# 2025
# Annual Report

OSSDSIGN®

# Content



*"A commitment to building clinical evidence remains a cornerstone of the commercialization strategy and continues to differentiate OssDsign in the market"*

Mark Waugh, CEO

# **OssDsign** at a glance

OssDsign leads the way in orthobiologics by creating and delivering advanced synthetic bone grafts. Through innovative materials science, the company has developed OssDsign Catalyst, which enhances the body's natural healing process and helps patients regain their quality of life. With a clinically proven product and a scalable business model, OssDsign has grown steadily since the launch of OssDsign Catalyst.

## 10,000

The number of patients who had been treated with OssDsign Catalyst in the U.S. as of May 2025.

## 100%

The spinal fusion rate at 24 months after surgery with the novel nanosynthetic bone graft. All scores used to quantify pain, function, and overall health in patients showed improved quality of life over time, and no device-related adverse events occurred during the study.

## 0%

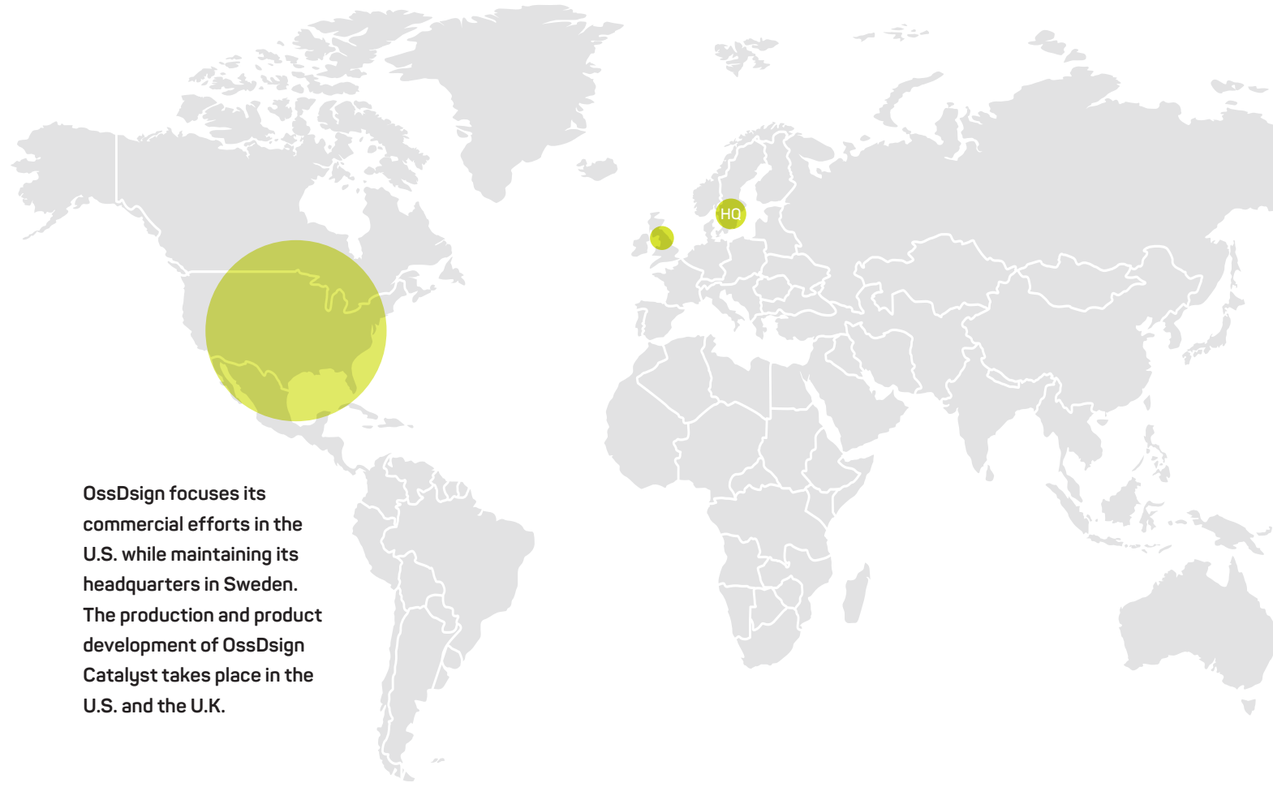
The observed rate of device-related complaints or device-related adverse events in the clinical study TOP FUSION.

### OssDsign Catalyst – the latest generation of synthetic bone graft

Unlike conventional synthetic bone grafts, OssDsign Catalyst promotes rapid and strong bone growth, even in areas with limited blood supply. Its patented nanocrystalline structure, combined with silicon ions that imitate natural bone, allows bone formation at the core of the fusion mass. This reduces the risk of non-unions and makes it suitable for both straightforward and complex cases.

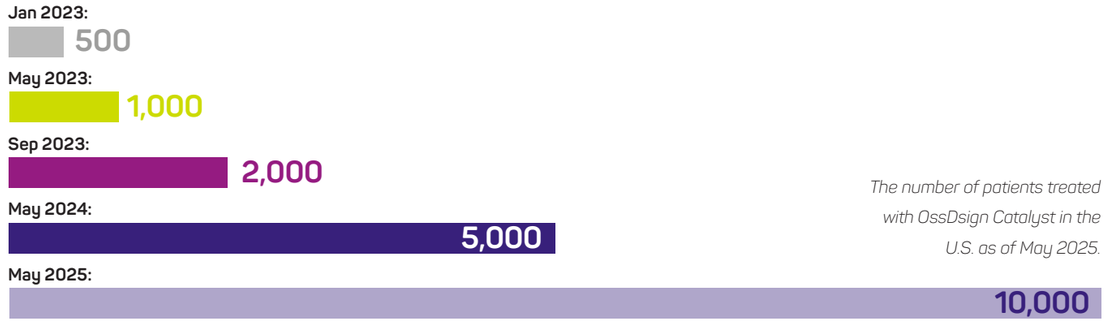
### Exceptional clinical outcomes in complex patients representing typical surgical candidates

In June, OssDsign released one-year outcomes for the initial 108 patients from the prospective multicenter spinal fusion PROPEL registry, evaluating the performance and results of the nanosynthetic bone graft OssDsign Catalyst producing real-world evidence. The data revealed an impressive fusion rate of 88.4% in a highly complex patient group, indicating that OssDsign Catalyst remains effective even in difficult cases, including patients with high BMI, prior unsuccessful fusion surgeries, smoking habits, multilevel procedures, and multiple health issues. Coupled with the 24-month follow-up results from the TOP FUSION study, which reported a 100% fusion rate and enhanced quality of life post-surgery, as well as a comprehensive repository of preclinical and clinical evidence, these findings confirm that OssDsign Catalyst reliably promotes rapid bone healing and remodeling in spinal fusion surgeries.




**OssDsign focuses its commercial efforts in the U.S. while maintaining its headquarters in Sweden. The production and product development of OssDsign Catalyst takes place in the U.S. and the U.K.**

### Number of patients treated with OssDsign Catalyst




*The number of patients treated with OssDsign Catalyst in the U.S. as of May 2025.*

### Key financial figures

| (TSEK) | 2025 | 2024 |
|---|---|---|
| Net sales | 180 159 | 133 940 |
| Adjusted operating profit | -26 499 | -49 426 |
| Operating profit | -46 757 | -49 426 |
| Profit before tax | -50 154 | -49 083 |
| Cash equivalents | 191 346 | 100 858 |
| Cash flow from operating activities | -64 034 | -62 379 |
| Equity ratio | 77% | 70% |
| Earnings per share | -0.5 | -0.5 |
| Average number of employees | 32.0 | 26.6 |

## USD 1.8 billion

Size of the market for orthobiologics used in spinal surgery.

## > 1.5 million

Of instrumental spinal procedures are performed each year in the U.S. alone, of which 750 000 are fusion procedures.

# **Important** events 2025

**OssDsign reaches its target of 300 patients enrolled in the prospective spinal fusion registry PROPEL**
On February 25, OssDsign announced that it had reached its target of 300 enrolled patients in the multicenter, prospective spinal fusion registry PROPEL. This registry, initiated in March 2022, collects real-world data from patients treated with OssDsign Catalyst.

**24-month follow up data from the clinical study of OssDsign Catalyst show 100% spinal fusion**
On April 9, OssDsign announced that the 24-month follow up results from the clinical study TOP FUSION will be published in the peer-reviewed journal Biomedical Journal of Scientific & Technical Research. The results demonstrate a 100% spinal fusion rate and improved quality of life and pain after surgery with the innovative nanosynthetic bone graft OssDsign Catalyst.

**Groundbreaking study highlights enhanced bone formation with novel silicate-containing synthetic bone grafts**
On April 11, OssDsign announced that a new preclinical study comparing the bone-forming potential of different silicate-containing calcium phosphate synthetic bone grafts has been published in the peer-reviewed scientific journal Journal of Orthopaedic Surgery and Research. The study demonstrates that OssDsign Catalyst is the first clinically available synthetic bone graft to successfully generate robust, functional bone in challenging avascular environments at early time points.

**OssDsign AB: 10,000 patients treated with OssDsign Catalyst in the U.S.**
On May 12, OssDsign announced it had reached the milestone of 10,000 patients treated with its innovative nanosynthetic bone graft, OssDsign Catalyst, underscoring its continued success in the U.S. orthobiologics market.

**OssDsign included in MSCI index**
On May 14, OssDsign announced that its shares will be added to the MSCI Global Micro Cap Index. MSCI provides decision support and services to the global investment community and conducts quarterly updates of its equity indexes. In the latest revision, OssDsign has been included in the MSCI Global Micro Cap Index, effective as of the stock exchange close on May 30. Based on MSCI's expertise in research, data and technology, equity indexes of global shares are revised continuously to support clients' investment decisions.

**OssDsign carries out a directed share issue of approximately SEK 158 million and announces an updated strategy**
On June 3, OssDsign announced an updated strategy, "ScaleToProfit," along with revised financial targets for the strategy period 2025–2028, and completed a directed share issue of 11,500,000 shares at a subscription price of SEK 13.75 per share. The Directed Issue, conducted through an accelerated bookbuilding procedure led by DNB Carnegie Investment Bank AB, supplied the company with approximately SEK 158 million before deduction of transaction costs. The issue was initially set at approximately 9 million shares but was increased due to strong investor interest.

**OssDsign announces remarkable real-world results with 88.4% fusion rate in a highly complex patient cohort from the spinal fusion registry PROPEL**
On June 26, OssDsign announced that the company has published one-year results from the first 108 patients in its prospective, multi-center, spinal fusion registry PROPEL. The results show an outstanding fusion rate of 88.4% in a highly complex patient cohort, demonstrating that OssDsign Catalyst® shows strong performance even in challenging patient populations with high BMI, previous failed fusion surgeries, smokers, multi-level procedures and several comorbidities.

**Performance of OssDsign Catalyst in a patient with post-traumatic ankle arthritis showcased in medical journal**
On September 2, OssDsign announced that a case study of OssDsign Catalyst® as a bone void filler to augment total ankle arthroplasty in a patient with post-traumatic ankle arthritis has been published in the Biomedical Journal of Scientific & Technical Research. The authors conclude that at three months of follow-up, CT scans show excellent bony ingrowth through and around the entire implant surface.

**OssDsign strengthens its commercial footprint in the Western U.S. through new agreement with IDN**
On December 5, OssDsign announced that the company had signed an agreement with an IDN (Integrated Delivery Network) in the Western U.S., marking the company's most significant opportunity for sales growth in the region to date. The agreement allows IDN member hospitals and clinics, at their discretion, to take advantage of special pricing and pre-negotiated terms for OssDsign's nanosynthetic bone graft OssDsign Catalyst®. Later in December, the company signed a second IDN agreement in the Western U.S.

**OssDsign appoints Mark Waugh as new CEO**
On December 10, OssDsign announced the appointment of Mark Waugh as CEO, effective 1st January 2026. He most recently served as Senior Vice President - Commercial at Medacta USA and has extensive experience in sales, marketing and commercial operations across all major orthopedic segments in global markets, including the USA and Europe. Mark's appointment as CEO of OssDsign builds on the firm foundations laid by the company since 2019 and enables an even stronger presence and focus on the U.S. market to drive rapid growth and expansion in this key region. Mark will be based at the Company's US office in Maryland and his home office in Indiana.

# A word from our CEO

## Clinical differentiation drives growth in a competitive market

2025 was a year of continued progress for OssDsign. Revenues grew by 45% in constant currency, clinical evidence was strengthened, and approximately SEK 158 million was raised to support the mid-term strategy. In the last quarter of the year, salesforce hiring accelerated to increase market coverage, although the impact of these new hires will likely only be seen in results from mid 2026 onwards. I appreciate the opportunity to share the 2025 highlights as well as my initial observations.

**Strong underlying growth**
The company delivered full-year sales of SEK 180.2 million (approximately USD $18.4 million in 2025, representing 35% growth compared to 2024, or 45% on a constant currency basis. Gross margin was maintained at 96.3% for the full year, well above guidance and demonstrating the scalability of the business model.

Adjusted EBIT improved significantly to SEK -26.5 million for the full year, compared to SEK -49.4 million in 2024, demonstrating the operating leverage of the focused orthobiologics business model. Operating cash flow for the year was SEK -64.0 million, or SEK -49.0 million adjusted for one-off payments related to the 2024-28 LTIP support and CEO transition, showing continued improvement in underlying cash generation compared to SEK -62.4 million in 2024.

**Clinical excellence continues to differentiate**
A commitment to building clinical evidence remains a cornerstone of the commercialization strategy and continues to differentiate OssDsign in the market. In 2025, groundbreaking results that validate the exceptional performance of OssDsign Catalyst across diverse patient populations were published.

The 24-month follow-up data from the TOP FUSION clinical study demonstrated a remarkable 100% spinal fusion rate with improved quality of life for all patients. This outstanding long-term result confirms the rapid and reliable bone formation consistently seen with OssDsign Catalyst.

Equally compelling, the first 108-patient real-world evidence from the PROPEL registry showed an 88.4% fusion rate in a highly complex patient cohort – including patients with high BMI, previous failed surgeries, smokers, and multiple comorbidities. This real-world evidence demonstrates that OssDsign Catalyst delivers consistent outcomes even in the most challenging patient populations where other synthetic bone grafts often struggle.

New preclinical research published in the Journal of Orthopaedic Surgery and Research further confirmed that OssDsign Catalyst is the first clinically available synthetic bone graft capable of generating robust, functional bone in challenging avascular environments at early time points. This scientific distinction underscores the unique dual-pathway bone formation mechanism that sets this technology apart.

Additionally, new clinical data demonstrating rapid fusion in challenging revision surgery cases was published, further confirming Catalyst's performance in real-world, complex scenarios where clinical needs are greatest.

Having reached the milestone of 10,000 patients treated in mid-2025, and a growing repository of clinical evidence across multiple peer-reviewed publications and white papers, we have established OssDsign Catalyst as a significantly differentiated solution that addresses real clinical needs.

**Steps to execute the ScaleToProfit strategy**
In June 2025, a directed share issue raising approximately SEK 158 million before transaction costs was successfully completed. This capital positions OssDsign to deliver the previously communicated ScaleToProfit strategy through 2028, focusing on four key priorities:

1. Double the U.S. sales force by 2026 and accelerate marketing efforts.
2. Launch two new products and obtain at least one expanded indication clearance in the U.S.
3. Continue building the PROPEL registry and conduct additional prospective clinical studies.
4. Implement a more scalable and cost-efficient production process while establishing a predominantly US-based manufacturing footprint.

