has led to product withdrawals by orthopedic companies, even though the transition deadline has been extended to 2027 or 2028, depending on the device type. Europe as a market remains one of Bioretec's strategic target areas. In China, the transition

to volume-based procurement (VBP) has led to lower prices for trauma fixation implants and has been advantageous for domestic Chinese manufacturers. Bioretec continues to closely monitor the VBP progress and its effects on the local market.

In the long term, the orthopedic trauma market is poised for continued growth, driven by demographic shifts toward an aging population and rising instances of diabetes and obesity. Bioretec is committed to innovating and providing valuable solutions in orthopedic treatment by improving the quality of patient lives and making an impact on global healthcare.

Personnel and management

At the end of June 2026, Bioretec had 58 (57) employees. The average number of employees from January 1 to June 30, 2026 was 58 (49). Salaries and other personnel expenses in January–June 2026 totaled EUR 2,784 (2,712) thousand.

On June 30, 2026, the members of Bioretec's Management Team were:

- **Sarah van Hellenberg Hubar-Fisher,** CEO
- **Timo Lehtonen,** CTO
- **Tuukka Paavola,** CFO
- **René Eve,** Director of Operations
- **Mirva Ekman,** Quality Director
- **Mari Ruotsalainen,** Regulatory Affairs Director
- **Frank Sarcone,** VP of Sales USA
- **Jordy Winters,** VP of OUS Sales

As announced on March 12, Chief Technology Officer Timo Lehtonen has transitioned to the role of External Executive Advisor (Technology & Strategy) and stepped down from the company's Management Team as of July 6, 2026.

On June 17, Bioretec announced the appointment of Conan Cavanagh as Head of Research & Development and a member of the Management Team as of September 1, 2026.

On July 2, Bioretec announced that Chief Financial Officer Tuukka Paavola will leave the company with immediate effect. The duties of the Chief Financial Officer will be assumed on an interim basis by Controller Anna-Mari Venola.

On August 5, Bioretec announced the appointment of Panu Mikkonen (M.Sc. Econ.) as Chief Financial Officer, effective 6 October 2026. In this role, Mikkonen will report to Chief Executive Officer Sarah van Hellenberg Hubar-Fisher and will join the company's Management Team.

Board of Directors

On June 30, 2026, Bioretec's Board of Directors had six members.

The Annual General Meeting held on May 8, 2026 re-elected Michael Piccirillo, Päivi Malinen, Kustaa Poutiainen, Antti Vasara and Justin Barad as members of the Board. David Gill was elected as a new member of the Board of Directors. The term of the Board of Directors will end at the conclusion of the Annual General Meeting 2027.

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 David Gill as the Deputy Chairperson.

Annual General Meeting and Board Authorizations

Annual General Meeting 2026

Bioretec Ltd's Annual General Meeting was held on Friday May 8, 2026 as a hybrid meeting in accordance with Chapter 5, Section 16, Subsection 2 of the Finnish Companies Act.

The Annual General Meeting approved the financial statements for the financial year January 1–December 31, 2025 and resolved to discharge the members of the Board of Directors and the CEOs from liability for the financial period January 1–December 31, 2025.

The Annual General Meeting resolved in accordance with the proposal of the Board of Directors that the loss of EUR 7,873,906.59 for the financial period January 1–December 31, 2025 will be credited to the equity as Profit/loss for previous financial periods and that no dividend shall be distributed.

Number of members of the Board of Directors, election of members of the Board and their remuneration

The Annual General Meeting resolved that the number of members of the Board of Directors will be six (6). Michael Piccirillo, Päivi Malinen, Kustaa Poutiainen, Antti Vasara and Justin Barad were re-elected as members of the Board. David Gill was elected as a new member of the Board of Directors. The term of the Board of Directors will end at the conclusion of the Annual General Meeting 2027.

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.

Election and remuneration of auditor

The Annual General Meeting elected audit firm PricewaterhouseCoopers Oy as the auditor of the company until the closing of the 2027 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.

