

**2024**

# Interim Report for the third quarter

January – September 2024



# Interim Report for the third quarter of 2024

January 1 – September 30, 2024

## The third quarter in figures

- Net sales amounted to TSEK 35,728 (31,697). As all sales now derive from orthobiologics, which in the corresponding period amounted to TSEK 16,724, the relevant comparison translates to a growth of 114%, or 121% with constant exchange rates, compared to the relevant Q3 numbers 2023.
- Gross margin of 96,9% compared to a blended margin of 79.6% in the same quarter in the previous year and compared to 93.2% in the previous quarter of 2024.
- Operating loss of TSEK 9,836 (17,911). Sales variable costs increased whereas non-sales variable costs decreased, both compared to the previous year and to the previous quarter.
- Loss after taxes amounted to TSEK 9,760 (33,125).
- Earnings per share improved to SEK -0.1 (-0.5).
- Cash flow from operating activities was TSEK -8,694 (-18,579), considerably better than both previous year and previous quarters in 2024.

## The first nine months in figures

- Net sales amounted to TSEK 92,494 (77,160). As all sales now derive from orthobiologics, which in the corresponding period in 2023 amounted to TSEK 37,784, the relevant comparison translates into a sales growth of 145% compared to the first nine

months in 2023.

- Gross margin of 94.7% compared to a blended margin of 75.5% in the same period in the previous year.
- Operating loss of TSEK 37,165 (62,855). Sales variable costs increased whereas non-sales variable costs decreased compared to the previous year. Total operating expenses increased somewhat compared to the previous year, driven entirely by higher commissions.
- Loss after taxes amounted to TSEK 36,597 (76,652).
- Earnings per share improved to SEK -0.4 (-1.1).
- Cash flow from operating activities was TSEK -55,346 (-68,353), showing solid underlying improvement.

## Important events during the third quarter

- There were no important events to report during the third quarter.

## Important events after the end of the third quarter

- OssDsign appointed Stephen Anderson as Vice President of Marketing

# Financial overview

	2024	2023	2024	2023	2023
	Jul 1 - Sep 30	Jul 1 - Sep 30	Jan 1 - Sep 30	Jan 1 - Sep 30	Jan 1 - Dec 31
The group					
Net sales, TSEK	35 728	31 697	92 494	77 160	112 157
Operating result, TSEK	-9 836	-17 911	-37 165	-62 855	-91 956
Result for the period, TSEK	-9 760	-33 125	-36 597	-76 652	-130 493
Equity ratio, %	73%	73%	73%	73%	70%
Earnings per share, SEK	-0.1	-0.5	-0.4	-1.1	-1.6
Average number of employees	25.5	47.6	25.9	49.6	47.8





“OssDsign continues to deliver sustained high growth whilst improving profitability and cash flow”

## A highly scalable and attractive business

I am pleased to report that OssDsign continues to deliver sustained high growth whilst improving profitability as well as cash flow. This quarter marks one year since we announced our strategic shift to become a pure play orthobiologics company, and as we emphasized at the time, the orthobiologics business is highly attractive and scalable, which was clearly proven in the third quarter.

### High growth and solid gross margin improvement

Net sales for the third quarter came in at SEK 35.7 million representing a growth of 121% on a constant currency basis compared to the same period last year. Reported growth was adversely impacted by an approximate 7% exchange rate headwind and came in at 114% compared to the previous year's corresponding period.

The gross margin for OssDsign Catalyst took a significant step up and came in at 96.9%, which is up 370 basis points on the previous quarter. The increase was driven by improvements in production efficiency, supported by the release of some provisions. Going forward, we now expect the gross margin to be above 93%, albeit the exact number will inevitably be subject to quarterly fluctuations.

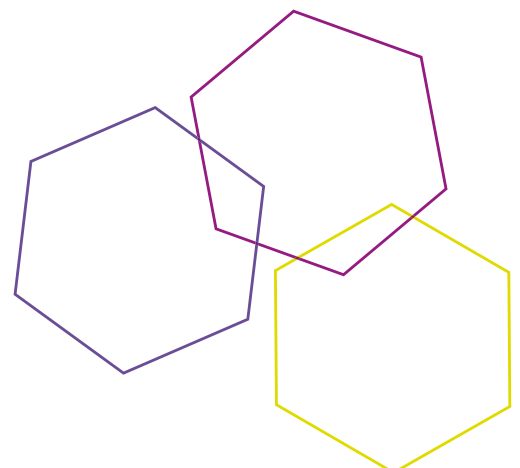
### A successful market entry story

Our successful story is built on a solid growth strategy and consistent efforts to build broader access in the market and at the same time increase usage in existing accounts. Whilst we are still in the early days of commercialization, we are now starting to see the full effect of our strategic shift to become a pure play orthobiologics company. OssDsign has been able to fully focus on achieving deeper penetration into the very large U.S. orthobiologics market and target the vast untapped potential that exists both within spine and in adjacent orthopedic segments.