The ScaleToProfit strategy is a good way to convey strategic intent to the market and to investors. However, I believe it omits a fifth requirement - corporate culture. Since assuming the CEO role on January 1, 2026, I have had the opportunity to dive deeply into the business, and, in a change from usual practice, would like to share a few insights and observations.

**Doubling of OssDsign's sales team**
The plan requires the US sales team to double in 2026. My goal is to do that aggressively and focus on quality, experience and the immediate sales impact new hires can make, while extending coverage to the western US in much greater depth than previously over the course of the next 12 months.

I also believe it's important to relay to our shareholders that the doubling of sales personnel was a time-bound strategic objective. It is not a ceiling. Given Catalyst's excellent performance, the underlying ambition , and the insights I am sharing here, we will continue hiring new sales team members and expanding the sales channel to further grow OssDsign's business.

**New tactics for building a commercial presence**
Since joining, I've witnessed competitors understandably working to frame some of their clinical and other data into comparative marketing pieces versus Catalyst. OssDsign has grown Catalyst from zero to over USD 18 million in 2025 sales in roughly four years. This is a great accomplishment and also a good way to attract the attention of competitors both large and small in this space. However, we need to respond and be stronger in the B2B social media space, and provide collateral and tools to the sales team to counter these competitor marketing messages. In 2026 we are sharpening product messaging and the frequency of Catalyst promotion in these areas.

*"A commitment to building clinical evidence remains a cornerstone of the commercialization strategy and continues to differentiate OssDsign in the market"*

Finally, on commercial presence, I've had the pleasure of speaking directly with many customers. Their feedback is invaluable and I appreciate the trust they have placed in us by choosing OssDsign Catalyst as their preferred solution for their patients.

**OssDsign's corporate culture**
Culture is the "fifth" ScaletoProfit needed item I alluded to above. My belief, and that of the commercial team, is that Catalyst is the best product in our market sector. Further growth will depend on us developing a more competitive, assertive, bold and dynamic culture. We do this by action. We strive to help each other succeed across all our teams. All of these changes will still take place within the pillars of OssDsign's code of conduct:

*INTEGRITY*
We are transparent and honest

*HIGH QUALITY*
We never compromise quality and safety

*COMMITMENT*
We strive to give patients back the lives they deserve

*RESPECT*
We treat each other with respect and dignity

*RESPONSIBILITY*
We take responsibility for OssDsign's assets, information, and reputation

**Substantial market opportunity ahead**
99% of the US spine orthobiologics market remains untapped for OssDsign. With 750,000 spinal fusion procedures performed annually in the United States, representing a USD 1.8 billion market opportunity, we have significant room for growth. Beyond spine, we have opportunities to extend into adjacent orthopedic segments where OssDsign Catalyst already has FDA clearance, further expanding our addressable market.

OssDsign enters 2026 with clear strengths: a highly differentiated product with proven clinical outcomes, a scalable business model with attractive economics, capital to execute the strategy, and a focused organization aligned on the priorities.

I look forward to sharing the Company's progress with you in future reports . For now, thank you for your historic support and belief in the opportunity OssDsign has ahead of it.

**Mark Waugh**
CEO

Aerial view of OssDsign's U.S. office, located in the Merrill Lynch Building in Columbia, Maryland.

# OssDsign Catalyst

## An innovative nanosynthetic bone graft that promotes reliable bone formation even in challenging conditions

OssDsign Catalyst is a nanosynthetic bone graft designed to facilitate quick, functional, and reliable bone growth in both vascular and difficult avascular environments. Its patented nanocrystalline structure replicates the body's natural bone mineral, fostering a supportive environment for healthy bone development.

Although the number of advanced bone regeneration therapies has been increasing, autograft (the patient's own bone) remains the gold standard for fusion. However, harvesting autograft requires a painful second-site surgery to remove bone tissue from the iliac crest. Because the amount of bone graft that can be collected is limited, surgeons often combine autograft with allograft-derived or synthetic bone graft substitutes. As a result, a growing number of surgeons are opting for synthetic bone grafts that can be used independently of bone tissue in spinal fusions and other orthopedic surgeries that require bone grafts.

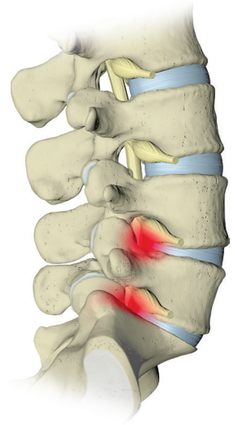
### FDA clearance since 2020

- In 2020, OssDsign Catalyst received clearance from the U.S. Food and Drug Administration (FDA) based on preclinical results in the most established and demanding non-clinical model for spinal fusion – the Boden model – surpassing results typically seen with other synthetic bone grafts in this model.
- In September 2023, OssDsign Catalyst received expanded FDA clearance for interbody use with synthetic bone grafts. OssDsign Catalyst can now be used as a filler in cages cleared for use with synthetic bone grafts. OssDsign Catalyst was the first nanosynthetic bone graft to obtain FDA clearance for use in interbody cages solely based on its intrinsic safety and efficacy data.

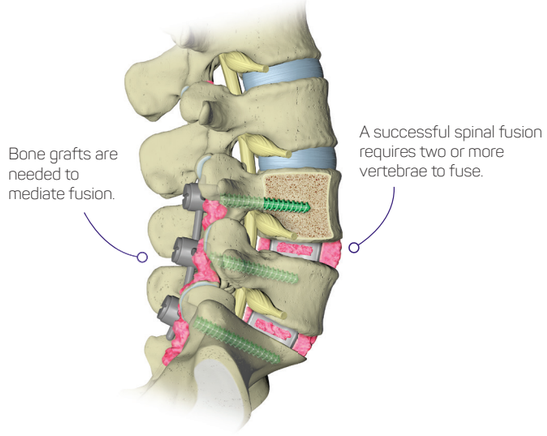
### Over 10 000 treated patients

OssDsign Catalyst stands out from traditional synthetic bone grafts due to its structural similarity to natural bone at the nanoscale, rather than the microscale. The inclusion of bioidentical silicate ions, found in human bone, enhances bone formation, leading to rapid and consistent results. Unlike conventional synthetics, OssDsign Catalyst activates both bone formation pathways: the endochondral pathway (skeletal development and fracture healing) and the intramembranous pathway (bone remodeling). This dual action enables accelerated bone growth even in challenging, poorly vascularized, and hypoxic conditions, resulting in higher fusion rates, including in multilevel and revision spinal surgeries[1-2]. Its flexibility across various surgical procedures and complex cases[3-4], combined with a user-friendly, putty-like consistency, makes it easy to handle. By May 2025, over 10,000 patients worldwide have been treated with OssDsign Catalyst.

### A spinal fusion stabilizes the spine and relieves pain

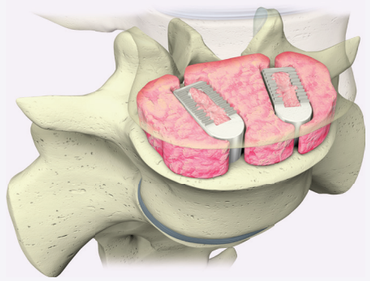


A degenerated disc in the spine creates pressure on the nerves which leads to severe, and often disabling, back and leg pain.




Spinal fusions can be either posterior, interbody, or a combination of both. The procedure stabilizes the spine and creates space for the nerves which decreases nerve pressure and pain.

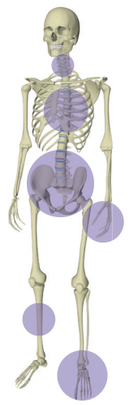
### OssDsign Catalyst mediates successful bone formation



Synthetic bone grafts are applied during surgery to help bone formation between the vertebrae to provide long term stabilization of the spine following spinal fusion surgery.

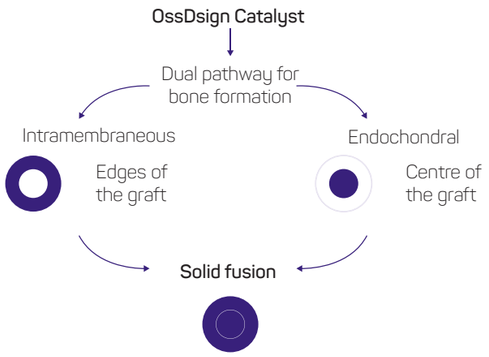
OssDsign Catalyst is a nanosynthetic bone graft that is easy to apply. It has physical and chemical properties bioidentical to human bone, which triggers the natural healing process down dual bone formation pathways.

### OssDsign Catalyst is a multipurpose bone graft



OssDsign Catalyst can also be used in fusion surgeries elsewhere in the body e.g. the ankle, foot, and extremities as well as non-load bearing defect filling and trauma in any part of the skeleton.

### OssDsign Catalyst activates dual pathways




OssDsign Catalyst activates both the intramembranous and the endochondral pathways, which enables bone growth even in blood-poor (avascular) areas, including the center of a fusion mass. By promoting bone growth in both the center and edges of the graft, it aims to provide a more reliable bone fusion and decrease the risk of non-unions.

# Clinical Programs

## OssDsign Catalyst's remarkable effectiveness continues to achieve strong clinical results, supported by numerous preclinical and clinical studies.

Evidence, including recent case studies, demonstrates patient fusion at 3 and 6 months even in difficult surgical cases.[1-2, 4] These findings reinforce the TOP FUSION study results, which report a 100% spinal fusion rate[5-6] at 24 months post-surgery using the innovative nanosynthetic bone graft. All scores used to quantify pain, function, and overall health in patients showed improved quality of life over time, and no device-related adverse events were observed during the study. The data indicate that the use of OssDsign Catalyst results in consistent, rapid bone healing and remodeling, with improved patient outcomes.

### Exceptional results even in complex patients

Since 2022, surgeons have been recruiting patients for the prospective multicenter spinal fusion PROPEL registry to assess the use and outcomes of OssDsign Catalyst in real-world clinical settings. This registry helps bridge the gap between implant performance in pre-market clinical trials and its practical use over time, marking a crucial step in OssDsign's effort to gather clinical evidence for OssDsign Catalyst.

In June of this year, OssDsign published one-year results for the first 108 patients, showing an excellent fusion rate of 88.4% in the real-world setting across a highly complex patient cohort. These results demonstrate that OssDsign Catalyst performs strongly even in challenging patient populations with high BMI, prior failed fusion surgeries, smoking, multilevel procedures, and multiple comorbidities.

In PROPEL, spinal fusion success is evaluated using CT or radiography at 12 months after surgery. Additionally, patient quality of life, neurological function, and the spinal implant's safety profile are documented. OssDsign Catalyst continues to enhance the success rates of spinal surgeries, which is very encouraging for the millions of patients who need spinal fusion to live active, healthy lives.

## A solid repository of evidence

**9**
clinical peer-reviewed publications

**4**
clinical white papers

**4**
pre-clinical publications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### OssDsign's clinical and preclinical programs

## PROPEL

**A multicenter prospective spinal fusion registry collecting real-world data. As of March 2025, 300 patients were enrolled. Enrollment is ongoing with no end target.**

**Study objective**
PROPEL aims to close the gap between the device's performance in preclinical animal models and its use in routine clinical practice. The study's primary endpoint is the rate of spinal fusion, assessed by computed tomography (CT) or radiography at 12 months postoperatively. Additionally, the study assesses patients' quality of life and neurological function and records the clinical safety profile of the spinal implant. In June 2025, OssDsign published one-year results for the first 108 patients.

**Results**
88.4% in the real-world setting across a highly complex patient cohort. These results demonstrate that OssDsign Catalyst performs strongly even in challenging patient populations with high BMI, prior failed fusion surgeries, smokers, multilevel procedures, and multiple comorbidities.

## TOP FUSION

**A first inpatient randomized controlled trial with 17 (14 evaluable) patients. The study is completed and reported.**

**Study objective**
The clinical study TOP FUSION (NCT05114135) is a first-in-patient open-label, prospective, single-center clinical study led by Dr. Péter Pál Varga and Dr. Àron Lazary at the National Center for Spinal Disorders at the Buda Health Clinic in Budapest, Hungary. The study's primary endpoint is assessed by the rate of bone fusion at 12 months by CT as well as the lack of device-related adverse events within the study period. TOP FUSION is a two-year study; a final follow-up was made at 24 months.

**Results**
14/14 (100%) fusion at 24 months, 13/14 (93%) at 12 months. All scores used to quantify pain and function, including the Oswestry Disability Index (ODI), visual analog scale (VAS), and overall health in patients (SF-36), showed improvement in quality of life over time at all post-operative follow-up evaluations. No device-related Adverse Events (AEs) were observed during the study.

## Boden (rabbit model)

**A preclinical study with 70 subjects. The study is completed and reported.**

**Study objective**
Comparing the use of an autograft (the subject's own bone tissue) to the use of OssDsign Catalyst in combination with an autograft, and to a predicate device in combination with an autograft. To evaluate success rate, measurements and biochemical tissue analyses were performed at 6, 9, 12, and 26 weeks following spinal fusion. In 2020, OssDsign Catalyst received 510(k) clearance from the FDA based on this study.

**Results**
100% fusion rate at 26 weeks, compared to 60% in the group where a comparable market-cleared device was used.

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# ”We are focusing our efforts on building a long-term, sustainable company”

Following the successful launch of OssDsign Catalyst and the expansion of its operations in the U.S., OssDsign is now moving into a new phase. Anders Svensson, CFO, emphasizes sales growth as the most important metric to monitor in the coming years.

**Anders Svensson**
CFO

*”The accumulated clinical evidence allows us to deliver value to health care systems while expanding our market reach”*

**What would you say are the most important strategic and financial milestones that OssDsign has achieved over the past five years?**
The most significant milestone was the acquisition of Sirakoss and subsequent entry into the orthobiology market, as well as the commercialization of OssDsign Catalyst. Additionally, shutting down the resource-heavy operations related to our previous product, Cranial PSI, was vital for freeing up resources and allowing us to focus on developing Catalyst. It is also worth noting the move of operations from Europe to the U.S., including all that it entailed, such as hiring our U.S. CEO, Mark Waugh, and the 2025 funding round that provided capital to implement our ScaleToProfit strategy.

**You have highlighted the potential for economies of scale and improved margins following the strategic realignment toward OssDsign Catalyst – what are the key factors for sustaining high gross and operating margins?**
The clinical characteristics of OssDsign Catalyst are fundamental, and we have achieved exceptional results in both straightforward spinal fusion cases and more complex patient groups with comorbidities. We are also planning additional studies and publications to further reinforce our position. The accumulated clinical evidence allows us to deliver value to health care systems while expanding our market reach to new customers and regions. This, in turn, fosters growth with a healthy gross margin. Besides the ongoing expansion of the sales team, no significant cost base increase is needed to meet rising demand and broader operations, which, in turn, will improve the operating margin over the longer term.

**How do you see the balance between profitability and the investments required for growth in the upcoming year?**
We have not communicated specific profitability targets for 2026; instead, we are focusing our resources on investments needed to build a long-term, sustainable company. Everything has its time. Initially, we concentrate on investments that will promote long-term growth, so that later in the strategic planning period, meaning as we approach 2028, we will see a more balanced development, starting to point toward profitability.

**What key metrics do you think investors should monitor to best understand value creation at OssDsign in the upcoming years?**
For me, the next 12–18 months are focused on sales growth. After that, we should gradually broaden our attention to encompass operating profit and operating cash flow development, while still maintaining sustainable sales growth.