Amendment of the Articles of Association

The Annual General Meeting resolved to amend and clarify Article 9 of the Articles of Association by removing the reference to deputy auditor. Pursuant to Article 7 of the Articles of Association, the company's auditor must be an auditing firm approved by the Finnish Patent and Registration Office, in which case a deputy auditor is not required to be elected under Chapter 2, Section 3 of the Finnish Auditing Act.

After the amendment, Article 9 will read as follows:

> "9 § Annual General Meeting
>
> The Annual General Meeting must be held each year on a day specified by the Board of Directors, which shall be within six (6) months of the close of the financial period.
>
> At the General Meeting, the following must be:
>
> presented:
>
> 1. the financial statements, which shall include the income statement, the balance sheet and the report of the Board of Directors;
> 2. the auditor's report;
>
> decided:
>
> 3. the adoption of the income statement and the balance sheet;

4. measures called for by the profit or loss reported in the approved balance sheet;

5. the discharge from liability of the members and deputy members of the Board of Directors and the Chief Executive Officer;

6. the remuneration of members of the Board of Directors and the auditor;

7. the number of members of the Board of Directors;

   elected:

8. the members of the Board of Directors; and

9. the auditor."

In addition, the Annual General Meeting resolved to amend Article 10 of the Articles of Association to allow the company to hold general meetings also in Helsinki.

After the amendment, Article 10 will read as follows:

"10 § Organization of the General Meeting

General Meetings are held at the company's domicile or in Helsinki.

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)."

Board Authorizations

The Extraordinary General Meeting held on March 27, 2026, resolved to authorize the Board of Directors to resolve on the issuance of shares and special rights entitling to shares as follows:

The total number of shares to be issued under the authorization may not exceed 250,000,000 shares in aggregate, including shares to be issued on the basis of special rights. Shares or special rights entitling to shares may be issued in one or more tranches, either against payment or without payment.

The shares to be issued under the authorization may be new shares or shares held by the Company. The authorization may be used for implementing the Company's share-based incentive schemes as well as for financing or carrying out acquisitions or other arrangements (including for the payment of any share-based fees in consideration for subscription or underwriting commitments relating to the rights offering referred to above), for strengthening the Company's balance sheet and financial position, or for other purposes determined by the Board of Directors.

Under the authorization, the Board of Directors may resolve to issue new shares to the Company itself without consideration. The Board of Directors shall be authorized to resolve on all terms and conditions of the share issuances and the issuance of special rights entitling to shares in the Company.

Shares and special rights entitling to shares may be issued in deviation from the shareholders' pre-emptive rights within the limits set by law.

The authorization shall remain effective until the close of the Annual General Meeting of the Company held in 2027, however no longer than until June 30, 2027. The authorization revokes all previous unused authorizations regarding the issuance of shares and the issuance of special rights entitling to shares.

The Board of Directors intends to use the authorization to issue shares on the basis of special rights in an amount corresponding to a dilution effect of no more than 12.00 percent.

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Bioretec’s 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 dividend. The company’s shares are traded on Nasdaq First North Growth Market Finland marketplace under the trading code BRETEC.

On June 30, 2026, Bioretec had a total of 1,341,785,963 (30,783,092) shares. The share capital was EUR 3,749 (3,749) thousand. Bioretec does not hold any treasury shares. In January–June 2026, the average number of shares was 686,287,028 (27,059,975). The average number of shares (diluted) in January–June 2026 was 780,806,090 (30,668,442).

There were 122 (122) trading days in the review period. A total of 284,907,190 (2,849,537) shares were traded during the period, and the total value of the shares traded was EUR 6,400,140 (6,139,659). The highest price of the share was EUR 0.06 (2.77), and the lowest price was EUR 0.01 (1.67). The volume-weighted average price was EUR 0.02 (2.15), and the closing price at the end of the period was EUR 0.02 (1.81). In accordance with the closing price, the combined market value of the shares was approximately EUR 26.8 (55.7) million.

Share Issues

On March 27, 2026, the Board of Directors of Bioretec, based on the authorization of the Extraordinary General Meeting of the Company held on March 27 2026, resolved to offer Bioretec's shareholders up to 1,477,828,416 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 up to approximately EUR 14.8 million. The subscription price for each new share was EUR 0.01.