Operationally, the strategic shift and deeper focus has also allowed us to further optimize the company. This has already produced some significant results where, among other things, we have seen a material improvement in our sales force efficiency as well as production efficiency, clearly demonstrating the scalability of this product category and allowing us to realize the inherent economies of scale that come from operating a bigger business.

With sales growth clearly demonstrated, we are firmly on track to establish OssDsign Catalyst in the U.S. market, and we are continuously adding new Integrated Delivery Networks (IDNs), hospitals and surgeons to our client base, including many who become significant recurring customers. Simultaneously, we continue to build further real-world clinical evidence for OssDsign Catalyst, with numerous publications already announced during 2024. This has resulted in OssDsign Catalyst shifting from being “one of many” synthetic bone grafts on the U.S. market to increasingly being seen as a highly differentiated and proven product. Moving forward we will build on the momentum so far created to ensure OssDsign Catalyst becomes the synthetic bone graft of choice for U.S. surgeons.

Morten Henneveld, CEO



# Statement of Operations

OssDsign is a developer and global provider of next generation orthobiologic products. Based on cutting edge material science, the company develops and markets products that support the body's own healing capabilities, giving patients back the life they deserve.

## **OssDsign Catalyst – an off-the-shelf nanosynthetic bone graft**

Nearly 80% of Americans experience low back pain at some point in their lives and more than 1.5 million undergo spinal surgery each year, of which approximately half will need fusion surgery. Today approximately 20% of these surgeries are unsuccessful due to the lack of proper fusion (non-union). Bone graft plays a crucial role in the surgery to stimulate bone growth. The major advances provided by orthobiologic products are resulting in a shift in spinal surgery, as the use of synthetic bone graft substitutes has become more common to avoid the need to utilise allograft or iliac crest autograft.

Traditional synthetic materials share similarities with bone tissue at a macro level, rather than on a nano level, leading to a less effective bone formation response. OssDsign Catalyst is a latest-generation nanosynthetic bone graft composed of a proprietary nanocrystalline silicate calcium phosphate. Being similar to the body's own bone mineral architecture, OssDsign Catalyst provides a favorable bone biology environment for rapid and reliable bone formation.

## **Clear commercial advantages**

OssDsign Catalyst is a high gross margin product with great scalability and large potential in the market for standard procedures, enabling extensive growth. OssDsign Catalyst received FDA clearance in 2020 and has been very well received in the U.S. market since its launch in August 2021. By the end of the second quarter 2024, more than 5,000 patients had been treated with OssDsign Catalyst in the U.S.

## **Improved patient outcomes**

OssDsign Catalyst received FDA clearance in 2020 based on preclinical results from the most established and demanding non-clinical model for spinal fusion – the Boden model. OssDsign Catalyst surpasses results typically seen with other synthetic bone grafts used in this model.

This has also been confirmed in the clinical study TOP FUSION

where top-line results show a 93% spinal fusion rate at 12 months after surgery with the novel nanosynthetic bone graft. All scores used to quantify pain, function and overall health in patients showed improvement in quality of life over time and no device-related adverse events were observed during the study. This is also in line with the first post-market safety report that was published in November 2022, which did not record any device-related complaints or device-related adverse events.

The data indicates that the use of OssDsign Catalyst leads to consistent and rapid bone healing and remodeling, with improved patient outcomes as a result. Altogether, OssDsign Catalyst has the proven potential to improve the success rates of spinal surgeries – a much-welcomed development for the millions of patients who require a spinal fusion to regain an active and healthy life.

## **Post-pandemic impacts continue**

The COVID-19 pandemic continues to cause staff shortages and delays in hospital approval processes and planned surgeries. This continues to be a challenge for the healthcare system and could, consequently, also negatively impact the company's results. The underlying demand for OssDsign products in the mid to long term, however, remains intact and OssDsign expects to see a continued improvement in the situation during 2024.

## USD 1.8 billion

The U.S. market value for orthobiologics in spinal surgeries.