# Market Overview

## Compelling market opportunity in spine and adjacent orthopedic segments

Strong market fundamentals support sustained growth in the U.S. orthobiologics sector, valued at USD 1.8 billion and growing at 8% annually.[7] Two powerful trends converge to accelerate growth: an aging population driving increased procedure volumes, and surgeon preference shifting decisively toward advanced synthetic bone graft technologies.

### Large and growing market opportunity

Approximately 750,000 spinal fusion procedures are performed annually in the U.S. to address severe spinal degeneration. However, one in five operations fails to achieve adequate fusion, representing a persistent clinical challenge. This treatment gap, amplified by rising procedure volumes from an aging population, creates sustained demand for innovative bone graft solutions offering superior fusion rates and reliability.

### Shifting preferences in bone graft solutions

Traditional bone graft approaches have relied primarily on autografts harvested from the patient's iliac crest or donor-sourced allografts. Today, the inherent limitations of these methods are driving significant change in clinical practice. Autografts require additional surgical procedures with associated patient morbidity, extended hospital stays, and prolonged recovery periods. Allografts, while avoiding secondary surgery, carry persistent concerns regarding disease transmission and variable quality between tissue batches.

Latest-generation synthetic bone grafts now offer a compelling alternative to these traditional approaches. Advanced products are demonstrating clinical efficacy that matches or exceeds traditional options, while eliminating their inherent drawbacks and complications. This clinical validation is reflected in market dynamics, with advanced synthetics like OssDsign Catalyst projected to grow four times faster than conventional bone graft products. The shift represents both evolving surgeon preference and the increasing clinical sophistication of synthetic bone graft technology.

### OssDsign's strategic priorities

- **Build access and coverage in the U.S. market**
- **Expand product portfolio**
- **Build further real-world relevant clinical evidence**
- **Enter new orthopedic segments**

### OssDsign Catalyst demonstrates strong market traction

Since its U.S. launch in August 2021, OssDsign Catalyst has established itself as a leading synthetic bone graft through superior preclinical and clinical performance data. Throughout 2025, the product demonstrated strong commercial momentum with continued sales growth driven by both expansion into new hospital systems and deepening penetration within existing customer accounts.

### Driving growth through strategic priorities

OssDsign pursues a focused strategy to accelerate market expansion in orthobiologics. The company is systematically broadening U.S. market access and coverage while advancing product portfolio development. Concurrently, ongoing real-world clinical data generation through registries and studies continues to strengthen the evidence base. Beyond spine, the company is evaluating opportunities to deploy its technology platform across adjacent orthopedic segments, significantly expanding the addressable market opportunity.

7. Bone Graft Substitutes, Market Insights, Global, 2019, Decision Resource Group.

### Factors driving market growth

**Underlying volume increase**

The population >60 years will double from 2020 to 2050. By 2050, life expectancy will have increased from 73 to 77 years. An aging population drives the medical need as spinal degeneration increases with age.[8]

**Surgeon preference moving towards synthetic**

As autografts cause patient pain and extended hospitalization, and the use of allografts is declining due to fear of disease transmission, surgeons increasingly prefer synthetic bone grafts.

**Latest generation products accelerate the change**

There are many outdated synthetic bone graft products on the market that have previously failed to match autografts and allografts in clinical outcomes. As the latest generation synthetic bone grafts, like OssDsign Catalyst, start to outperform, they are expected to grow at a 4:1 rate compared to early generation products.[9]

8. United Nations: 2019 Revision of World Population Prospects
9. Bone Graft Substitutes | Market Insights | Global | 2019, Decision Resource Group

# Market entry strategy in the U.S.

The U.S. market for OssDsign Catalyst can be divided into four organizational structures that must be approached differently to achieve successful commercialization.

### Individual Hospitals and Surgical Centers

For OssDsign Catalyst to be introduced at a facility, the treating surgeons must first be convinced that the product delivers better clinical outcomes for patients. Subsequently, the product must usually be approved by the hospital's Value Analysis Committee (VAC), which evaluates whether the product should be used at the hospital and at what price.

Hospitals operate under a diagnosis-related group (DRG) payment system where reimbursement is determined by the patient's diagnosis and procedure type, not necessarily by the specific bone graft products used. Most synthetic bone grafts receive clearance under a premarket notification (510K) and are usually bundled into the overall DRG payment rather than being separately reimbursable. This means that for hospitals, purchasing decisions primarily concern:

- **Clinical outcomes:** Does the product provide better fusion rates and fewer complications?
- **Cost-effectiveness:** Can the product reduce total costs through fewer revision surgeries and shorter hospital stays? Unnecessary revisions may also impact bundled payment models as they become more common. Payment or reimbursements are normally for a 90-day episode of care – including all related readmissions.
- **Surgeon preference:** Do experienced spine surgeons prefer the product?

From when a product begins evaluation by a VAC until a decision is received typically takes 3 to 6 months.

### Integrated Delivery Networks (IDNs)

IDNs are large, integrated healthcare networks that own and operate multiple hospitals and care facilities within a geographic area. Decisions about new products are often made through centralized Value Analysis Committees that govern the entire network, with approved products commonly purchased by all units within the IDN.

Approval from an IDN provides access to many hospitals simultaneously, but the decision-making process is longer and requires more comprehensive clinical and economic documentation. Obtaining a purchasing decision from an IDN typically may take up to 12 months.

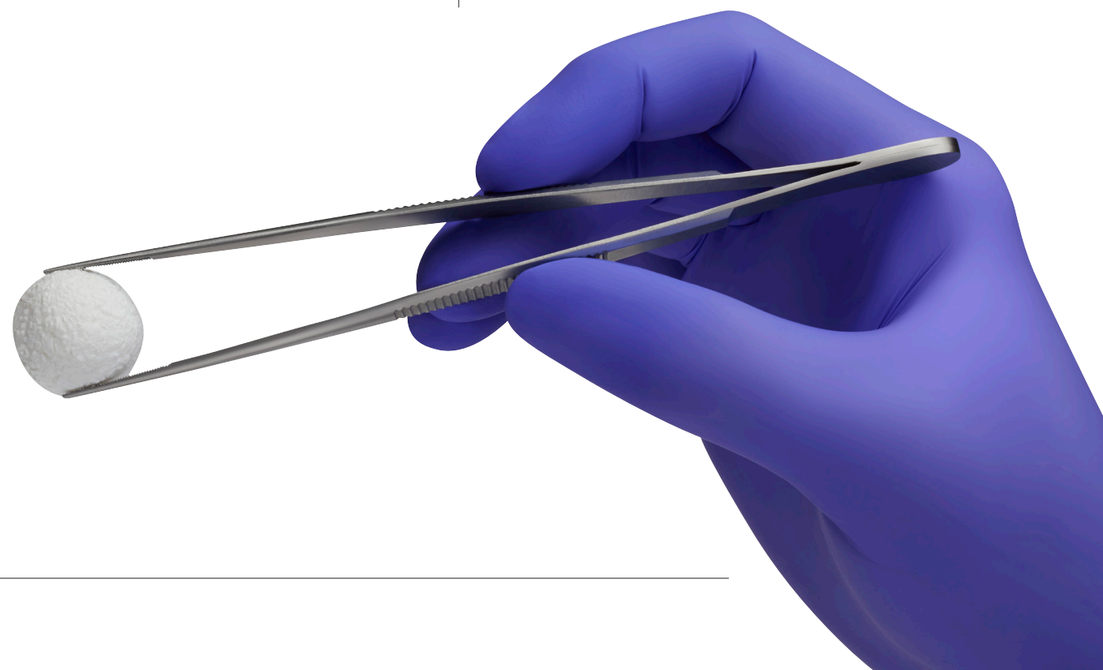
In 2025, new IDN agreements were added to the customer base, including two contracts in the Western U.S., representing the most significant regional sales opportunities to date.

### Group Purchasing Organizations (GPOs)

GPOs are purchasing organizations that negotiate prices and terms for large groups of hospitals and healthcare providers. Since April 2024, OssDsign has a 3-year GPO agreement with Premier, Inc., one of the largest GPOs in the U.S. with approximately 4,350 hospitals, health systems, and over 300,000 healthcare providers as members. The Premier agreement establishes pre-negotiated pricing and terms for OssDsign Catalyst, with member hospitals and IDNs making their own adoption decisions through their Value Analysis Committees.

### Veterans Affairs (VA) and Military Health System

Veterans Affairs (VA) is the largest integrated health and healthcare system in the U.S. with nearly 1,300 care facilities and a patient base of approximately 9 million individuals. OssDsign has an established presence within the military healthcare system. Within the DoD Military Health System, OssDsign Catalyst is listed in the electronic catalog system (ECAT) and can be ordered directly from over 50 Military Treatment Facilities. In April 2024, OssDsign was awarded a new VA contract covering approximately 100 additional VA orthopedic hospitals nationwide through distributor Red One Medical.



# **OssDsign** as an investment

The continued strong sales momentum for OssDsign's nanosynthetic bone graft Catalyst, together with structurally high gross margins above 95% and clear operating leverage, underscore that the business model's fundamental economics remain highly attractive and scalable.

**Focus on U.S. spine market**
OssDsign is concentrating its commercial resources on the U.S., the world's largest and most attractive MedTech market for spine orthobiologics, representing roughly 70% of the global spinal orthobiologics market and expected to grow significantly over the coming years.[10] Market expansion is driven by procedure growth in an aging population, increased penetration of spinal fusion surgery, and a structural shift from autograft and first-generation synthetic solutions toward newer synthetic solutions such as OssDsign Catalyst.

**Significant unmet clinical need**
Nearly 80% of the U.S. population will experience low back pain at some point[11], and each year more than 1.5 million instrumented spinal procedures are performed[12], including around 750,000 spinal fusion surgeries. Despite this high volume, fusion failure, referred to as pseudarthrosis, remains a major complication, often necessitating revision surgery.[13] The incidence of pseudarthrosis varies by spinal region: cervical fusion (2–30%)[14], thoracic fusion (~1.8%)[15], and lumbar fusion (5–35%)[16].

This highlights a significant remaining need for more reliable fusion technologies and improved long-term patient outcomes.

**Highly differentiated next-generation technology**
OssDsign Catalyst is a nanosynthetic bone graft with a unique nano-structured architecture that mimics native cancellous bone and incorporates a silicate-substituted calcium phosphate, stimulating dual bone-formation pathways. This enables simultaneous bone formation at the graft margins and centrally within the fusion mass, resulting in rapid and reliable bone formation even in poorly vascularized and otherwise challenging environments, making the product suitable for both straightforward and complex spine patients.

**Growing and strengthening clinical evidence**
OssDsign now has 17 clinical and pre-clinical papers and peer-reviewed publications documenting the safety and efficacy of OssDsign Catalyst, including pre-clinical data showing 100% fusion at 26 weeks[17] and clinical data demonstrating rapid and durable fusion.[18] Long-term follow-up from the TOP FUSION clinical study, published in 2025, reported a 100% spinal fusion rate and sustained improvements in quality of life, further reinforcing the product's position as a next-generation solution in spinal fusion surgery.[19]

In 2025, OssDsign reached its target of enrolling 300 patients in the prospective, multicenter PROPEL spinal fusion registry, which is now delivering real-world data showing fusion rates above 88% in a highly complex patient population.[20] These registry results, together with new preclinical work demonstrating best-in-class potency, provide a robust platform for continued commercialization. OssDsign plans to initiate a large Level 1 randomized controlled trial in 2026 to further strengthen its evidence base.

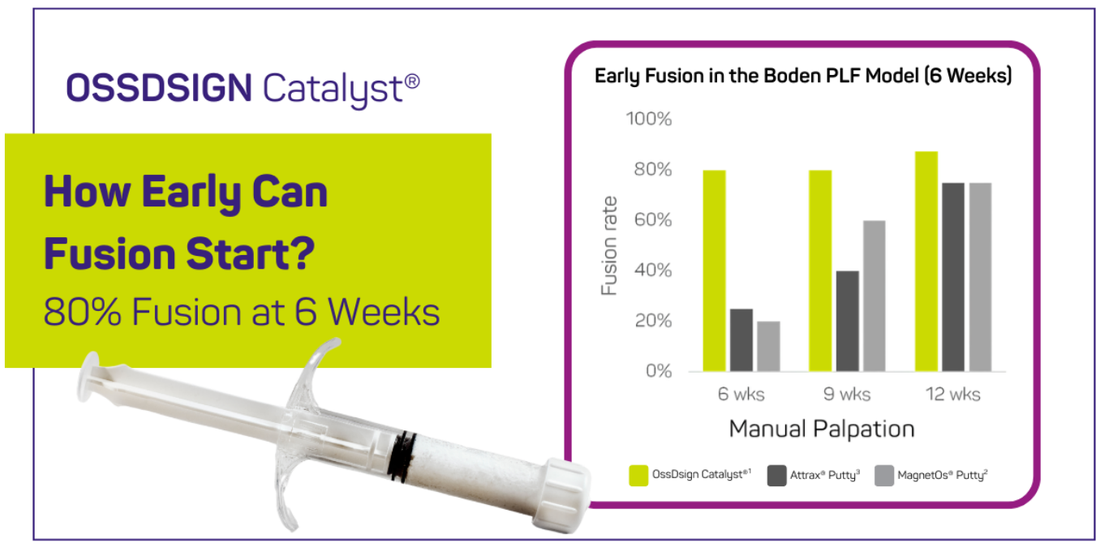
**Commercial traction and market penetration**
OssDsign has rapidly scaled its orthobiologics business in the U.S. By May 2025, more than 10,000 patients had been treated with OssDsign Catalyst, a milestone that underscores strong and accelerating surgeon adoption.

The company continues to expand market access and plans to roughly double its U.S. sales force in 2026, supporting deeper penetration in existing accounts and entry into new regions and hospital systems. OssDsign is also pursuing additional indication expansions and new product launches based on the OssDsign Catalyst technology platform, leveraging its existing FDA clearances to enter adjacent orthopedic segments without major new regulatory processes.

**Still only scratching the surface**
Despite rapid growth since launch, management estimates that more than 99% of the U.S. orthobiologics market remains untapped for OssDsign, leaving substantial room for further penetration in the coming years. Beyond spine, the company sees additional opportunities in other orthopedic indications where OssDsign Catalyst already holds FDA clearance, offering a capital-efficient route to incremental growth with minimal regulatory risk.

**Demonstrated execution and attractive financial profile**
OssDsign has successfully executed its transformation into a pure-play orthobiologics company, delivering a string of very high-growth quarters in the U.S. and maintaining mid-90s gross margins. Between 2020 and 2025, gross margin improved from around 40% to approximately 95–96%, while constant-currency growth was 45% across 2025.

In 2025, the company reported its best EBIT result to date, confirming operating leverage in the model and supporting its "Scale to Profit" strategy, which targets more than SEK 400 million in sales by 2028 and a profitable operating result in the second half of the OssDsign strategy period. Combined with a solid balance sheet, high gross margins, and a large, structurally growing market, OssDsign offers exposure to a fast-growing, high-margin MedTech business built on a differentiated, clinically validated technology platform.




10. Bone Graft Substitutes | Market Insights | Global | 2019, Decision Resource Group
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19. A Lazary et al. Instrumented Transforaminal Lumbar Interbody Fusion Using a Novel Synthetic Bone Graft, Ossdsign Catalyst® With 24-Month Post-Surgical Follow Up. Biomed J Sci & Tech Res 61(2)2025.
20. Performance of a Novel Nanosynthetic Bone Graft (Nano-Si-Ap) in Real World Clinical Practice: Twelve Month Results of the First 108 Patients in the Propel Spine Registry. K. B. Strenge, H. Makanji, et al., Biomed J Sci & Tech Res 62(3)-2025.