The purpose of the offering was to strengthen the company's capital base and financing resources supporting the Company in the execution of its strategy announced in a company release on December 16, 2025. The company aimed to strengthen its balance sheet, ensure sufficient working capital and finance the working capital needs of its targeted business growth with the proceeds from the offering. The proceeds raised in the offering are intended to be used to advance the commercial scale-up of the company's products particularly in the United States, continue the progression of the development pipeline and launch three new products within the next 18 months, improve the company's operations and production capabilities, and for working capital and general administration expenses.

The final results of the rights issue published on April 24, 2026 showed that a total of 1,286,801,534 new shares were subscribed for in the offering, corresponding to approximately 87.1 per cent of the 1,477,828,416 new shares offered in the offering. A total of 861,491,616 new shares were subscribed for with subscription rights, corresponding to approximately 58.3 per cent of the 1,477,828,416 new shares. In addition, 96,082,674 new shares were allocated in accordance with the terms and conditions of the offering in the secondary subscription to subscribers who subscribed for new shares also with subscription rights and 6,609,420 new shares were allocated in the secondary subscription in accordance with the terms and conditions of the offering to subscribers who subscribed for new shares only without subscription rights. The remaining 322,617,824 new shares were allocated to Stephen Industries Inc Oy pursuant to the underwriting commitment given by it. Bioretec received gross proceeds of approximately EUR 12.9 million from the offering.

Shareholders

Bioretec’s shares are in the book-entry system maintained by Euroclear Finland, and Euroclear Finland maintains Bioretec’s official shareholder register. On June 30, 2026, Bioretec had a total of 6,085 (4,832) registered shareholders, of whom 29% (93%) were private individuals. There were 25,363,057 (3,297,632) nominee-registered and foreign-owned shares, which were 2% (11%) of all shares and votes. The largest shareholders and shareholders by sector are available on the company’s website at https://investors.bioretec.com/en/share_information/shareholders.

On June 30, 2026, Bioretec's Board of Directors and Management Team (including direct holdings and shares indirectly held through controlled entities) held a total of 40% (12%) of all of the company's shares and votes.

Option programs

The company has established share option programs as incentive plans for Bioretec's key personnel, members of the Board of Directors, members of the Scientific Advisory Board, the organizer of the share issue, and the former shareholders of the subsidiary Bioretec GmbH in connection with the completion of its acquisition in 2019.

On June 30, 2026, there were five stock option programs open: stock options 2018–1, 2020–1, 2023-1, 2025-1 and 2026-1. The stock options are issued free of charge. The shareholder's rights begin when the shares are registered in the Trade Register. The outstanding stock option plans in January–June 2026 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 the remaining unexercised options[1]
2018-1A	8,500,000	0.13	566,667	1.1.2019-31.12.2026	7,150,000	476,667
2018-1B	8,500,000	0.13	566,667	1.1.2020-31.12.2026	8,500,000	566,667
2018-1C	1,500,000	0.20	100,000	1.1.2021-31.12.2026	1,500,000	100,000
2018-1D	1,500,000	0.20	100,000	1.1.2022-31.12.2026	1,500,000	100,000
2020-1A	8,450,000	0.20	563,324	1.1.2022-31.12.2026	5,650,000	376,662
2020-1B	9,150,000	0.26	609,998	1.1.2023-31.12.2026	5,300,000	353,332
2020-1C	8,400,000	0.33	559,998	1.1.2024-31.12.2026	4,550,000	303,332
2023-1	1,000,000	0.22	1,000,000	21.10.2024-31.12.2029	607,000	607,000
2025-1	150,000	0.24	150,000	22.3.2026-31.12.2030	150,000	150,000
2026A	97,584,430	-*	97,584,430	After the vesting period– 31.5.2032	97,584,430	97,584,430
2026B	85,386,377	-*	85,386,377	After the vesting period– 31.5.2032	85,386,377	85,386,377
Total	**230,120,807**		**187,187,461**		**217,877,807**	**186,004,467**

[1] Option programs implemented before the reverse split (which took place in spring 2021) entitle to subscribe for one (1) new company share with 15 options.
[2] The number of remaining options and shares has been deducted by those options, which have already been exercised 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.
*The share subscription price for stock options 2026A and 2026B is the volume-weighted average share price (VWAP) of the Company's share during the period of one (1) month commencing on April 29, 2026, plus a 20 per cent premium.