# Development of profit and financial position

## THIRD QUARTER

### Sales and Gross margin

The OssDsign Group net sales for the third quarter of 2024 amounted to TSEK 35,728 (31,697). All sales now derive from orthobiologics sales in the U.S., which in the corresponding quarter 2023 amounted to TSEK 16,724. The relevant comparison corresponds to a sales growth of 114% vs Q3 2023, or 121% with constant exchange rates. It also translates into a growth of 20% vs the previous quarter in 2024.

In the same period the parent company's Net sales amounted to TSEK 2,831 (16,244), due to timing differences and inventory held in the U.S. As end customer sales no longer match intra-group sales from a timing perspective, the OssDsign Group's official external sales will always differ from the internal sales recorded in the parent company.

Gross margin developed extraordinarily well in the third quarter to reach 96.9% vs a blended margin of 79.6% in the corresponding quarter 2023 and 93.2% in the previous quarter of 2024. As production has ramped up, we have been able to realize production efficiencies, as well as release some provisions from previous quarters, which brought the Q3 margin higher than the expected level going forward of above 93%. Having said that, we are still at an early stage of commercialization with continued production ramp-up ahead of us, which, together with mix effects, may lead to gross margin fluctuations going forward.

### Operating result

The operating result for the period July - September 2024 amounted to TSEK -9,836 (-17,911), demonstrating significantly improved operating leverage compared to the corresponding quarter 2023, as well as to the TSEK -15,295 in the previous quarter of 2024. Sales variable costs, including sales commissions and bonus accruals, increased with orthobiologics sales, per definition, whereas all non-sales variable costs decreased, both compared to previous year and to the previous quarter. The minor increase in total operating expenses compared to the third quarter in the previous year, as well as compared to the previous quarter in 2024, was entirely driven by higher sales commissions. The relative level of commissions, ie as a percentage of sales, to external distributors decreased compared to the previous quarter

2024. Conversely, in-house sales force bonuses increased, as a result of the positive sales development in the quarter. Going forward, both external and internal variable components will decrease naturally over time, as a percentage of sales, with a broader distributor reach and increasing sales numbers.

The lower non-sales variable costs derive primarily from vacancies, which drive personnel costs as well as thereto related travel and activity level. In the third quarter, an amount of TSEK 424 was capitalized as part of new product development.

### Cash flow, investments and financial position

At the beginning of the period, cash and cash equivalents amounted to TSEK 118,787 and at the end of the period they were TSEK 108,938. Cash flow from operating activities amounted to TSEK -8,694 (-18,579), which is a substantial improvement, also compared to the previous quarter (TSEK -18,449). Improved operating leverage, as evident in the operating result, was an important driver behind the cash flow development, as was the working capital improvement. As highlighted in the previous two quarters, the underlying NWC development has trended positive all year, with the reported numbers being distorted by the 2023 effects from non-recurring items. The cash flow effect from those liabilities ended in Q2, which allowed a more true picture of the underlying performance to emerge also in the reported numbers in Q3. In addition, the receivables have undergone a substantial process improvement in 2024, which tapered off in Q3 and is expected to normalize going forward.

Total cash flow for the period was TSEK -9,462 (73,454), with the comparison period being positively affected by the 2023 directed share issue. Product development capitalization in Q3 shows up as investments in intangible fixed assets, which amounted to TSEK -424 (0) in the period.

## FIRST NINE MONTHS

### Sales and Gross margin

The OssDsign Group net sales for the first nine months of 2024 amounted to TSEK 92,494 (77,160). As all sales now derive from orthobiologics sales in the U.S., which in the corresponding period in 2023 amounted to TSEK 37,784, the relevant comparison translates into a sales growth of 145% compared to the first nine months in 2023.

In the same period the parent company's Net sales amounted to TSEK 5,584 (43,226), due to timing differences and inventory held in the U.S.

Gross margin continued to develop well in the third quarter, even better than in previous quarters, to reach 94.7% for the first nine months, compared to a blended margin of 75.5% in the corresponding period 2023. Given the Q3 release of provisions from earlier quarters, the year-to-date margin is a more reasonable reflection of the underlying margin in the business. As noted, the company is still in the early stage of commercialization, with further production ramp-up ahead, which may cause the gross margin to fluctuate somewhat going forward.

### Operating result

The operating result for the period January - September 2024 amounted to TSEK -37,165 (-62,855), demonstrating continued improved operating leverage. Given our full U.S. focus, as expected, sales variable costs, including sales commissions and bonus accruals, were higher than in the previous year, whereas all non-sales variable costs were lower. Total operating expenses increased, albeit not significantly, compared to the first nine months in 2023, entirely driven by higher commissions. As outlined in previous interim reports, the company is transitioning more functions to the U.S., which will inevitably lead to an increased level of non-sales variable costs over time, both in terms of personnel and project costs, at least insofar as such project costs are not capitalized. In the period, an amount of TSEK 424 was capitalized as part of new product development.