# “I am motivated by working in an environment where the business is still developing and evolving”

After six years at OssDsign, Michaela Rosén’s role has evolved from Accounting Manager to Director of Group Accounting, with broad responsibility for group reporting, financial reporting, and business support. The main motivation lies in developing processes and creating structure in a changing environment, while maintaining a forward-looking focus on continuous improvement and the company’s long-term goals.

**Michaela Rosén**
Director Group Accounting

*“Ensuring the organization can depend on accurate figures and well-documented materials is, for me, a natural goal and a key part of my professional responsibilities.”*

**What brought you to OssDsign?**
It all began with a job posting for an accounting manager role at a small medical technology company. The product caught my interest and curiosity, leading me to apply. That was six years ago, and since then, both the company and my role have evolved significantly. Being part of and contributing to that journey has had its challenges, but that’s what makes the work exciting and meaningful.

**What does your role as Director Group Accounting entail?**
This is a fairly broad role that includes, among other things, overall responsibility for consolidated financial statements and financial reporting, as well as comprehensive operational support to other departments within the organization. Responsibilities also involve coordinating and conducting the company’s annual financial audit, ensuring compliance with all applicable laws, regulations, and internal guidelines, and overseeing the development of processes and procedures within the finance function.

**What drives you in your work at OssDsign?**
I am motivated by working in an environment where the business is still developing and evolving. While routine, day-to-day tasks provide a solid and stable foundation, I am especially driven by challenges where solutions are not immediately clear. Finding an area for improvement, designing a process that was previously missing or not working well, and seeing it succeed for everyone involved—that gives me great satisfaction.

As an accountant by training, I am also motivated by maintaining order and structure in financial reporting. Ensuring the organization can depend on accurate figures and well-documented materials is, for me, a natural goal and a key part of my professional responsibilities.

**What are you most excited about for the coming year?**
Looking ahead to the upcoming year, I am confident that our new CEO will bring valuable perspectives and initiatives that will enhance the company’s market position and help us reach our long-term goals—I’m very excited to follow this journey and be part of it.

On a more operational level, I look forward to completing the improvement projects started in 2025, as well as continuing efforts to develop and strengthen the finance function’s role as an effective support to the rest of the organization.

# **OssDsign’s** code of conduct

**Integrity** – We are transparent and honest
**High quality** – We never compromise quality and safety
**Commitment** – We strive to give patients back the life they deserve
**Respect** – We treat each other with respect and dignity
**Responsibility** – We take responsibility for OssDsign’s assets, information, and reputation

# **Core values** and employees

**Our vision** is to provide patients with the next generation bone replacement products that support the body’s own healing capabilities and thereby improve the clinical outcome in a wide range of orthopaedic areas with high medical needs. We are simply committed to give back patients the life they deserve.

## Key figures co-workers (as per December 31, 2025)

| Number of employees | Number in management | Employees by region |
|---|---|---|
| 32 | 6 | Europe 8 |
| Women 12 | Women 1 | U.S. 24 |
| Men 20 | Men 5 | |

# Sustainability

Every year, OssDsign's products help more patients worldwide improve their quality of life. The company collaborates with communities and external stakeholders to ensure that its business practices and operations comply with all applicable laws, safeguard the environment, promote diversity, recognize employee efforts, and uphold fundamental human rights, ethical business standards, and professional conduct.

## Code of Conduct

To uphold its responsibilities and the communities it serves, OssDsign's Code of Conduct serves as a guiding principle. It ensures that the company and its business practices are held to a high standard. The Code sets requirements for business operations and provides a foundation for company procedures, guidelines, and expected behaviors. It offers guidance for ethical decision-making and establishes standards for ethical business conduct. The Code outlines expectations for employees when interacting with strategic partners, healthcare professionals, and the communities served. This Code applies to OssDsign and all of its business entities worldwide.

The company has established a whistleblower procedure that allows employees to raise concerns or complaints anonymously.

## Governance

OssDsign's Board of Directors oversees sustainability and compliance policies, including anti-corruption, anti-bribery, and the Code of Conduct. All employees are required to complete annual training to ensure full understanding of and compliance with these policies.

## Quality

OssDsign is committed to ensuring the quality, effectiveness, and safety of its products and adheres to all applicable international regulations governing their development, manufacturing, and distribution. The company adheres to all applicable legal, regulatory, and industry standards in the development and manufacturing of its products.

## Work Environment

The company is dedicated to fostering a workplace in which employees feel valued and respected. This commitment supports the attraction and retention of talented employees in a professional, supportive, and respectful environment that upholds fundamental rights, anti-discrimination principles, and diversity principles. OssDsign complies with laws prohibiting discrimination based on characteristics such as race, color, religion, gender, gender identity or expression, age, sexual orientation, national origin, disability, pregnancy, genetic information, military status, and employment or marital status.

OssDsign believes that differences in background, experience, and individual qualities contribute to a dynamic and innovative culture in which both employees and the company can thrive.

# OssDsign's Board of Directors

## SIMON CARTMELL

*Board member and Chairman of the Board since 2016*

**Education and experience:**
Master of Science in Management and Economics from the University of London, as well as a Fellow from the London Business School Sloan Program, and Bachelor of Science in Medical Microbiology from the University of Manchester. Simon Cartmell has over 40 years of experience in senior executive and board positions in both private and listed companies in the pharmaceutical, biotech, MedTech and diagnostic sectors. He was CEO of ApaTech leading it to its successful development of bone graft products in the U.S. and its sale to Baxter Inc.

**Other current roles:**
Board positions at Axis Spine Technology Ltd., MatOrtho Ltd., NuvoAir Inc., Route2Advisors Ltd. and Route2Property Ltd.

**Holdings in OssDsign:**
125,000 shares and 114,149 subscription options.

*Simon Cartmell is independent in relation to the company and its management, as well as in relation to major shareholders.*

## JILL SCHIAPARELLI

*Board member since 2022*

**Education and experience:**
MBA in Finance and Business Management from Stern School of Business at New York University, BS in Business Administration from Questrom School of Business at Boston University, provides the board with more than 20 years of expertise and experience in the healthcare industry with extensive knowledge in spine, orthobiologics and neuromodulation. Jill has a direct experience in global medical device commercialisation, launching innovative technologies, strategic marketing, healthcare consumerism and patient care pathway modeling. During her career, Jill has held leadership roles with major healthcare companies such as Johnson & Johnson and Baxter, as well as serving as an executive at high-growth, innovative companies such as AxoGen (US Nasdaq: AXGN) and ApaTech (UK), a company she helped sell to Baxter, and Avation Medical.

**Other current roles:**
Board Member at Global Nerve Foundation.

**Holdings in OssDsign:**
85,611 subscription options.

*Jill Schiaparelli is independent in relation to the company and its management, as well as in relation to major shareholders.*

## CHRISTER FÅHRAEUS

*Board member since 2024*

**Education and experience:**
Medical Candidate and Ph.D. in Neurophysiology from the Faculty of Medicine at Lund University, Master of Science in Medical Engineering from the University of California San Diego (USA), and equivalent to five years of full-time studies in Mathematics and Physics at Lund University and LTH (Engineering Physics). Graduate of the Swedish Armed Forces Interpreter Academy and holds an honorary Doctorate of Technology from Lund University of Technology.

Founder of EQL Pharma AB. Chief Executive Officer 2006 – 2022, thereafter Chairman (2022 –). Board member since 2006. Chairman of the Remuneration Committee.

**Other current roles:**
Chairman of FSG Fund II AB, Fåhraeus Startup & Growth AB, and ApoEco Sverige AB. Board member of Airsonett AB, CellaVision AB, Checkin.com Group AB, FlatFrog Laboratories AB, Melius Pharma AB, and Bionamic AB.

**Holdings in OssDsign:**
Does not own, directly or indirectly, shares or share-related instruments in OssDsign.

*Christer Fåhraeus is independent in relation to the company and its management, as well as in relation to major shareholders.*

## DAVID JERN

*Board member since 2025*

**Education and experience:**
Master's degree in biomedical engineering and 2 years of economics studies. Previously worked as a management consultant in the healthcare sector in Switzerland and Sweden and as CEO in several medium-sized companies in the healthcare sector.

**Other current roles:**
CEO of Alumbra Group AB, board member of MedCap AB (publ) and chairman of Bioswed Scientific AB.

**Holdings in OssDsign:**
Does not own, directly or indirectly, shares or share-related instruments in OssDsign.

*David Jern is independent in relation to the company and its management as well as in relation to major shareholders.*

## TOMAS BLOMQUIST

*Board member since 2025*

**Education and experience:**
Tomas Blomquist has over 30 years of international experience in the healthcare sector. He has held executive roles at global companies such as Abbott, Roche, Johnson & Johnson, and Analyticon Biotechnologies. Tomas served as CEO and President of Biotage AB from 2019 until January 2024. He has also served on management teams and boards at several international companies and has extensive expertise in corporate strategy, vision, and culture, team and leadership development. He holds an education from the Stockholm School of Economics.

**Other current roles:**
Tomas is a board member of Nolato AB (since May 2021).

**Holdings in OssDsign:**
Does not own, directly or indirectly, shares or share-related instruments in OssDsign.

*Tomas Blomquist is independent in relation to the company and its management, as well as in relation to major shareholders.*

# OssDsign Management

## MARK WAUGH

*CEO since 2026*

**Education and experience:**
Mark holds an MBA from the University of Michigan and a B.S. from Eastern Michigan University. He brings over two decades of international leadership experience from organizations such as Smith & Nephew plc, Medtronic Sofamor Danek Inc, and, most recently, Medacta USA, part of the Swiss company Medacta International, which has delivered sustained rapid growth over recent years.

**Other current roles:** –

**Holdings in OssDsign:**
Does not own, directly or indirectly, shares or share-related instruments in OssDsign.

## ANDERS SVENSSON

*CFO since 2020*

**Education and experience:**
Anders Svensson holds an MBA focused on strategy/finance from Australian Graduate School of Management. He has many years of experience in senior positions that span over multiple industries. Anders Svensson is an experienced Chief Financial Officer with a demonstrated track record from a diverse range of industries including pharmaceuticals, digital sustainability, retail, lighting and electronics manufacturing, banking, management consulting, and software development in Sweden and internationally, and has with good merits driven finance departments.

**Other current roles:** –

**Holdings in OssDsign:**
321 556 shares and 1 123 078 subscription options.

## ERIC PATERMO

*VP, U.S. Sales since 2020*

**Education and experience:**
Bachelor of Arts in Economics from Saint Olaf College, Minnesota, United States. Eric Patermo holds more than 25 years of sales and marketing experience in the neurosurgical and orthopaedic device sector. Most recently, Eric Patermo served as Vice President of sales for Burst Biologics (Smart Surgical), a biopharmaceutical manufacturer focusing on technologies promoting bone healing. He has previously held various sales management and leadership roles in companies focusing on spine and ortho-biologics, including as a primary member of the U.S. commercial team for Apatech Ltd., a British company that successfully sold to Baxter for around USD 330 million in March 2010.

**Other current roles:** –

**Holdings in OssDsign:**
341 806 subscription options.

## MELANIE MARSHALL

*VP, Clinical & Medical Affairs since 2022*

**Education and experience:**
Melanie Marshall has over 15 years of Clinical and Medical affairs experience in Medical Device Companies serving as the VP of Clinical Affairs at ApaTech Ltd, Director of Clinical Affairs at Baxter as well as holding roles within Boston Scientific, Medtronic and Dana Farber Cancer Institute. Melanie holds a Bachelor's Degree in Biology and Psychology from Wheaton College in Norton, MA.

**Other current roles:** –

**Holdings in OssDsign:**
167 865 subscription options.

## TOM BUCKLAND

*CTO since 2024, previously VP, Strategy and Business Development since 2021*

**Education and experience:**
Tom Buckland holds a Master's degree in Mechanical Engineering and a Ph.D. in Biomaterials from the University of London. Tom Buckland has over 20 years of commercial and technical board and senior management experience in medical device companies, including as co-founder of ApaTech Ltd, R&D director at Baxter Inc., Managing Director of NuVasive Ltd., and Chief Executive Officer of SIRAKOSS Ltd.

**Other current roles:**
Entreprenuer-in-Residence, Department of Bioengineering, Imperial College of Science and Technology, London. Head of Commercial Strategy, Orthox Ltd, Oxford UK. Chairman, Additive Instruments Limited, London UK. Founder and Director of Perspective Device Consulting Ltd., amongst other advisory, consulting and executive roles.

**Holdings in OssDsign:**
341 806 subscription options.

## STEPHEN ANDERSON

*VP, Marketing since 2024*

**Education and experience:**
Stephen Anderson has over 25 years of experience in marketing, sales, and engineering for medical device companies. His responsibilities have included senior Vice President of Sales and marketing at Sharp Fluidics, vice president of Sales and marketing at NeoSurgical, senior director of Marketing at Invuity, and Global Director of Marketing at Zimmer Spine, as well as other advisory and management roles. Steve holds a Bachelor's degree in Mechanical Engineering from the University of Massachusetts and a Master's Degree in Management Sciences from Northeastern University.

**Other current roles:** –

**Holdings in OssDsign:**
341 806 subscription options.

# The share

OssDsign's shares are listed on Nasdaq First North Growth Market in Stockholm under the OSSD ticker. At the end of 2025, its market capitalization was SEK 1 254 million, and the number of registered shareholders was 4 929.

**Share capital and ownership**

At the end of 2025, OssDsign's share capital totaled SEK 6,9 million, represented by 110 625 913 shares. All shares have equal voting and dividend rights. The company's largest institutional shareholders were Linc AB, FSG Fund II AB (Fåhraeus Startup and Growth) and TAMT AB. The ten largest shareholders held 54,1% of the total number of shares.

**Dividend policy**

OssDsign is a growth-oriented company; to date, no dividend has been distributed to its shareholders. Furthermore, no dividends are planned for the coming years, as any profits from business operations will be reinvested in the company. In the future, when the company's earnings and financial position permit, dividend payouts may become relevant. The Board of Directors will then consider the company's growth and profitability, working capital and investment needs, financial position, and other relevant factors when deciding on a potential dividend proposal.

**Largest shareholders**

| Owners | Number of shares | Share Capital, % |
|---|---|---|
| Linc AB | 11 104 396 | 10.0% |
| Försäkringsaktiebolaget Avanza Pension | 9 129 750 | 8.3% |
| FSG Fund | 8 000 000 | 7.2% |
| TAMT AB | 7 580 000 | 6.9% |
| SIX SIS AG, W8IMY | 5 589 970 | 5.1% |
| BNP PARIBAS SA PARIS, W8IMY (GC) | 4 629 084 | 4.2% |
| La Financière de l'Echiquier - LFDE | 4 549 084 | 4.1% |
| Nordea Livförsäkring Sverige AB | 3 874 752 | 3.5% |
| Nordnet Pensionsförsäkring AB | 2 739 771 | 2.5% |
| Protean Funds | 2 705 438 | 2.4% |
| Other shareholders | 50 723 668 | 45.9% |
| **Total** | **110 625 913** | **100.00%** |

**Financial Calendar**

*Interim Report Q1 2026*
May 5, 2026

*Annual General Meeting 2026*
June 9, 2026

*Interim Report Q2 2026*
August 18, 2026

*Interim Report Q3 2026*
November 3, 2026

*Year-end Report 2026*
February 9, 2027

**Analyst coverage**

ABG Sundal Collier – Sten Gustafsson
Carnegie – Elvin Rolder / Kristoffer Liljeberg
SEB – Mattias Vadsten

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# Directors' Report

The Board and Chief Executive Officer of OssDsign AB (publ), corp. Reg. no 556841-7546, hereby present the Annual Report and Consolidated Financial Statements for the 2025 financial year.