The share subscription price will be credited to the reserve for the Company's invested unrestricted equity. The share subscription price will be reduced by the amount of dividends and assets from reserves of unrestricted equity per share resolved after the Board's resolution but before the share subscription.

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

The company is exposed to typical 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 can in some cases take a long time. Risks related to legislation, rules, and regulatory compliance are associated with the Group's industry sector.

One of the risks related to the operating environment is the uncertainty caused by geopolitical tensions and changes. This risk has partly already been realized during the past few years with high inflation, higher energy and logistics costs, and reduced overall security of supply. The latest short-term risk in the operating environment identified relates to the potential new and increased tariffs in the U.S. market.

Financial reporting in 2026

In 2026, Bioretec will publish the following financial reports:

- Business review for January–September 2026 on Thursday, November 12, 2026

The releases will be published as company releases and will be available online on Bioretec's website at https://investors.bioretec.com/en/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

This half-year report of Bioretec Group 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.

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Consolidated income statement

EUR 1,000	1–6/2026	1–6/2025	Change, %	1–12/2025
NET SALES	**2,320**	2,074	11.9%	3,522
Changes in stocks (FG and WIP)	**672**	386	74.0%	2,799
Other operating income	**205**	202	1.8%	412
Total materials and services	**-1,628**	-1,152	41.4%	-4,007
Total personnel expenses	**-2,784**	-2,712	2.6%	-5,259
Total depreciation and amortization	**-121**	-103	16.8%	-210
Other operating expenses	**-2,410**	-3,355	-28.2%	-5,943
OPERATING PROFIT (LOSS)	**-3,746**	-4,660	-19.6%	-8,686
Net financial expenses	**-885**	-1,157	-23.5%	-1,196
Profit (loss) before taxes	**-4,631**	-5,817	-20.4%	-9,882
Income taxes	**-47**	189	-125.0%	399
PROFIT (LOSS) FOR THE PERIOD	**-4,678**	-5,628	-16.9%	-9,483

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Consolidated balance sheet

EUR 1,000	June 30, 2026	June 30, 2025	Change, %	December 31, 2025
ASSETS				
NON-CURRENT ASSETS				
Intangible assets	**1,040**	760	36.7%	992
Tangible assets	**994**	1,097	-9.4%	1,056
Deferred tax assets	**395**	190	107.4%	420
CURRENT ASSETS				
Total inventories	**4,586**	2,175	110.9%	3,889
Short-term debtors	**1,432**	1,423	0.7%	1,197
Cash and cash equivalents	**12,022**	11,467	4.8%	4,126
TOTAL ASSETS	**20,469**	17,113	19.6%	11,679
EQUITY AND LIABILITIES				
EQUITY				
Restricted share capital	**3,749**	3,749	0.0%	3,749
Reserve for invested unrestricted equity	**48,205**	35,330	36.4%	35,337
Retained earnings (loss)	**-29,321**	-19,835	47.8%	-19,835
Profit (loss) for the period	**-4,678**	-5,628	-16.9%	-9,483
Translation difference	**0**	-7	-97.9%	-6
LIABILITIES				
Long-term creditors	**0**	247	-100.0%	138
Short-term creditors	**2,514**	3,257	-22.8%	1,779
TOTAL EQUITY AND LIABILITIES	**20,469**	17,113	19.6%	11,679

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Consolidated cash flow statement