### Cash flow, investments and financial position

At the beginning of the period, cash and cash equivalents amounted to TSEK 165,938 and at the end of the period they were TSEK 108,938. Cash flow from operating activities amounted to TSEK -55,346 (-68,353), showing solid underlying improvement despite the negative year-to-date cash effects from 2023 year-end accruals, especially pertaining to non-recurring costs. Net working capital developed favourably in the first nine months, adjusted for the 2023 year-end accruals, with a particular positive effect deriving from the improvement in accounts receivable, although that effect has tapered off during Q3 and will normalize going forward.

Total cash flow for the period was TSEK -56,798 (22,053), with the comparison period being positively affected by the 2023 directed share issue. Investments in tangible fixed assets amounted to TSEK 0 (-75) in the period, whereas the abovementioned capitalization of product development costs reflect as a TSEK -424 (0) investment in intangible fixed assets.

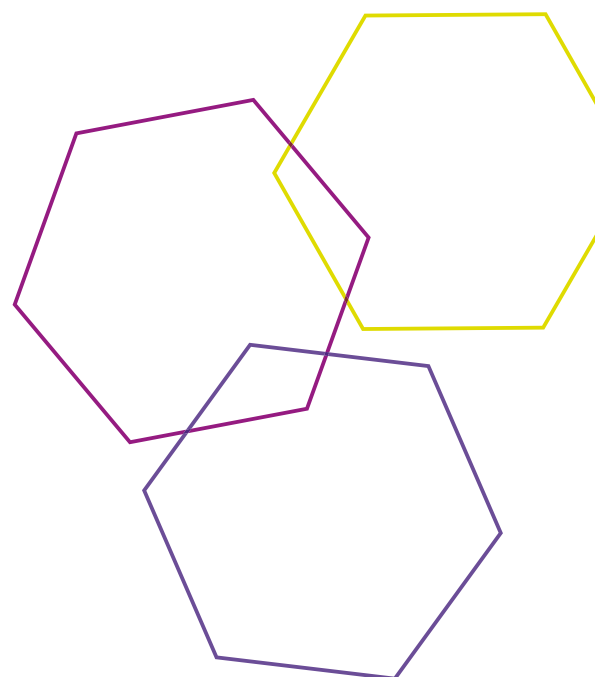
## IMPORTANT EVENTS DURING THE THIRD QUARTER

There were no important events to report after the end of the third quarter.

## IMPORTANT EVENTS AFTER THE END OF THE THIRD QUARTER

### OssDsign has appointed Stephen Anderson as Vice President of Marketing

On October 2, OssDsign appointed Stephen Anderson as Vice President of Marketing. Stephen Anderson has over 25 years of global experience in marketing, sales, and engineering in the medical device industry. He has held various senior roles, including Senior Vice President of Sales and Marketing at Sharp Fluidics, Vice President of Sales and Marketing at NeoSurgical, and Global Director of Marketing at Zimmer Spine. The recruitment is a strategic step to increase the company's presence in the U.S. Stephen Anderson will be based in the U.S. and be an executive management team member.



## OTHER DISCLOSURES

### Ownership structure

At the end of the third quarter, there were 3,450 registered shareholders in OssDsign AB, of which the five largest shareholders owned more than or close to 5.0% each and the ten largest shareholders together owned more than 56.4% of the capital and voting rights. The total number of shares was 97,658,920. The largest shareholders on September 30, 2024, were Försäkringsaktiebolaget Avanza Pension, TAMT AB and Karolinska Development AB.

### Group structure

OssDsign AB is the parent company of the Group which, in addition to OssDsign AB, consists of the wholly owned subsidiaries OssDsign Ltd with its registered office in England, OssDsign USA Inc with its registered office in Maryland, USA, and Sirakoss Ltd with its registered office in Scotland. OssDsign's operations are mainly conducted through the parent company OssDsign AB, based in Uppsala, with the sales activities being conducted solely through OssDsign USA Inc from January 1, 2024.

### Employees

At the end of the period, there were a total of 25 (46) employees, of whom 36% were women. This includes employees in Sweden, the U.K. and the U.S.