### Operations

OssDsign AB is a developer and global provider of next generation orthobiologics 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. Its first product, OssDsign Catalyst, initially targets the spinal fusion market – a procedure carried out approximately 750,000 times yearly in the U.S. alone. Addressing a USD 1.8 billion market, OssDsign is growing exponentially with its high-margin product and scalable business model. As of May 2025, more than 10,000 patients have been treated with OssDsign Catalyst in the U.S.

OssDsign Catalyst is an innovative bone graft that stimulates the formation of healthy bone tissue in spinal fusion surgeries. Similar to the body's own bone mineral structure, the patented nanocrystalline structure of OssDsign Catalyst provides a favorable bone biology environment for rapid and reliable bone formation.

One of the key features that makes OssDsign Catalyst differentiated from traditional synthetic bone grafts is its structural similarity to bone on a nano level rather than a macro level. This, together with incorporated silicate ions bioidentical to those in human bone, amplifies the bone formation process providing rapid and reliable bone formation. Unlike traditional synthetics, OssDsign Catalyst engages both of the body's bone formation pathways, the endochondral pathway (skeletal development and fracture repair), and the more typical intramembranous pathway (bone remodeling). This means that OssDsign Catalyst can mediate rapid bone formation even in challenging, poorly vascularized, and hypoxic environments.

### Parent company

The company's R&D activities are conducted in the parent company, as well as in the subsidiary Sirakoss Ltd in Scotland. All R&D activities are managed through the central R&D department in the parent company. The parent company also provides administrative services to the subsidiaries.

The parent company is based in Uppsala, Sweden.

### Research & Development Operations

OssDsign commenced the clinical first-in-human study TOP FUSION in Hungary, with respect to the synthetic bonegraft OssDsign Catalyst, in the autumn of 2021. Patient enrolment was completed during 2022 and the study then encompassed 17 patients. In 2023 the 12-month follow-up for the remaining 14 patients was concluded and highly positive results were published. Top-line results show a 93% fusion rate at 12 months and 100% at 24 months after surgery with OssDsign Catalyst. 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.

The results align well with the first post-market safety report that was published in November 2022, where no device-related complaints or device-related adverse events were recorded. 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.

In 2021 the company also launched PROPEL, a prospective multi-center spinal fusion registry in the U.S., with first site and patient enrolment in 2022. PROPEL is not a controlled study but rather a vehicle that provides access to Real-World Data from a large number of patients who have been treated with OssDsign Catalyst. OssDsign has so far enrolled over 300 patients in the registry, which enables evaluation of the product in clinical practice over time and is an important complement to clinical trials in OssDsign's strategy to build clinical evidence for OssDsign Catalyst. Since the start of the PROPEL registry in 2022, surgeons have been recruiting patients on an ongoing basis, to evaluate the use and outcomes of OssDsign Catalyst in clinical practice. The primary endpoint of the study measures the degree of spinal fusion, using computed tomography (CT) or radiography, at 12 months postoperatively. In addition, patients' quality of life, neurological function, as well as the clinical safety profile of the spinal implant are recorded.

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.



In 2025, the positive findings outlined here have been further corroborated by additional preclinical research, published in the Journal of Orthopaedic Surgery and Research, as well as clinically, from the first 108 patient readout from our PROPEL registry, showing an 88.4% fusion rate in a highly complex patient cohort.

# Significant events during the financial year

## Group

### OssDsign reached its target of 300 patients enrolled in the prospective spinal fusion registry PROPEL

On February 25, 2025, OssDsign announced that it had reached its target of 300 enrolled patients in the multi-center, prospective spinal fusion registry PROPEL. This registry, initiated in March 2022, collects real-world data from patients treated with OssDsign Catalyst.

### 24-month follow up data from the clinical study of OssDsign Catalyst showed 100% spinal fusion

On April 9, 2025 OssDsign announced that the 24-month follow up results from the clinical study TOP FUSION will be published in the peer-reviewed journal Biomedical Journal of Scientific & Technical Research. The results demonstrate a 100% spinal fusion rate at 24 months and improved quality of life and pain after surgery with the innovative nanosynthetic bone graft OssDsign Catalyst.
That publication has subsequently been released.

### Groundbreaking study highlighted enhanced bone formation with novel silicate-containing synthetic bone grafts

On April 11, 2025 OssDsign announced that a new preclinical study comparing the bone-forming potential of different silicate-containing calcium phosphate synthetic bone grafts has been published in the peer-reviewed scientific journal Journal of Orthopaedic Surgery and Research. The study demonstrates that OssDsign Catalyst is the first clinically available synthetic bone graft to successfully generate robust, functional bone in challenging avascular environments at early time points.

### 10,000 patients treated with OssDsign Catalyst® in the U.S.

On May 12, OssDsign announces that it has reached its milestone of 10,000 patients treated with the innovative nanosynthetic bone graft, OssDsign Catalyst, confirming its continued success in the U.S. orthobiologics market.

### OssDsign included in MSCI index

On May 14, OssDsign announced that the company's shares will be included in the MSCI Global Micro Cap Index. MSCI provides decision support and services to the global investment community and conducts quarterly updates of its equity indexes. In the latest revision, OssDsign has been included in the MSCI Global Micro Cap Index, implemented as of the closing of the stock exchange on May 30. Based on MSCI's expertise in research, data and technology, equity indexes of global shares are revised continuously to support clients' investment decisions.

### OssDsign has carried out a directed share issue of approximately SEK 158 million

On June 3, OssDsign announced that the company has completed a directed share issue of 11,500,000 shares at a subscription price of SEK 13.75 per share. The Directed Issue, supplied the company with approximately SEK 158 million before deduction of transaction costs. The subscription price was determined based on an accelerated book-building procedure lead by DNB Carnegie Investment Bank.

### OssDsign announces remarkable real-world results with 88.4% fusion rate in a highly complex patient cohort from the spinal fusion registry PROPEL

On June 26, OssDsign announced that the company has published one-year results from the first 108 patients in its prospective, multi-center, spinal fusion registry PROPEL. The results show an outstanding fusion rate of 88.4% in the real-world setting in a highly complex patient cohort, demonstrating that OssDsign Catalyst® shows strong performance even in challenging patient populations with high BMI, previous failed fusion surgeries, smokers, multi-level procedures and several comorbidities.

**Performance of OssDsign Catalyst® in a patient with post-traumatic ankle arthritis showcased in medical journal**
On September 2, OssDsign announced that a case study of OssDsign Catalyst® as a bone void filler to augment total ankle arthroplasty in a patient with post-traumatic ankle arthritis has been published in the Biomedical Journal of Scientific & Technical Research. The authors conclude that at three months of follow-up, CT scans show excellent bony ingrowth through and around the entire implant surface.

**OssDsign strengthens its commercial footprint in the Western U.S. through new agreements with IDN**
On December 5, OssDsign announced that the company had signed an agreement with an IDN (Integrated Delivery Network) in the Western U.S., marking the company's most significant opportunity for sales growth in the region to date. The agreement allows IDN member hospitals and clinics, at their discretion, to take advantage of special pricing and pre-negotiated terms for OssDsign's nanosynthetic bone graft OssDsign Catalyst®. Later in December, the company signed a second IDN agreement in the Western U.S. Both agreements are already actively generating orders.

**OssDsign appoints Mark Waugh as new CEO**
On December 10, OssDsign announced the appointment of Mark Waugh as CEO, effective 1st January 2026. He most recently served as Senior Vice President – Commercial at Medacta USA and has extensive experience in sales, marketing and commercial operations across all major orthopedic segments in global markets, including the USA and Europe. Mark's appointment as CEO of OssDsign builds on the firm foundations laid by the company since 2019 and enables an even stronger presence and focus on the U.S. market to drive rapid growth and expansion in this key region. Mark will be based at the Company's US office in Maryland and his home office in Indiana.

# Significant risks and uncertainties

**Technical development and market acceptance**
Delays in planned and ongoing development projects can have a negative effect on cash flows, revenues and operating margins.

There is also a risk that developed products will not gain broad market acceptance and that competing solutions that are not known today may be introduced, which could have a negative impact on the company's operations, earnings and financial position.

**General market and environmental/political risk**
Aside from commercial market risk there are also risks related to the company's operations, such as obtaining the necessary licenses and clearances from authorities, patents and intellectual 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 price increases, interest rate risks, trade barriers and global instability 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.

**Dependence on key personnel**
OssDsign is largely dependent on the experience and expertise of its employees. The company's future development depends largely on the ability to attract and retain competent personnel. If one or some of the key people choose to leave the company, this could result in higher costs for both product development and recruitment, at least in the short term.

The direction towards protectionism expressed by the U.S. administration can conceivably affect OssDsign's operations going forward. The US import tariffs, as communicated to date, however, are not deemed to have any material impact on the Group's future earnings or financial position.

**Financing risk**
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 products will be on the market. In order to satisfy requirements in the medium term, the company raised MSEK 158 in gross proceeds through a directed share issue in 2025. As of December 31, 2025, the group's cash and cash equivalents amounted to SEK 191.3 million, a liquidity that the board deems sufficient for at least the next twelve months and this annual report is prepared on the presumption of going concern. 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.

**Sustainability**
Every year our products are helping more patients around the world to achieve a better quality of life. As a supplier of medical products that have the possibility to profoundly touch people's lives, we stand with our communities and our external stakeholders to ensure that our business practices and operations are in compliance with all laws, take care of our environment, embrace diversity, value employee contribution, and respect basic human rights and appropriate rules for business ethics and professional conduct.

**Governance**
The company's Board of Directors oversees the sustainability and compliance policies including anti-corruption and anti-bribery policies and Code of Conduct, and every employee completes annual training to ensure policies are fully understood and adhered to.

**OssDsign's code of conduct**
To be able to stand by our responsibilities and the communities we serve, our Code of Conduct is our guiding star. Our Code ensures that we hold ourselves and how we do business to a high standard. The Code sets requirements for business and serves as a foundation for our procedures, guidelines and expected behaviors.

Our Code of Conduct provides guidance to help us make the right decisions and sets our standards of ethical business conduct. It outlines expectations for our employees when dealing with strategic partners, healthcare professionals, and the communities we serve. This Code applies to OssDsign and all our business entities worldwide.

The company has established a "whistleblower" procedure by which employees can confidentially raise concerns or complaints anonymously.

**Quality**
We maintain a demonstrable commitment to the quality, efficacy, and safety of our products in compliance with all applicable global requirements regulating their development, manufacturing, and distribution. We comply with all legal and regulatory requirements and industry standards relating to the development and manufacturing of our products.

**Work environment**
We are committed to a workplace where employees feel respected and appreciated. Maintaining this commitment allows us to attract and keep talented individuals in a supportive, professional, and respectful work environment where we support fundamental rights, anti-discrimination and diversity. We comply with and uphold laws prohibiting discrimination based on any protected characteristic, including non-discrimination based upon a person's race, color, religion, gender, gender identity or expression, age, sexual orientation, national origin, disability, pregnancy, genetic information, military status and employment or marital status. OssDsign believes that people's differences, experiences and unique conditions create a dynamic and innovative culture where people and our company are able to grow together.

**Ownership**
At year-end, there were 4 929 registered shareholders in OssDsign AB, of which the five largest owned more than 5% each and the ten largest shareholders together owned 54.1% of the capital and votes. The total number of shares amounts to 110 625 913 divided into one class of shares. The largest owners as of December 31, 2025 were Linc AB, Försäkringsaktiebolaget Avanza Pension and FSB Fund. There are currently two active incentive programs in the Group. On December 31, 2025, the programs included a maximum of 6 123 051 warrants. For full information on the programs, please refer to the company's website and Note 7 Share-related remuneration.

| Owners | Number of shares | Share Capital, % |
|---|---|---|
| Linc AB | 11 104 396 | 10.0% |
| Försäkringsaktiebolaget Avanza Pension | 9 129 750 | 8.3% |
| FSG Fund | 8 000 000 | 7.2% |
| TAMT AB | 7 580 000 | 6.9% |
| SIX SIS AG, W8IMY | 5 589 970 | 5.1% |
| BNP PARIBAS SA PARIS, W8IMY (GC) | 4 629 084 | 4.2% |
| La Financière de l'Echiquier - LFDE | 4 549 084 | 4.1% |
| Nordea Livförsäkring Sverige AB | 3 874 752 | 3.5% |
| Nordnet Pensionsförsäkring AB | 2 739 771 | 2.5% |
| Protean Funds | 2 705 438 | 2.4% |
| Other shareholders | 50 723 668 | 45.9% |
| **Total** | **110 625 913** | **100.00%** |

### Five-year-trends – Group

| *SEK 000'* | 2025 | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|---|
| Net sales | 180 159 | 133 940 | 112 157 | 56 985 | 31 726 |
| Adjusted operating result | -26 499 | -49 426 | -91 956 | -96 938 | -89 650 |
| Result before tax | -50 154 | -49 083 | -130 655 | -99 656 | -94 077 |
| Balance sheet total | 397 825 | 307 420 | 356 389 | 339 502 | 347 168 |
| Equity ratio | 77% | 70% | 70% | 73% | 77% |
| Numbers of employees | 32 | 27 | 48 | 48 | 44 |

** The 2023 operating result is reported before items affecting comparability, due to the discontinuation of the cranial business.*

### Five-year-trends – Parent Company

| *SEK 000'* | 2025 | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|---|
| Net sales | 25 023 | 10 180 | 52 948 | 41 743 | 31 135 |
| Operating result | -56 919 | -51 208 | -109 797 | -92 375 | -85 572 |
| Result before tax | -60 309 | -50 883 | -112 797 | -94 984 | -89 597 |
| Balance sheet total | 357 452 | 256 691 | 328 261 | 283 046 | 307 765 |
| Equity ratio | 80% | 72% | 72% | 74% | 79% |
| Numbers of employees | 4 | 6 | 31 | 35 | 29 |

*For definition of key figures, see Note 38.*

# Financial position and development

### Net Sales

The OssDsign group net sales for the full year of 2025 amounted to TSEK 180 159 (133 940), which corresponds to an increase of 45% compared to the full year of 2024 on a constant currency basis. Concurrently, the gross margin increased to 96.3% (95.4%).

### Operating result

Adjusted operating result for the period January - December 2025 amounted to TSEK -26 499 (-49 425), demonstrating solid continued operating leverage in the business. The effects of exchange rate changes at EBIT level were marginal, with the positive impact on operating expenses offsetting the negative impact on sales and COGS. Adjusted for costs related to LTIP and the CEO transition, non-sales variable operating expenses were marginally higher than last year, driven by the increase in sales force numbers. In relative terms, sales commissions and fees were considerably lower than in the previous year.

### Cash flow, investments and financial position

Cash at the beginning of the period amounted to TSEK 100 858 and at the end of the period TSEK 191 346, with the increase primarily stemming from the directed share issue in June. Cash flow from operating activities amounted to TSEK -64 034 (-62 379), where LTIP and CEO transition related payments represented approximately MSEK -15. Adjusted for those payments, cash flow from operating activities amounted to MSEK -49.0.

Total cash flow for the period of TSEK 91 743 (-65 501). Investments in tangible fixed assets were production related and amounted to TSEK -677 (0) in the period. Investments in intangible fixed assets amounted to TSEK -6 723 (-657) in the period and were entirely related to the capitalization of new product development costs.