EUR 1,000	1–6/2026	1–6/2025	Change, %	1–12/2025
CASH FLOW FROM OPERATING ACTIVITIES				
Cash flow before changes in working capital	**-3,625**	-3,438	5.4%	-7,239
Change in working capital	**-146**	-413	-64.8%	-2,506
Net financial expenses and taxes paid	**-36**	-9	295.1%	-17
CASH FLOW FROM OPERATING ACTIVITIES	**-3,807**	-3,860	-1.4%	-9,762
CASH FLOW FROM INVESTMENTS				
Investments in tangible and intangible assets	**-200**	-222	-9.8%	-584
CASH FLOW FROM INVESTMENTS	**-200**	-222	-9.8%	**-**584
CASH FLOW FROM FINANCING				
Paid share issues	**12,868**	9,505	35.4%	9,516
Change in short- and long-term financing	**-188**	-188	0.0%	-237
Paid interest and other financial expenses	**-777**	-58	1250.8%	-1,097
CASH FLOW FROM FINANCING	**11,903**	9,260	28.5%	8,183
Change in liquid assets (+/-)	**7,897**	5,178	52.5%	-2,163
Cash and cash equivalents at the beginning of the period	**4,126**	6,289	-34.4%	6,289
Cash and cash equivalents at the end of the period	**12,022**	11,467	4.8%	4,126

Changes in equity

EUR 1,000	1–6/2026	1–6/2025	Change, %	1–12/2025
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	**35,337**	25,821	36.9%	25,821
Period changes	**12,868**	9,509	35.3%	9,516
Reserve for invested unrestricted equity at the end of the period	**48,205**	35,330	36.4%	35,337
Retained earnings at the beginning of the period	**-29,318**	-19,833	47.8%	-19,833
Exchange rate differences	**-3**	-2	45.6%	-2
Retained earnings at the end of the period	**-29,321**	-19,835	47.8%	-19,835
Result of the period	**-4,678**	-5,628	-16.9%	-9,483
Translation difference	**0**	-7	-97.9%	-6
TOTAL EQUITY	**17,955**	13,609	31.9%	9,762

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Definitions of key figures

Key figure	Calculation formula
Adjusted sales margin	Net sales of implants – related costs of implant sales and extraordinary expenses
Adjusted sales margin, %	(Adjusted sales margin / net sales of implants)
EBITDA	Net sales + other operating income +/- change in inventories - materials and services - personnel expenses - other operating expenses
EBIT	Net sales + other operating income +/- change in inventories - materials and services - personnel expenses - other operating expenses - depreciation and amortization
Net profit (loss)	Net sales + other operating income +/- change in inventories - materials and services - personnel expenses - other operating expenses - depreciation and amortization – net financial expenses - income taxes
R&D expenditure, % of net sales	Research and development expenses / net sales
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)
Cash and cash equivalents	Cash and cash equivalents including money market deposits at the end of the period
Earnings per share (undiluted)	Profit (loss) of 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, August 13, 2026

Board of Directors

Bioretec Ltd.

For additional information:

Sarah van Hellenberg Hubar-Fisher
CEO
+31 6 1544 8736
sarah.hubar-fisher@bioretec.com

Certified Adviser

Nordic Certified Adviser AB, +46 70 551 67 29

Information about Bioretec

Bioretec is a globally operating Finnish medical device pioneer at the forefront of transforming orthopedic care with fully biodegradable implant technologies. The company has built unique competencies in the biological interface of active implants to enhance bone growth and accelerate fracture healing after orthopedic surgery. The products developed and manufactured by Bioretec are used worldwide in approximately 40 countries.

The company's latest innovation, the RemeOs™ product line, is based on a high-performance magnesium alloy and hybrid composite, introducing a new generation of strong absorbable materials for enhanced surgical outcomes. The RemeOs™ implants are absorbed and replaced by bone, which eliminates the need for removal surgery while facilitating fracture healing. The first RemeOs™ product market authorization was received in the U.S. in March 2023, and in Europe, the CE mark approval was received in January 2025.

Bioretec's Activa product line features fully bioabsorbable orthopedic implants made from a proprietary, self-reinforced PLGA both CE marked and FDA cleared for a wide range of indications in adult and pediatric patients.

Bioretec is shaping the future of orthopedic treatment with a focus on healing through absorption, paving the way for more effective and patient-friendly solutions.

To learn more about Bioretec, visit www.bioretec.com.

Bioretec™

Healing Beyond Absorption

Bioretec Ltd
Yrittäjänkulma 5
33710 Tampere, Finland
+358 20 778 9500

www.bioretec.com