### Financing

The Board regularly reviews the company's existing and forecasted cash flows to ensure that the company has the funds and resources required to conduct the business and the strategic direction decided by the Board. The company's long-term cash requirements are largely determined by how successful current and future products will be on the market. In order to satisfy requirements in the medium to long term, the company raised SEK 150 million in gross proceeds through a directed share issue in 2023. As of September 30, 2024, the group's cash and cash equivalents amounted to SEK 108.9 million. The board deems the current liquidity to be sufficient for at least the next twelve months. Based on the sales development of the company's products the board has confidence in the company's mid- to long-term ability to become profitable and cash flow positive.

### Transactions with related parties

The subsidiaries OssDsign USA Inc, OssDsign Ltd and Sirakoss Ltd invoice their costs to the parent company in accordance with transfer pricing agreements.

As of the closing date, the Parent Company has a claim on OssDsign USA Inc of TSEK 9,066 and a liability to Sirakoss Ltd of TSEK 959.

### Risks and uncertainties

OssDsign risks and uncertainties include, but are not limited to, financial risks such as future financing, foreign exchange and credit risks. In addition to market risks, there are risks related to OssDsign operations, such as obtaining the necessary government licenses, product development, patents and intellectually property rights, product liability and forward-looking information that may affect the Company.

In addition, developments in recent years have also introduced war, inflation, energy cost increases and interest rate risks to the agenda, all of which may come to affect access to raw materials, distribution, cost of goods and services, as well as customer demand and access to capital. Further information regarding the Company's risk exposure can be found on pages 31 and 72-75 of the OssDsign Annual Report 2023.

Post-pandemic risks related to COVID-19 should still be recognized, insofar as continued staff shortages and delays to hospital approval processes could negatively impact the company's result.

## Condensed consolidated income statement

	2024	2023	2024	2023	2023
SEK 000'	Jul 1 – Sep 30	Jul 1 – Sep 30	Jan 1 – Sep 30	Jan 1 – Sep 30	Jan 1 – Dec 31
Net sales	35 728	31 697	92 494	77 160	112 157
Cost of sales	-1 120	-6 466	-4 870	-18 902	-28 512
<b>Gross profit</b>	<b>34 608</b>	<b>25 231</b>	<b>87 624</b>	<b>58 259</b>	<b>83 646</b>
Sales commissions and fees	-19 282	-12 744	-47 601	-27 808	-46 785
Selling expenses	-8 518	-12 721	-26 830	-36 675	-46 729
R&D expenses	-5 411	-6 581	-16 644	-20 737	-28 765
Administrative expenses	-11 011	-11 271	-33 550	-35 773	-49 923
Other operating income	0	0	24	18	487
Other operating expense	-221	175	-188	-140	-3 887
<b>Operating result</b>	<b>-9 836</b>	<b>-17 911</b>	<b>-37 165</b>	<b>-62 856</b>	<b>-91 956</b>
Non-recurring costs	0	-15 198	0	-15 198	-35 673
Net financial items	-8	-201	663	878	-3 026
<b>Result before income tax</b>	<b>-9 844</b>	<b>-33 309</b>	<b>-36 502</b>	<b>-77 176</b>	<b>-130 655</b>
Income tax	83	184	-95	523	162
<b>RESULT FOR THE PERIOD</b>	<b>-9 760</b>	<b>-33 125</b>	<b>-36 597</b>	<b>-76 652</b>	<b>-130 493</b>
<b>Earnings per share</b>					
Earnings per share, SEK	-0.1	-0.5	-0.4	-1.1	-1.6

## Consolidated summary statement of comprehensive income

	2024	2023	2024	2023	2023
SEK 000'	Jul 1 – Sep 30	Jul 1 – Sep 30	Jan 1 – Sep 30	Jan 1 – Sep 30	Jan 1 – Dec 31
<b>Profit/loss for the period</b>	<b>-9 760</b>	<b>-33 125</b>	<b>-36 597</b>	<b>-76 652</b>	<b>-130 493</b>
Items that will be reclassified subsequently to profit or loss	-638	-46	-85	325	-5 535
Other comprehensive income for the period	-638	-46	-85	325	-5 535
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>-10 399</b>	<b>-33 171</b>	<b>-36 683</b>	<b>-76 328</b>	<b>-136 028</b>