# Proposed disposition of the parent company's profit or loss

At the disposal of the Annual General Meeting, amounts in TSEK:

| | |
|---|---|
| Share premium | 1 045 145 537 |
| Retained earnings from previous years | -704 619 234 |
| Profit for the year | -60 308 834 |
| | **280 217 469** |

The Board proposes that the retained earnings be treated so that it is balanced in a new account

| | |
|---|---|
| | 280 217 469 |
| | **280 217 469** |

Regarding the company's results and position in general, please refer to the following financial reports and the related ones notes.



# Condensed consolidated income statement

| *SEK 000'* | Note | 2025 | 2024 |
|---|---|---|---|
| Net sales | 2 | 180 159 | 133 940 |
| Cost of sales | | -6 691 | -6 187 |
| **Gross profit** | | **173 468** | **127 754** |
| Sales commissions and fees | | -87 484 | -69 439 |
| Selling expenses | | -47 874 | -38 068 |
| Research & Development expenses | | -20 118 | -22 821 |
| Administrative expenses | 3, 4, 5 | -66 350 | -44 451 |
| Other operating income | 9 | 1 603 | 24 |
| Other operating expense | 10 | – | -2 423 |
| **Operating result** | | **-46 757** | **-49 426** |
| Financial income | 11 | 1 208 | 4 813 |
| Financial expenses | 11 | -4 605 | -4 471 |
| **Result before income tax** | | **-50 154** | **-49 083** |
| Tax for the year | 13 | -835 | -573 |
| **RESULT FOR THE PERIOD** | | **-50 988** | **-49 657** |
| Earnings per share, SEK | | -0.5 | -0.5 |

# Consolidated statement of comprehensive income

| *SEK 000'* | 2025 | 2024 |
|---|---|---|
| **Profit/loss for the period** | **-50 988** | **-49 657** |
| ***Items that will be reclassified subsequently to profit or loss*** | | |
| Conversion difference | -17 379 | 13 670 |
| **Other comprehensive income for the period** | **-17 379** | **13 670** |
| **TOTAL COMPREHENSIVE INCOME FOR THE PERIOD** | **-68 367** | **-35 987** |
| **Total comprehensive income attributable to:** | | |
| Parent company's shareholders | -68 367 | -35 987 |

# Consolidated balance sheet

| *SEK 000'* | Note | 2025-12-31 | 2024-12-31 |
|---|---|---|---|
| ASSETS | | | |
| *Intangible fixed assets* | | | |
| Balanced development work and similar work | 15 | 7 380 | 657 |
| Patent | 16 | 13 861 | 16 633 |
| Goodwill | 17 | 128 788 | 143 621 |
| **Total intangible fixed assets** | | **150 029** | **160 911** |
| *Tangible fixed assets* | | | |
| Fixed assets | 18 | 542 | 41 |
| Access rights Assets | 19 | 1 365 | 1 718 |
| **Total tangible fixed assets** | | **1 906** | **1 759** |
| *Other fixed assets* | | | |
| Other long-term receivables | 22 | 132 | 157 |
| **Total other fixed assets** | | **132** | **157** |
| *Current assets* | | | |
| Inventories | 24 | | |
| Raw materials | | 9 925 | 7 789 |
| Finished goods | | 12 754 | 5 975 |
| **Total inventories** | | **22 678** | **13 764** |
| *Receivables* | | | |
| Accounts receivable | 20, 25, 38 | 26 131 | 25 678 |
| Tax receivable | | – | 111 |
| Other receivables | 20, 26 | 590 | 707 |
| Prepayments | 27 | 5 061 | 3 476 |
| **Total receivables** | | **31 781** | **29 972** |
| Cash and cash equivalents | 20, 28, 38 | 191 346 | 100 858 |
| **Total current assets** | | **245 806** | **144 593** |
| **TOTAL ASSETS** | | **397 874** | **307 420** |



# Consolidated balance sheet, cont

| *SEK 000'* | Note | 2025-12-31 | 2024-12-31 |
|---|---|---|---|
| SHAREHOLDER EQUITY AND LIABILITIES | | | |
| *Equity* | 29 | | |
| Share capital | | 6 914 | 6 104 |
| Other contributed capital | | 954 366 | 796 024 |
| Reserves | | 13 464 | 30 843 |
| Retained earnings including profit for the year | | -664 711 | -618 909 |
| **Total Equity** | | **310 031** | **214 061** |
| *Long-term liabilities* | | | |
| Lease liabilities | 12, 38 | 403 | 1 032 |
| Deferred tax liabilities | 23 | 2 100 | 2 781 |
| Other provisions | 30 | 50 072 | 54 701 |
| **Total long term liabilities** | | **52 575** | **58 513** |
| *Current liabilities* | | | |
| Liabilities to credit institutions | 12, 20, 38 | – | 214 |
| Accounts payable | 20, 38 | 5 327 | 5 830 |
| Lease liabilities | 12, 38 | 969 | 719 |
| Current tax liability | | 48 | – |
| Other liabilities | | 10 002 | 4 273 |
| Accrued expenses and deferred income | 31 | 18 922 | 23 809 |
| **Total current liabilities** | | **35 268** | **34 846** |
| **Total liabilities** | | **87 843** | **93 359** |
| **TOTAL EQUITY AND LIABILITIES** | | **397 874** | **307 420** |

# Consolidated change in shareholder's equity

| *SEK 000'* | Note | Share Capital | Other Capital Contributions | Reserves | Profit (loss) brought forward | Total Equity |
|---|---|---|---|---|---|---|
| OPENING BALANCE 2024-01-01 | | 6 104 | 796 141 | 17 173 | -568 285 | 251 132 |
| Profit/loss for the period | | – | – | – | -49 657 | -49 657 |
| Other comprehensive income | | – | – | 13 670 | – | 13 670 |
| **Total comprehensive income** | | **–** | **–** | **13 670** | **-49 657** | **-35 987** |
| *Transactions with shareholders* | | | | | | |
| Warrant programmes | | – | – | – | -967 | -967 |
| Issue expenses | | – | -116 | – | – | -116 |
| **Total transactions with shareholders** | | **–** | **-116** | **–** | **-967** | **-1 083** |
| CLOSING BALANCE 2024-12-31 | 29 | 6 104 | 796 024 | 30 843 | -618 909 | 214 061 |
| OPENING BALANCE 2025-01-01 | | 6 104 | 796 024 | 30 843 | -618 908 | 214 061 |
| Profit/loss for the period | | – | – | – | -50 988 | -50 988 |
| Other comprehensive income | | – | – | -17 379 | – | -17 379 |
| **Total comprehensive income** | | **–** | **–** | **-17 379** | **-50 988** | **-68 367** |
| *Transactions with shareholders* | | | | | | |
| Warrant programmes | | – | – | – | 5 185 | 5 185 |
| New share issue | | 810 | 167 276 | – | – | 168 086 |
| Issue expenses | | – | -8 934 | – | – | -8 934 |
| **Total transactions with shareholders** | | **810** | **158 342** | **–** | **5 185** | **164 337** |
| CLOSING BALANCE 2025-12-31 | 29 | 6 914 | 954 366 | 13 464 | -664 711 | 310 031 |



# Consolidated statement of cash flows

| *SEK 000'* | Note | 2025 | 2024 |
|---|---|---|---|
| *Operating Activities* | | | |
| Operating result | | -46 757 | -49 426 |
| Non-cash adjustments | 35 | -788 | 7 981 |
| Financial items | | -3 397 | 344 |
| Income taxes paid/received | | -1 393 | -953 |
| | | **-52 335** | **-42 054** |
| Changes in inventories | | -10 182 | -9 203 |
| Changes in receivables | | -6 243 | 2 805 |
| Changes in current liabilities | | 4 725 | -13 927 |
| **Total change in working capital** | | **-11 699** | **-20 325** |
| **Cash flow from operating activities** | | **-64 034** | **-62 379** |
| *Investment activities* | | | |
| Acquisition of intangible fixed assets | 15 | -6 723 | -657 |
| Acquisition of tangible fixed assets | 17, 18 | -677 | – |
| Acquisition of group companies | 21 | – | – |
| **Cash flow from investment activities** | | **-7 400** | **-657** |
| *Financing activities* | | | |
| New share issue | 29 | 168 086 | – |
| Share issue costs | | -8 934 | -116 |
| Repurchased warrants | | – | -967 |
| Warrants | | 5 185 | – |
| Repayments from borrowings | 12 | -214 | -513 |
| Repayment of lease liabilities | | -945 | -868 |
| **Cash flow from financing activities** | | **163 178** | **-2 465** |
| **Cash flow for the period** | | **91 743** | **-65 501** |
| Cash and cash equivalents at the beginning of the year | | 100 858 | 165 938 |
| Exchange rate adjustments – cash and cash equivalents and overdrafts | | -1 255 | 420 |
| **CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR** | | **191 346** | **100 858** |

# Condensed parent income statement

| *SEK 000'* | Note | 2025 | 2024 |
|---|---|---|---|
| Net sales | | 25 023 | 10 180 |
| Cost of sales | | -11 389 | -6 925 |
| **Gross profit** | | **13 633** | **3 254** |
| Sales commissions and fees | | -2 695 | -1 221 |
| Selling expenses | | -1 041 | -3 989 |
| Research & Development expenses | | -20 357 | -16 217 |
| Administrative expenses | 3, 4, 5 | -47 812 | -31 696 |
| Other operating income | 9 | 1 353 | 24 |
| Other operating expense | 10 | – | -1 364 |
| **Operating result before items affecting comparability** | | **-56 919** | **-51 208** |
| Items affecting comparability | | – | – |
| **Operating result** | | -56 919 | -51 208 |
| Financial income | 11 | 1 173 | 4 737 |
| Financial expenses | 11 | -4 563 | -4 412 |
| **Result before income tax** | | **-60 309** | **-50 883** |
| Tax for the year | 13 | – | – |
| **RESULT FOR THE PERIOD** | | **-60 309** | **-50 883** |

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

# Consolidated statement of comprehensive income, parent

| *SEK 000'* | 2025 | 2024 |
|---|---|---|
| Profit/loss for the period | -60 309 | -50 883 |
| *Items that will be reclassified subsequently to profit or loss* | | |
| Other comprehensive income for the period | – | – |
| TOTAL COMPREHENSIVE INCOME FOR THE PERIOD | -60 309 | -50 883 |
| Total comprehensive income attributable to: | | |
| Parent company's shareholders | -60 309 | -50 883 |



# Balance sheet, parent company

| *SEK 000'* | Note | 2025-12-31 | 2024-12-31 |
|---|---|---|---|
| ASSETS | | | |
| | | | |
| Financial fixed assets | | | |
| Shares in group companies | 21 | 137 687 | 137 687 |
| **Total financial fixed assets** | | **137 687** | **137 687** |
| | | | |
| *Current assets* | | | |
| Inventories | 24 | | |
| Raw materials | | 9 925 | 7 789 |
| Finished goods | | 10 638 | 5 629 |
| **Total inventories** | | **20 563** | **13 418** |
| | | | |
| Receivables | | | |
| Accounts receivable | 25 | – | 75 |
| Receivables from group companies | | 14 032 | 9 191 |
| Tax receivable | | 363 | 361 |
| Other receivables | 26 | 468 | 542 |
| Prepayments | 27 | 1 989 | 3 190 |
| **Total receivables** | | **16 851** | **13 359** |
| | | | |
| Cash and cash equivalents | 28 | 182 351 | 92 588 |
| **Total current assets** | | **219 765** | **119 365** |
| **TOTAL ASSETS** | | **357 452** | **257 052** |

# Balance sheet, parent company, cont.

| *SEK 000'* | Note | 2025-12-31 | 2024-12-31 |
|---|---|---|---|
| SHAREHOLDER EQUITY AND LIABILITIES | | | |
| *Equity* | 29 | | |
| Restricted equity | | | |
| Share capital | | 6 914 | 6 104 |
| | | **6 914** | **6 104** |
| | | | |
| *Non restricted equity* | | | |
| Share premium | | 1 045 146 | 886 804 |
| Retained earnings including profit for the year | | -764 928 | -709 369 |
| | | **280 217** | **177 435** |
| **Total equity** | | **287 132** | **183 539** |
| | | | |
| *Provisions* | | | |
| Other provisions | 30 | 50 072 | 54 701 |
| **Total provisions** | | **50 072** | **54 701** |
| | | | |
| *Current liabilities* | | | |
| Liabilities to credit institutions | 12, 38 | – | 214 |
| Accounts payable | 38 | 2 579 | 3 427 |
| Liabilities to group companies | | 1 838 | 1 135 |
| Other liabilities | | 9 780 | 4 047 |
| Accrued expenses and deferred income | 31 | 6 052 | 9 989 |
| **Total current liabilities** | | **20 249** | **18 812** |
| **Total liabilities** | | **70 321** | **73 513** |
| **TOTAL EQUITY AND LIABILITIES** | | **357 452** | **257 052** |

# Change in shareholder's equity, parent company

| *SEK 000'* | Note | Share capital | Other capital contributions | Reserves | Profit (loss) brought forward | Total equity |
|---|---|---|---|---|---|---|
| OPENING BALANCE 2024-01-01 | | 6 104 | 886 920 | – | -657 518 | 235 506 |
| Profit/loss for the period | | – | – | – | -50 883 | -50 883 |
| **Total comprehensive income** | | **–** | **–** | **–** | **-50 883** | **-50 883** |
| | | | | | | |
| *Transactions with shareholders* | | | | | | |
| Warrant programmes | | – | – | – | -967 | -967 |
| Issue expenses | | – | -116 | – | – | -116 |
| **Total transactions with shareholders** | | – | -116 | – | -967 | -1 083 |
| **CLOSING BALANCE 2024-12-31** | 29 | **6 104** | **886 804** | **–** | **-709 369** | **183 539** |
| | | | | | | |
| **OPENING BALANCE 2025-01-01** | | **6 104** | **886 804** | | **-709 369** | **183 539** |
| Profit/loss for the period | | – | – | – | -60 309 | -60 309 |
| Other comprehensive income | | – | – | – | – | – |
| **Total comprehensive income** | | **–** | **–** | **–** | **-60 309** | **-60 309** |
| | | | | | | |
| *Transactions with shareholders* | | | | | | |
| Warrant programmes | | – | – | – | 4 750 | 4 750 |
| New share issue | | 810 | 167 276 | – | – | 168 086 |
| Issue expenses | | – | -8 934 | – | – | -8 934 |
| **Total transactions with shareholders** | | 810 | 158 342 | – | 4 750 | 163 902 |
| **CLOSING BALANCE 2025-12-31** | 29 | **6 914** | **1 045 146** | **–** | **-764 929** | **287 132** |

# Statement of cash flows, parent company

| *SEK 000'* | Note | 2025 | 2024 |
|---|---|---|---|
| *Operating activities* | | | |
| Operating result | | -56 919 | -51 208 |
| Non-cash adjustment | 35 | -4 629 | 4 315 |
| Financial items | | -3 390 | 325 |
| Income taxes paid/received | | -2 | -247 |
| | | **-64 939** | **-46 815** |
| | | | |
| Changes in inventories | | -7 145 | -9 130 |
| Changes in receivables | | 1 350 | 4 350 |
| Changes in current liabilities | | -3 190 | -15 157 |
| **Total change in working capital** | | -8 985 | -19 937 |
| **Cash flow from operating activities** | | **-73 924** | **-66 752** |
| | | | |
| *Investment activities* | | | |
| Proceeds and purchase of intangible assets, net | 15 | – | – |
| Proceeds and purchase of property, plant and equipment, net | 18 | – | – |
| Proceeds and purchase of subsidiaries and activities, net | 21 | – | – |
| **Cash flow from investment activities** | | **–** | **–** |
| | | | |
| *Financing activities* | | | |
| New share issue | 29 | 168 086 | – |
| Share issue costs | | -8 934 | -116 |
| Repurchased warrants | | – | -967 |
| Warrants | | 4 750 | – |
| Repayments from borrowings | 12 | -214 | -513 |
| Repayment of lease liabilities | | – | – |
| **Cash flow from financing activities** | | **163 687** | **-1 597** |
| | | | |
| **Cash flow for the period** | | **89 763** | **-68 348** |
| Cash and cash equivalents at the beginning of the year | | 92 588 | 160 936 |
| **CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR** | | **182 351** | **92 587** |



# Note 1 Accounting and valuation principles

## General information

OssDsign AB (the Parent Company) and its subsidiaries' (the Group) main business include conducting development and sales of medical technology products as well as conducting business compatible with it.

