



Press release from Ortoma AB
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Ortoma Signs Agreement for Exclusive Distribution Rights in Japan

Ortoma signs agreement with Johnson & Johnson K.K. for exclusive distribution rights in Japan of the Ortoma Treatment Solution for hip surgery. It is the first agreement that the company executes with a global strategic partner. The agreement allows for the possibility to expand the partnership to other global markets.

Ortoma is the provider of the Ortoma Treatment Solution (OTS), which includes OTS Hip Plan and OTS Hip Guide for pre-operative planning, intra-operative navigation, and post-operative follow-up of hip implant surgical procedures. The OTS platform is a surgical system that is assisted by Artificial Intelligence for improved accuracy, efficiency and surgical outcome.

Johnson & Johnson K.K. is a supplier of medical devices. Johnson & Johnson K.K. offers Depuy Synthes products, including hip implants, on the Japanese market. OTS Hip Plan can be used with Depuy Synthes hip implants available on the Japanese market.

"I am very happy about the opportunity to take OTS for hip replacement surgery to the Japanese market with a major industry leading partner. We are looking forward to supporting Johnson & Johnson K.K.'s launch of the OTS platform. Ortoma believes that our offerings will provide differentiated medical solutions to patients in the Japanese market," says Linus Byström, CEO of Ortoma AB.

The agreement includes the commercial terms for the exclusive distribution rights in Japan of OTS for hip replacement surgery including the products OTS Hip Plan and OTS Hip Guide. The agreement is valid for an initial term of seven years. Johnson & Johnson K.K. with affiliated companies has the right to negotiate an extension of the strategic partnership to other surgical areas in Japan as well as to other global markets.

Johnson & Johnson K.K. will evaluate the products clinically during an initial pilot period in 2022 agreed upon by the parties. If satisfactory, Johnson & Johnson K.K. will proceed with the launch of the products on the Japanese market. The evaluation will be conducted following the registration of appropriate regulatory approval of the relevant OTS product in Japan. OTS Hip Plan already has regulatory approval in Japan. The Johnson & Johnson K.K. has the right to terminate the agreement two years after regulatory approval.

Following the pilot period, the income from the strategic partnership will be a combination of fixed fees, software annual license fees and fees for consumables and services. Ortoma will be responsible for the service of OTS for hip surgery in Japan via a local third party organization.



“Although we cannot quantify the future income from this strategic partnership, we are encouraged by the early indications of interest by key clinicians in the Japanese market,” says Linus Byström.

“The OTS Hip Plan and OTS Hip Guide will allow surgeons to improve precision in hip implant surgery. Patients, clinicians and the Japan Health system will all benefit,” says Gunnar Németh, Chairman of the Board of Ortoma.

The agreement was facilitated by MedWorld Advisors, an International Strategic M&A Advisory firm. MedWorld supported Ortoma with its strategic objectives and the execution of the contract between the parties.

Ortoma – Improved Performance

This disclosure contains information that Ortoma is obliged to make public pursuant to the EU Market Abuse Regulation (EU nr 596/2014). The information was submitted for publication, through the agency of the contact person, on 21-12-2021 20:05 CET.

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About Ortoma AB (publ)

Ortoma AB develops surgical systems for the planning and positioning of implants in hip, knee and spinal surgery. The purpose of the company's surgical system, Ortoma Treatment Solution™ (OTS) is to enable surgeons to accurately measure and plan 3D surgery for the placement of joint implants, and during surgery, to optimally position the implant in the patient. Ortoma's surgical system is aimed at providing better patient outcomes, fewer complications and less follow-up surgeries - and thus better long-term survival rates for implants. OTS is a system that is easily integrated into the processes and routines currently used in surgery, thereby increasing efficiency. Globally, more than 7.5 million orthopedic procedures are performed each year where OTS could be used in hip, knee and spinal surgery. In Sweden, around 42,000 surgical procedures were performed last year, involving hip, knee or spinal surgery. Ortoma's B shares are listed on Spotlight Stock Market.