# Consolidated summary balance sheet

	2024	2023	2023
SEK 000'	Sep 30	Sep 30	Dec 31
<b>ASSETS</b>			
<i>Fixed assets</i>			
Intangible assets	148 880	135 014	150 535
Tangible fixed assets	1 838	12 755	2 454
Financial assets	144	2 469	2 458
<b>Total fixed assets</b>	<b>150 863</b>	<b>150 239</b>	<b>155 448</b>
<i>Current assets</i>			
Inventories	12 415	9 490	4 304
Accounts receivable	19 541	23 267	23 020
Tax receivable	669	99	314
Other receivables	311	3 733	2 442
Prepayments	2 821	2 905	4 923
Cash and cash equivalents	108 938	146 942	165 938
<b>Total current assets</b>	<b>144 695</b>	<b>186 435</b>	<b>200 942</b>
<b>TOTAL ASSETS</b>	<b>295 558</b>	<b>336 674</b>	<b>356 389</b>

	2024	2023	2023
SEK 000'	Sep 30	Sep 30	Dec 31
<b>SHAREHOLDER EQUITY AND LIABILITIES</b>			
<b>Equity</b>	214 449	243 765	251 132
<b>Total equity</b>	<b>214 449</b>	<b>243 765</b>	<b>251 132</b>
<i>Long-term liabilities</i>			
Mortgage debts	0	342	214
Finance lease liabilities	1 097	8 380	1 602
Other liabilities	55 712	50 291	56 109
<b>Total long-term liabilities</b>	<b>56 809</b>	<b>59 013</b>	<b>57 924</b>
<i>Current liabilities</i>			
Mortgage debts	342	513	513
Accounts payable	5 292	12 896	9 915
Finance lease liabilities	728	3 080	821
Tax liability	0	0	0
Other current liabilities	624	1 505	3 190
Accrued expenses and deferred income	17 314	15 902	32 894
<b>Total current liabilities</b>	<b>24 300</b>	<b>33 895</b>	<b>47 334</b>
<b>Total liabilities</b>	<b>81 109</b>	<b>92 909</b>	<b>105 258</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>295 558</b>	<b>336 674</b>	<b>356 389</b>

# Consolidated change in shareholder's equity in summary

<i>SEK 000'</i>	Share Capital	Subscribed Capital Unpaid	Other Capital Contributions	Reserves	Profit (loss) brought forward	Total Equity
Opening balance 2023-01-01	4 459		658 492	1 330	-437 547	226 734
Profit/loss for the period					-76 652	-76 652
Prior year adjustment					190	190
Other comprehensive income				325		325
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>325</b>	<b>-76 462</b>	<b>-76 137</b>
<i>Transactions with shareholders</i>						
Warrant program					-1	-1
New share issue	1 115		100 549		0	101 664
Issue expenses			-8 495			-8 495
Total transactions with shareholders	1 115	0	92 054	0	-1	93 168
<b>CLOSING BALANCE 2023-09-30</b>	<b>5 574</b>	<b>0</b>	<b>750 546</b>	<b>1 655</b>	<b>-514 010</b>	<b>243 765</b>
Opening balance 2024-01-01	5 574		796 670	17 173	-568 285	251 132
Profit/loss for the period					-36 597	-36 597
Prior year adjustment						0
Other comprehensive income				-85		-85
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-85</b>	<b>-36 597</b>	<b>-36 682</b>
<i>Transactions with shareholders</i>						
Warrant programmes						0
New share issue						0
Issue expenses						0
Total transactions with shareholders	0	0	0	0	0	0
<b>CLOSING BALANCE 2024-09-30</b>	<b>5 574</b>	<b>0</b>	<b>796 670</b>	<b>17 088</b>	<b>-604 882</b>	<b>214 449</b>