OssDsign AB, the Group's parent company, is based in Uppsala, Sweden. The head office and principal place of business is located at Ulls väg 29C, 756 51 Uppsala, Sweden.

The consolidated financial statements for the year ended December 31, 2025 (including comparative figures) were approved for issue by the Board on 28th April, 2026.

The Group's report on earnings, other comprehensive income and report on financial position and the Parent Company's income statement and balance sheet will be subject to adoption at the Annual General Meeting held on June 9th, 2026.

## Valuation bases applied when preparing the financial statements

The Group's financial reports have been prepared in accordance with the Annual Accounts Act, the Swedish Financial Reporting Board's recommendation RFR 1 Supplementary Accounting Rules for Groups and International Financial Reporting Standards (IFRS) as adopted by the EU. Assets and liabilities are valued at historical acquisition values, with the exception of conditional consideration, which is valued at fair value.

The financial reports have been prepared on the presumption of going concern.

Preparing reports in accordance with IFRS requires the use of some important estimates for accounting purposes. Furthermore, management is required to make certain assessments when applying the Group's accounting principles. The areas that comprise a high degree of assessment, which are complex or such areas where assumptions and estimates are of significant importance to the consolidated financial statements, are stated in a separate section below "Significant assessments and estimates when applying accounting principles".

No new standards, changes or interpretations applicable from the financial year ending 31st December 2025 have had any significant impact on the Group's financial reports.

From 1st Januari 2027 IFRS 18, Presentation and disclosure in financial statements, will come into effect. The new standard will replace IAS 1, Presentation of Financial Statements. The purpose of IFRS 18 is to improve presentation of financial reports, with particular focus on the income and cash flow statements. The standard will also include information requirements on selected key figures. The potential impact of the new standard on the Group's financials is currently subject to review.

## Overview of accounting principles

**Basis for consolidation**

The consolidated financial statements include subsidiaries where the Group has direct or indirect control. The Group controls a company when it is exposed to or is entitled to a variable return from its holding in the company and could influence the return through its influence in the company. Subsidiaries are included in the consolidated financial statements from the date the controlling influence is transferred to the group. They are excluded from the consolidated financial statements from the date on which the controlling influence ceases.

All intra-group transactions and balance sheet items are eliminated on consolidation, including unrealized gains and losses on transactions between group companies. In cases where unrealized losses on intra-group sales of assets are reversed upon consolidation, the impairment needs of the underlying asset are also assessed from a group perspective. Amounts recognized in the financial statements of subsidiaries have been adjusted where necessary to ensure compliance with the Group's accounting principles. The Group attributes the total profit for the subsidiaries to the Parent Company's owners and holdings without controlling influence based on their respective ownership interests.

**Business acquisitions**

The Group applies the acquisition method when accounting for business combinations. The remuneration transferred by the Group to gain controlling influence over a subsidiary is calculated as the sum of the fair values on the acquisition date of the transferred assets, the liabilities assumed and the equity shares issued by the Group, which includes the fair value of an asset or liability that has arisen from an agreement on conditional purchase price.

## Foreign currency translation

**Functional currency and presentation currency**

The Group accounts are presented in SEK, which is also the parent company's functional currency.

**Transactions and balance sheet items in foreign currency**

Foreign currency transactions are translated into the functional currency of the respective Group companies, based on the prevailing exchange rates on the transaction date (spot rate). Gains and losses in foreign currency as a result of the settlement of such transactions and as a result of the revaluation of monetary items at the balance sheet date are reported in the income statement.

Non-monetary items are not translated on the balance sheet date but are valued at historical acquisition value (translated at the exchange rate on the transaction date), except for non-monetary items measured at fair value, which are translated at the exchange rate on the date the fair value was determined.

## Operating Segments

An operating segment is part of the Group that conducts operations from which it can generate revenue and incur costs and for which independent financial information is available. Furthermore, the performance of an operating segment is followed up by the company's highest executive decision maker to evaluate the result and to be able to allocate resources to the operating segment. The Group has identified the parent company CEO as their highest executive decision maker and that the Group has just one operating segment. See Note 2 for further description of the classification and presentation of operating segments.

## Revenue from agreements with customers

The Group's revenues in 2024 derive from sales of synthetic bonegrafts, which is a standard product for spinal fusion. In the comparison period, revenues also derived from sales of patient specific bioceramic cranial implants. The description below will focus solely on sales of synthetic bonegrafts.

Customer contracts or offer letters (valid as contracts) are always in writing and contain pricing agreements with respect to the respective article size of the company's bonegraft OssDsign Catalyst. The customer agreements will not contain any volume commitments from the customer.

The company's performance obligation is to provide the agreed products to the customer/hospital, either directly or through a distributor (sales agent), for use in surgical procedures. This can happen in two different ways: 1) The customer places an Purchase Order (PO) for the required articles and quantities, the company ships those articles to the customer and concurrently issues an invoice to the customer, as the performance obligation in this case is satisfied, or 2) the customer (or their distributor) signs a consignment agreement, whereafter the company ships the required articles and quantities to the customer/hospital or distributor and creates a new inventory bin in the company's ERP system, as the company, per the consignment agreement, is still the owner of the shipped products. The customer then proceeds to use the products as and when required in surgical procedures, whereafter the customer/distributor provides the company with a case sheet to confirm that the product has been used and in what quantities, as well as sends a formal Purchase Order as the required documentation for invoicing. The company then invoices the customer for the confirmed and ordered products, according to the pricing agreement. The company also replenishes the consignment stock at the customer/distributor site, in correspondence to the usage, and updates the relevant inventory bin in the ERP system.

Revenue is recognised in the group when the performance obligation is satisfied, which can happen at different points in time. In the first example above, the performance obligation is satisfied when the company has shipped against the customer's PO, irrespective of when, subsequently, the customer uses the product. Revenue recognition and invoicing are then simultaneous. In the second example, where the customer "buys" from consignment stock, there is frequently a delay between usage and invoicing, which complicates revenue recognition. Not the least as the product usage and the raising of the PO occur in different departments.

The main principle is that revenue should be recognised when control of the sold item has passed from seller to buyer. Revenue is thereby recognised in the Group when the goods or service creates an asset that the customer controls, ie when the company's performance obligation can be said to be satisfied, which is deemed to be when the customer has assumed control over the sold asset and approved of the same.

## Operating expenses

The income statement is presented in a function-based format.

*Those functions are as follows:*

- **Direct production costs** comprise production and goods handling costs, including material costs, external services, facilities, as well as depreciation and write-downs of tangible fixed assets used in the procurement and production processes.
- **Sales commissions and fees** contain the company's costs for sales of the company's products by external parties and freight & customs charges, as well as variable remuneration to the company's internal sales organization.
- **Selling expenses** contain all other costs for the company's internal sales organisation, as well as depreciation and write-downs of tangible fixed assets used by the group's sales organisation.
- **Research & Development expenses** refer to costs for development of the company's products, clinical, medical and regulatory affairs, as well as depreciation and write-downs of tangible fixed assets used by the group's research and development organisation.
- **Administrative expenses** refer to costs for the board of directors, group management & back-office functions and external administrative expenses, as well as depreciation and write-downs of tangible fixed assets used by the group's administrative organisation.

## Interest and dividends

Interest income and interest expenses are reported according to the effective interest method in the income statement at the time when the right to receive payment is established.

## Other Intangible assets

**Research and Development**

Expenses for the research phase with a view to obtaining new scientific or technical knowledge are expensed as incurred. Directly attributable expenditure on development, where research results or other knowledge is applied to achieve new or improved products or processes, is reported as an asset if or when below is met:

- that development expenditure can be measured reliably
- that the project is technically and commercially viable
- that the Group has the intention and sufficient resources to complete the project
- that the Group has the prerequisites to use or sell the product
- that the product will generate probable future economic benefits

Development expenses that do not meet these criteria for activation are expensed as incurred. Development expenses are valued at purchase value minus accumulated depreciation and any impairment losses.

Directly related expenses include personnel costs that arise in the work on software development along with relevant costs and borrowing costs.

**Patents**

Patents that meet the criteria of being reported separately in a business acquisition are accounted for as intangible assets, initially at fair value.

## Accounting in subsequent periods

All intangible assets with a limited useful life, including capitalized internally developed products, are recognized in accordance with the acquisition value model, whereby capitalized expenses are amortized on a straight-line basis over the estimated useful life. The residual value and the useful life are reviewed at each balance sheet date.

Internally developed products that have not yet been completed, and which have been activated, are not amortized but are subject to impairment testing annually.

Subsequent expenses for maintenance of developed products are expensed as incurred.

Depreciation and amortization is included under the respective functional heading in the Income Statement, ie Selling expenses, R&D expenses and Administrative expenses.

## Leased assets

**Leasing**

The leasing agreements include primarily premises. The standard means that identified leasing contracts are recognized in the balance sheet classified such as utility assets and leasing liabilities. Leases of lesser value are expensed as incurred. Less value involves assets of a value in new condition below about SEK 50,000. When the Group enters into an agreement, the agreement is assessed if it grants the right to control the use of identified assets for a period against remuneration. The right of use initially amounts to the same amount as the lease liability, adjusted for any leasing fees paid before start date plus any initial direct costs and an estimate of recovery costs underlying asset, minus any discounts received.

## Impairment testing of goodwill, other intangible assets and tangible assets

When performing impairment testing, assets are grouped to the lowest level where it is possible to identify independent cash flows, a so-called cash-generating unit (CGU). Consequently, some assets are impairment tested individually, whereas other assets are impairment tested at the level of CGU. Goodwill is allocated to those CGU:s which are expected to gain synergy effects from the relevant acquisitions and which represent the lowest level in the Group, at which goodwill is monitored.

Potential impairment on the CGU:s to which goodwill has been allocated is tested at least once per year. All other individual assets' or CGU:s potential impairment are tested when circumstances indicate a risk that the carrying amount of such assets exceeds its recoverable amount.

An impairment loss is recognized for the amount by which the cash-generating unit's carrying amount exceeds its recoverable amount, which is the higher of the fair value minus costs to sell and value in use. To determine the value in use, Group management estimates expected future cash flows from each cash-generating unit and determines an appropriate discount rate to be able to calculate the present value of these cash flows.

Discount factors are determined individually for each cash-generating unit and reflect current market assessments of the money's time value and asset-specific risk factors. Write-downs relating to cash-generating units first reduce the carrying amount of any goodwill distributed among the cash-generating unit. Any remaining impairment will proportionally decrease the other assets in the cash-generating units. With the exception of goodwill, a new assessment is made of all assets for signs that an earlier write-down is no longer justified. An impairment loss is reversed if the asset or cash-generating unit's recoverable value exceeds the carrying amount.

## Financial instruments

**Accounting and valuation at the first recognition**

Financial instruments that are reported in the balance sheet mainly comprise accounts receivable, cash and cash equivalents, accounts payable and loan liabilities.

Financial assets and financial liabilities are reported when the Group becomes a contracting party in respect of the terms of the financial instrument. At initial recognition, these are measured at fair value adjusted for transaction costs, except for financial instruments that belong to the category of financial assets or financial liabilities measured at fair value through profit or loss. These are valued at fair value at the first accounting date. Subsequent valuation of financial assets and liabilities is described below.

Financial assets are removed from the statement of financial position when the contractual rights regarding the financial asset expire, or when the financial asset and all significant risks and benefits are transferred. A financial liability is removed from the statement of financial position when it is extinguished, fulfilled, cancelled or terminated.

**Classification and subsequent measurement of financial assets**

In the case of subsequent valuations, financial assets are valued based on which category they were initially classified. The Group has the following categories of financial assets:

– receivables valued at amortized cost

The classification is determined by both:

– the company's business model for managing financial assets and
– the characteristics of the contractual cash flows from the financial asset.

Financial assets are valued at amortized cost if they are held in a business model whose aim is to hold financial assets and collect contractual cash flows that are only payments of capital amounts and interest.

The Group's cash and cash equivalents, accounts receivable, long-term receivables and other receivables belong to this category of financial instruments.

**Impairment of financial assets**

IFRS 9's write-down rules use forward-looking information to report expected credit losses - the 'expected credit loss model'. The financial assets covered by the model for expected credit losses are bonds and debt securities valued at amortized cost or fair value through other comprehensive income, accounts receivable, contract assets recognized and valued in accordance with IFRS 15, loan commitments and certain financial guarantee agreements (for the issuer) that are not valued at fair value through profit or loss.

Currently the Group's financial assets are accounts receivable, the treatment of which is outlined in the following section, and rent deposit. The latter consists only of rent deposit for the U.S. subsidiary's office in Columbia, MD, and the credit risk pertaining to this deposit is considered immaterial.

**Accounts receivable and other receivables**

The Group uses a simplified method of accounting for accounts receivable and other receivables, as well as contract assets and reports expected loan losses for the remaining maturity. This is where the expected deficiencies in contractual cash flows are, given the risk of non-payment at some point in the life of the financial instrument. In the calculation, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a reservation matrix.

The Group applies the simplified method in IFRS 9 for accounting for the expected loan losses over the remaining maturity of all accounts receivable, as these items have no significant financing component. In assessing the expected credit losses, accounts receivable has been assessed collectively because they have common credit risk characteristics.

**Classification and valuation of financial liabilities**

The Groups financial liabilities include loans, accounts payable and other liabilities, the latter including conditional consideration. Financial liabilities, excluding conditional consideration, are valued at the accrued acquisition value at the initial recognition date.

Subsequent to the initial recognition date, financial liabilities, excluding conditional consideration, are valued at the accrued acquisition value using the effective interest method.

Conditional consideration is classified as a Level 3 liability, as per the IFRS valuation hierarchy, in the group and is valued at fair value through the income statement, either as an other operating expenses item, in the case of operations related deviations, or as a net financial item, in the case of discounting or currency exchange rate related deviations.

All interest-related fees are recognized in the income statement as items "Financial expenses" or "Financial income".

**Inventory**

Inventories are valued at the lower of cost and net realizable value. Cost includes all costs that are directly attributable to the manufacturing process and an appropriate proportion of associated manufacturing costs, based on normal capacity. Costs for commonly replaceable items are allocated according to the first in, first out principle. The net realizable value is the estimated sales price in the ongoing operations less any applicable selling costs.

**Equity and reserves**

Share capital represents the quota value for issued shares. The premium price includes any premium received on the issue of new share capital. Any transaction costs associated with the new share issue are deducted from the share price, considering any income tax effects.

