



## **Epiprotect classified as skin substitute will increase reimbursement rates and create market advantages**

After extensive investigation, study and evaluation of clinical data found that Epiprotect has wound healing abilities in a larger scale than a typical wound dressing. The company has therefore completed an extensive study to understand why it has been proved to be so successful. The results of the extensive study concluded that Epiprotect in combination with the body's own proteins creates an active biological material when placed on a wound. The term dressing is therefor no longer the correct medical term and the Company has therefor decided that the term "skin substitute" should be used instead.

The change in product category will open up to a higher level of reimbursement within the healthcare field, which until today has been a very limiting factor for both the use and the sales of Epiprotect. Since the use of skin substitutes has shown to provide advantages over conventional dressings, the level of compensation from insurance companies and other payers is also higher, both for the procedure as such, but also for the product.

Since Epiprotect now belongs to the group of skin substitutes, the reimbursement level will cover the costs that healthcare providers in, e.g Germany and the United Arab Emirates have for the product. This also provides an increased profit for these caregivers compared to other skin substitutes, as Epiprotect is a very cost-effective product.

The market for skin substitutes is dominated by products based on skin from different organisms, human amniotic membranes, and different types of protein mixtures. Epiprotect represents a unique product in this segment that is expected to grow at a CAGR of over 15% to reach a global market value of USD 7.3 billion by 2027 according to iHealthcareAnalyst. The major increase in type 2 diabetes as well as increased life expectancy, both of which are major risk factors for developing different types of hard-to-heal wounds, are believed to be the main cause of the segment's growth.

"When evaluating our sales strategies, we have identified that a reclassification to skin substitutes will help us gain larger market shares faster. Epiprotect is a fantastic product that already has helped thousands of patients. With this news, the company will also increase the possibility of an effective market introduction in the US."

This disclosure contains information that S2Medical AB 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 16-09-2022 11:51 CET.

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**About S2Medical**

S2Medical AB (publ) is a medical technology company that develops and sells innovative wound healing products for the entire wound healing process, with a focus on burns and chronic wounds. The company has developed eiratex®, a new cellulose-based material for healing severe burns and chronic wounds. The material heals wounds effectively and thereby reduces both suffering for patients and costs for health care.

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