# Consolidated summary statement of cash flow

	2024	2023	2024	2023	2023
SEK 000'	Jul 1 - Sep 30	Jul 1 - Sep 30	Jan 1 - Sep 30	Jan 1 - Sep 30	Jan 1 - Dec 31
<b>Operating activities</b>					
Operating result	-9 836	-17 911	-37 165	-62 856	-91 956
Non cash adjustment	915	1 834	5 059	6 545	-12 232
Financial items	-8	-369	663	878	-3 026
Income taxes paid/received	-201	-42	-847	-129	-677
	<b>-9 130</b>	<b>-16 487</b>	<b>-32 290</b>	<b>-55 562</b>	<b>-107 891</b>
Changes in inventories	-2 396	-3 816	-8 148	-4 992	-5
Changes in receivables	1 853	-8 635	8 081	-11 116	-7 580
Changes in current liabilities	979	10 360	-22 989	3 316	20 616
<b>Total change in working capital</b>	<b>436</b>	<b>-2 092</b>	<b>-23 056</b>	<b>-12 792</b>	<b>13 030</b>
<b>Cash flow from operating activities</b>	<b>-8 694</b>	<b>-18 579</b>	<b>-55 346</b>	<b>-68 353</b>	<b>-94 861</b>
<b>Investment activities</b>					
Proceeds and purchase of intangible assets, net	-424	0	-424	0	0
Proceeds and purchase of property, plant and equipment, net	0	0	0	-75	828
Proceeds and purchase of subsidiaries and activities, net	0	0	0	0	0
<b>Cash flow from investment activities</b>	<b>-424</b>	<b>0</b>	<b>-424</b>	<b>-75</b>	<b>828</b>
<b>Financing activities</b>					
New share issue	0	101 664	0	101 664	150 000
Share issue costs	0	-8 495	0	-8 495	-11 145
Warrants	0	-1	0	-1	-1
Proceeds/repayments from borrowings, net	-128	-128	-385	-385	-513
Repayment of lease liabilities	-216	-1 007	-644	-2 301	-2 945
<b>Cash flow from financing activities</b>	<b>-344</b>	<b>92 033</b>	<b>-1 029</b>	<b>90 482</b>	<b>135 395</b>
<b>Cash flow for the period</b>	<b>-9 462</b>	<b>73 454</b>	<b>-56 798</b>	<b>22 053</b>	<b>41 362</b>
Cash and cash equivalents at the beginning of the period	118 787	73 562	165 938	124 653	124 653
Exchange rate adjustments – cash, cash equivalents and overdrafts	-387	-74	-202	236	-76
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>108 938</b>	<b>146 942</b>	<b>108 938</b>	<b>146 942</b>	<b>165 938</b>

# Condensed summary income statement, parent company

	2024	2023	2024	2023	2023
SEK 000'	Jul 1 – Sep 30	Jul 1 – Sep 30	Jan 1 – Sep 30	Jan 1 – Sep 30	Jan 1 – Dec 31
Net sales	2 831	16 244	5 584	43 226	52 948
Cost of goods sold	-1 697	-6 145	-5 365	-18 245	-31 010
<b>Gross profit</b>	<b>1 134</b>	<b>10 099</b>	<b>219</b>	<b>24 980</b>	<b>21 939</b>
Sales commissions and fees	-729	-733	-1 086	-1 935	-3 020
Selling expenses	-149	-11 508	-3 746	-34 624	-46 036
R&D expenses	-3 538	-5 399	-11 539	-15 468	-22 356
Administrative expenses	-7 957	-10 224	-24 023	-33 330	-56 123
Other operating income	0	0	24	18	487
Other operating expense	0	0	0	0	-4 688
<b>Operating result</b>	<b>-11 238</b>	<b>-17 765</b>	<b>-40 151</b>	<b>-60 358</b>	<b>-109 797</b>
Costs not included in operating profit/loss	0	0	0	0	0
Net financial items	-22	-328	636	920	-2 970
<b>Result before income tax</b>	<b>-11 260</b>	<b>-18 093</b>	<b>-39 516</b>	<b>-59 437</b>	<b>-112 767</b>
Income tax	0	18	0	18	-74
<b>RESULT FOR THE PERIOD</b>	<b>-11 260</b>	<b>-18 075</b>	<b>-39 516</b>	<b>-59 419</b>	<b>-112 841</b>

\* Other comprehensive income in the Parent Company is in line with the result for the period.



# Summary balance sheet, parent company

	2024	2023	2023
SEK 000'	Sep 30	Sep 30	Dec 31
<b>ASSETS</b>			
<i>Fixed assets</i>			
Intangible assets	0	0	0
Tangible fixed assets	0	10 374	0
Financial assets	137 687	140 002	140 002
<b>Total fixed assets</b>	<b>137 687</b>	<b>150 375</b>	<b>140 002</b>
<i>Current assets</i>			
Inventories	12 598	9 356	4 288
Accounts receivable	74	3 981	1 132
Intercompany receivables	9 066	13 569	14 763
Tax receivable	0	0	0
Other receivables	311	3 733	2 419
Prepayments	2 621	2 378	4 606
Cash and cash equivalents	100 381	142 093	160 936
<b>Total current assets</b>	<b>125 050</b>	<b>175 111</b>	<b>188 144</b>
<b>TOTAL ASSETS</b>	<b>262 737</b>	<b>325 486</b>	<b>328 146</b>

	2024	2023	2023
SEK 000'	Sep 30	Sep 30	Dec 31
<b>SHAREHOLDER EQUITY AND LIABILITIES</b>			
<i>Equity</i>			
Equity	195 990	243 243	235 506
<b>Total equity</b>	<b>195 990</b>	<b>243 243</b>	<b>235 506</b>
<i>Long-term liabilities</i>			
Mortgage debts	0	342	214
Finance lease liabilities	0	6 572	0
Other liabilities	52 700	46 858	52 700
<b>Total long-term liabilities</b>	<b>52 700</b>	<b>53 772</b>	<b>52 914</b>
<i>Current liabilities</i>			
Mortgage debts	342	513	513
Finance lease liabilities	0	2 480	0
Accounts payable	4 257	11 509	9 383
Intercompany liabilities	959	3 888	3 389
Current tax liabilities	-422	-123	-115
Other current liabilities	401	1 373	2 976
Accrued expenses and deferred income	8 510	8 831	23 580
<b>Total current liabilities</b>	<b>14 047</b>	<b>28 471</b>	<b>39 726</b>
<b>Total liabilities</b>	<b>66 747</b>	<b>82 243</b>	<b>92 640</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>262 737</b>	<b>325 486</b>	<b>328 146</b>

# Notes

## Note 1 | Accounting Principles

This summary interim report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting and applicable regulations in the Swedish Annual Accounts Act. The interim report for the Parent Company has been prepared in accordance with the Swedish Annual Accounts Act chapter 9, Interim Financial Reporting. The same accounting and valuation policies have been applied for the Group and the Parent Company as in the latest Annual Report. Disclosures in accordance with IAS 34.16A occur in the financial reports and the accompanying notes, and also in other parts of the interim report.

## Note 2 | Estimates and assessments

Estimates and assessments are evaluated on an ongoing basis and are based on historical experience and other factors, including expectations of future events that are considered reasonable under prevailing conditions. There has been no change in the estimates and judgments made in the Annual Report for 2023.

## Note 3 | Information regarding operating segments

The Group's operations are divided into operating segments based on the parts of the business the Company's highest executive decision-maker follows up, so called "management approach". The Group's internal reporting is based on the Group management following up the operation as a whole. Based on its internal reporting, the Group has identified that the Group has only one segment

## NET SALES BY GEOGRAPHIC MARKET

SEK 000'	Jul - Sep		Jan - Sep		Jan - Dec
	2024	2023	2024	2023	2023
USA	35 728	24 951	92 494	56 243	87 311
Europe		6 614		20 500	24 394
Rest of World		133		417	453
TOTAL	35 728	31 697	92 494	77 160	112 157

Income from external customers has been attributed to individual countries from which the sales have taken place. The Group's fixed assets are located to Sweden, the U.K. and the U.S.

## NET SALES BY PRODUCT CATEGORY

SEK 000'	Jul - Sep		Jan - Sep		Jan - Dec
	2024	2023	2024	2023	2023
CMF		14 951		39 338	47 547
Orthobiologics	35 728	16 724	92 494	37 784	64 610
TOTAL	35 728	31 697	92 494	77 160	112 157

## Note 4 | Equity

The share capital of the Parent Company consists only of fully paid ordinary shares with a nominal (quota value) value of SEK 0.0625 / share. The company has 97,658,920 class A shares.

	2024	2023
	Jan 1 - Sep 30	Jan 1 - Sep 30
Subscribed and paid shares		
At the beginning of the period	97 658 920	71 343 130
Rights issue		-
Directed share issue		17 835 782
Subscribed and paid shares	97 658 920	89 178 912
Shares for share-based payments		-
SUM AT THE END OF THE PERIOD	97 658 920	89 178 912

Amounts received for issued shares in addition to the nominal value during the year (premium) are included in the item "Other contributed capital", after deduction for registration and other similar fees and after deduction for attributable tax benefits.

# Signatures

The Board of Directors and the CEO provide their assurance that this interim report provides an accurate view of the operations, position and earning of the Group and the Parent Company, and that it also describes the principal risks and uncertainties faced by the Parent Company and the companies included within the Group.

This report has been prepared in both a Swedish and an English version. In the event of any discrepancy between the two, the Swedish version shall apply. This report has not been audited.

Financial calendar 2024

Year-end Report

February 4, 2025

**OSSDSIGN AB – UPPSALA, NOVEMBER 12, 2024**

**Simon Cartmell**  
Chairman of the Board

**Viktor Drvota**  
Board member

**Newton Aguiar**  
Board member

**Christer Fåhraeus**  
Board member

**Jill Schiaparelli**  
Board member

**Morten Henneveld**  
CEO





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