Other equity items include the following:

– Translation reserve; contains translation differences from translation of financial reports for the Group's foreign operations to SEK

Balanced profits include all balanced profits.

All transactions with the Parent Company's owners are reported separately in equity.

## Remuneration after termination of employment and short-term employee benefits

**Remuneration after termination of employment**

The Group provides post-employment benefits through various defined contribution pension plans. Fees for defined contribution pension plans are expensed as incurred. In defined contribution plans, the company pays fixed fees to another company and has no legal or informal obligation to pay anything further, even if the other company cannot fulfil its commitment.

**Short-term employee benefits**

Short-term employee benefits, including holiday pay, are current liabilities, valued at the undiscounted amount that the Group is expected to pay as a result of the unused entitlement.

## Share-related remuneration to employees

A warrant program enables employees to acquire shares in the company. The purpose of the incentive programs is, among other things, to award long-term commitment to the company's employees and to ensure that the company's long-term value growth is reflected in the program participants' remuneration. The Group has two warrant programs that run in parallel. Those who participate in warrant programs have paid a premium, commensurate with fair market value, which is recognized directly in equity.

## Significant assessments and estimates when applying accounting principles

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.

**Uncertainty in estimates**

Below follows information about estimates and assumptions that have the most significant impact on the accounting and valuation of assets, liabilities, revenues and expenses. The outcome from these can differ significantly.

*Impairment of intangible fixed assets*
In order to assess the need for impairment, the Group management calculates the recoverable amount of the intangible fixed assets based on expected future cash flows and using an appropriate interest rate to discount the cash flow. Uncertainties lie primarily in assumptions about future operating income and the determination of an appropriate discount rate.

The Group has to date determined that the recoverable amount of goodwill exceeds its book value.

Changes in the assumptions made by the company management during the impairment test could have a material impact on the company's results and financial position.

*Business acquisitions*
In determining fair value, Group management uses valuation techniques applied to the assets and liabilities included in an acquisition. Fair value of conditional consideration is dependent on the future outcome of several variables, with the primary one being the acquired company's future revenue. Changes in revenue assumptions can apply to both the revenue level, driven by the growth rate, and the revenue curve, ie the future timing of revenue growth. In addition, discount rate and currency exchange rate assumptions can also affect fair value.

For more detailed information on these assumptions, as well as a sensitivity analysis on assumption deviations, refer to Note 30 Conditional consideration.

It should also be noted that as conditional consideration is discounted continuously, this in itself will give rise to income statement fluctuations, even though the underlying assumptions remain unchanged.

**The Parent Company's accounting and valuation principles**
The Parent Company's annual report has been prepared in accordance with the Swedish Annual Accounts Act and RFR 2 Accounting for Legal Entities. RFR 2 means that in the annual report for the legal entity, the parent company must apply all EU approved IFRS statements as far as possible within the framework of the Annual Accounts Act and considering the relationship between accounting and taxation.

The recommendation specifies the exceptions and supplements to be made from IFRS.

The parent company's annual report is presented in the company's accounting currency, which is SEK.

The Parent Company's accounting and valuation principles are in accordance with the Group except as set out below.

**Formats**
The income statement and balance sheet follow the format of the Annual Accounts Act. The report on income and other comprehensive income, the report on changes in equity and the cash flow analysis are based on IAS 1 Presentation of financial reports and IAS 7 Report on cash flows. The differences against the Group's reports that are reflected in the Parent Company's income statements and balance sheets are mainly accounted for by financial income and expenses and equity.

**Shares in subsidiaries**
Shares in subsidiaries are recognized at cost less any write-downs. The acquisition value includes acquisition-related costs and any additional purchase price.

When there is an indication that participations in subsidiaries have decreased in value, the recoverable amount is calculated. If this is lower than the carrying amount, a write-down is made. Write-downs are reported in the item "Profit from participations in group companies".

**Leasing**
The Parent Company reports all leasing agreements as operational. Operational leases are recognized as an expense on a straight-line basis over the lease term.

**Intangible assets**
Internally generated development costs are reported as expenses in the income statement. This means that all expenses related to the preparation of internally prepared intangible fixed assets are expensed as incurred.

**Financial instruments**
IFRS 9 is not applied in the Parent Company and financial instruments are measured at cost. In subsequent periods, financial assets that are acquired with the intention of being held in the short term will be reported in accordance with the lower value principle at the lower of cost and market value.





# **Note 2** Operating segments

The group's operations are divided into operating segments based on the parts of the operation the company's highest executive decision-makers follow up on, so-called "management approach" or business management perspective. The company's top executive decision maker is the CEO. The group's internal reporting is structured on the basis that the group management monitors the business in its entirety. Based on this internal reporting, the Group has identified that the Group has only one segment.

| | Group | | Parent company | |
|---|---|---|---|---|
| Net sales per geographical market, (SEK 000') | **2025** | **2024** | **2025** | **2024** |
| US | 180 159 | 133 940 | 25 023 | 10 180 |
| **Total** | **180 159** | **133 940** | **25 023** | **10 180** |

Revenue from external customers was attributed to individual countries after the country from which the sale was made. The Group's fixed assets are located in Sweden, US and UK. During 2023 OssDsign did not have revenue from an individual customer amounting to >10%.

# **Note 3** Remuneration to the auditor

Audit assignment means review of the annual report and accounts and the administration of the Board and the Managing Director, other duties that it is incumbent upon the company's auditor to perform, and advice or other assistance caused by observations in such an audit or the performance of such duties.

| | Group | | Parent company | |
|---|---|---|---|---|
| Expensed and other compensation amounts to | **2025** | **2024** | **2025** | **2024** |
| **EY** | | | | |
| Audit assignment | 1 235 | 1 117 | 1 235 | 1 117 |
| Auditing activities in addition to audit assignments | – | 47 | – | 47 |
| Other services | 182 | 20 | 182 | 20 |
| | | | | |
| KatzAbosch | | | | |
| Audit assignment | – | 164 | – | – |
| **Sum** | **1 417** | **1 348** | **1 417** | **1 184** |

# **Note 4** Operating lease and lease agreements

| | Group | | Parent company | |
|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 |
| **Expected leasing fees for the year** | **1 399** | **1 458** | **412** | **389** |
| Non-cancellable leasing fees: | | | | |
| Within a year | 910 | 693 | - | – |
| Later than one year, within five years | 487 | 1 101 | - | – |
| Later than five years | – | – | - | – |
| Due date year 4 | – | – | - | – |
| Due date year 5 | – | – | - | – |
| Due date year 6 – | – | – | - | – |
| **Total future agreed lease fees** | **1 397** | **1 794** | **–** | **–** |

The leases mainly concern premises. *The group reports leasing agreements in accordance with IFRS 16, see Note 19.*

# **Note 5** Salaries and remuneration to employees

Costs recognised for employee benefits are broken down as follows:

| | Group | | Parent company | |
|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 |
| Salaries – Board of Directors and CEO | 19 162 | 9 292 | 19 162 | 9 292 |
| Salaries – other employees | 53 686 | 46 883 | 5 490 | 4 426 |
| Pensions, defined contribution board and CEO | – | – | – | – |
| Pensions, defined contribution – other employees | 2 641 | 2 394 | 734 | 749 |
| Other social security contributions | 11 634 | 7 166 | 7 851 | 4 129 |
| **Sum** | **87 123** | **65 736** | **33 237** | **18 596** |

| Salaries and other remuneration 2025 | Basic salary / Board fees | Variable remuneration | Pension | Other benefits* | Total |
|---|---|---|---|---|---|
| Simon Cartmell | 400 | – | – | – | 400 |
| Morten Henneveld, CEO | 5 895 | 11 922 | – | 179 | 17 996 |
| Anders Qvarnström | – | – | – | – | – |
| Newton Aguiar | 134 | – | – | – | 134 |
| Håkan Engqvist | – | – | – | – | – |
| Jill Schiaparelli | 300 | – | – | – | 300 |
| Christer Fåhraeus | – | – | – | – | – |
| David Jern | 166 | – | – | – | 166 |
| Tomas Blomquist | 166 | – | – | – | 166 |
| Other senior executives, 5 people | 11 643 | 5 389 | 1168 | 6 | 18 205 |
| **Sum** | **18 704** | **17 311** | **1 168** | **185** | **37 367** |

| Salaries and other remuneration 2024 | Basic salary / Board fees | Variable remuneration | Pension | Other benefits* | Total |
|---|---|---|---|---|---|
| Simon Cartmell | 376 | – | – | – | 376 |
| Morten Henneveld, CEO | 4 582 | 3 315 | – | 194 | 8 091 |
| Anders Qvarnström | 122 | – | – | – | 122 |
| Newton Aguiar | 276 | – | – | – | 276 |
| Håkan Engqvist | 73 | – | – | – | 73 |
| Jill Schiaparelli | 276 | – | – | – | 276 |
| Christer Fåhraeus | 79 | – | – | – | 79 |
| Other senior executives, 5 people | 9 573 | 3 042 | 935 | 30 | 13 580 |
| **Sum** | **15 357** | **6 357** | **935** | **224** | **22 873** |

* Other benefits are car benefits and health insurance benefits.
In the event of termination, a mutual notice period of six months applies for the CEO and CFO. For other employed senior executives, a mutual notice period of three months applies. *Share-related remuneration is stated in Note 7.*

Salaries – Board of Directors and CEO of 19 162 (9 292) above includes compensation of 1 114 (1 076) for the CEO's own pension provisions, 2 656 (0) compensation for purchase of warrants and 5 955 (0) Severance pay.

# **Note 6** Employees

| | Group | | | |
|---|---|---|---|---|
| | 2025 Average number of employees | of which women, % | 2024 Average number of employees | of which women, % |
| **Average number of employees** | **32** | **37** | **27** | **38** |
| Average number of employees by country is as follows: | | | | |
| Sweden | 4 | | 6 | |
| UK | 4 | | 4 | |
| US | 24 | | 17 | |
| France | – | | – | |
| Germany | – | | – | |
| **Sum** | **32** | | **27** | |

The average number of employees in the parent company corresponds to the figure for Sweden.
The board consists of 80% men and 20% women.

# **Note 7** Share-related remuneration

As of December 31, 2025, the company has issued a total of 7 822 478 warrants, whereof 6 123 051 were still outstanding, within the framework of two different incentive programs for employees, consultants and board members. The incentive programs are described in more detail below.

- **Incentive program 2024/2028:1** was approved by an Extraordinary General Meeting on 18th December, 2024, comprising a total of 6,748,230 subscription warrants issued to the CEO and selected employees and consultants after the balance date. Each subscription warrants entitles the holder to acquire a new share in the company at a strike price of SEK 12.82 per share during the period from 1st January 2028 up to and including 30th June 2028.

- **Incentive program 2024/2028:2** was approved by an Extraordinary General Meeting on 18th December, 2024, comprising a total of 1,074,248 subscription warrants issued to Board members after the balance date. Each subscription warrant entitles the holder to acquire a new share in the company at a strike price of SEK 12.82 per share during the period from 1st January 2028 up to and including 30th June 2028.

**Warrant Agreements**
Holders of subscription warrants have paid a market-based cash premium for the their warrants, a premium that has been valued using the Black-Scholes model. Warrants 2024/2028:1 and 2024/2028:2 are covered by warrant agreements with customary terms. The warrant agreements also contain customary "good leaver" and "bad leaver" provisions. Warrant holders in the U.S. have not paid any premium for their warrants and such warrants are therefore accounted for as personnel options. The option costs have been accounted for as per IFRS2.

As per the Black-Scholes valuation model to establish fair market value for the warrants, this valuation has been based on observed market price on the underlying share, exercise price, time to maturity, risk-free interest rate and estimated volatility (Aderio AB, December 2024). The volatility has been determined based on historical volatility of the company's share, as well as peer group and market index volatility.

If all subscription warrants are exercised to subscribe for shares in the company, the company's share capital will at most increase by SEK 382 691 through issue of 6 123 051 new shares in the company, each with a quotient value of SEK 0.0625. That would mean a dilution equivalent to 5.2 percent of the share capital and the number of shares and votes in the company. See table below for details on warrant/option price and exercise price per program.

| Incentive program | Issued number of options | Option price | Redemption price |
|---|---|---|---|
| Staff Option Program 2024/2028:1<br>Maturity 3rd January, 2025 – 30th June, 2028 | 6 748 230 | 0,85 | 12,82 |
| Staff Option Program 2024/2028:2<br>Maturity 3rd January, 2025 – 30th June, 2028 | 1 074 248 | 0,85 | 12,82 |

| Program | 2022/2025:1 | 2022/2025:2 | 2024/2028:1 | 2024/2028:2 |
|---|---|---|---|---|
| Outstanding 31 December 2022 | 1 238 696 | 285 371 | – | – |
| Cancelled during 2023 | -57 074 | – | – | – |
| **Outstanding 31 December 2023** | **1 181 622** | **285 371** | **–** | **–** |
| Repurchased during 2024 | – | – | – | – |
| Expired during 2024 | – | – | – | – |
| Issued, not transferred, during 2024 | – | – | 6 748 230 | 1 074 248 |
| **Outstanding 31 December 2024** | **1 181 622** | **285 371** | **6 748 230** | **1 074 248** |
| Exercised during 2025 | -1 181 622 | -285 371 | – | – |
| Cancelled during 2025 | – | – | -1 232 510 | – |
| Expired during 2025 | – | – | -222 770 | -244 147 |
| **Outstanding 31 December 2025** | **–** | **–** | **5 292 950** | **830 101** |

| Board of directors and other senior executives 2025-12-31 | Holding of warrants |
|---|---|
| Simon Cartmell | 537 124 |
| Jill Schiaparelli | 97 659 |
| Anders Svensson | 1 123 078 |
| Eric Patermo | 341 806 |
| Tom Buckland | 341 806 |
| Melanie Marshall | 167 865 |
| Stephen Anderson | 341 806 |
| **Summa** | **2 951 144** |

# **Note 8** Operating expenses

The group presents the income statement in a function-based format. The main cost types are as follows:

| | 2025 | 2024 |
|---|---|---|
| Direct production costs | -6 691 | -6 179 |
| Personnel costs | -92 356 | -70 228 |
| Consultants and other external costs | -100 894 | -100 894 |
| Depreciation | -3 841 | -3 666 |
| Other operating expenses | – | -2 423 |
| **Total** | **-203 782** | **-183 390** |

| The distribution of depreciation | 2025 | 2024 |
|---|---|---|
| Cost of goods sold | – | – |
| Selling expenses | -2 | -4 |
| Research and development costs | -2 914 | -2 782 |
| Administration costs | -925 | -880 |
| **Total** | **-3 841** | **-3 666** |

# **Note 9** Other operating income

Other operating expenses comprise mainly operational revaluation effects related to the liability for conditional consideration from the Sirakoss acquisition. Those effects primarily derive from changes in future revenue projections and can, as such, be either positive, at lower revenue projections, or negative, at higher revenue projections (see Note 30 below).

| | Group | | Parent company | |
|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 |
| Operational revaluation effect from acquisitions | 1 353 | – | 1 353 | – |
| Operational exchange rate effect | 34 | – | – | – |
| Reversal of accrual for doubtful debts | 216 | – | – | – |
| Other | – | 24 | – | 24 |
| **Total** | **1 603** | **24** | **1 353** | **24** |

# **Note 10** Other operating expenses

Other operating expenses comprise mainly operational revaluation effects related to the liability for conditional consideration from the Sirakoss acquisition. Those effects primarily derive from changes in future revenue projections and can, as such, be either positive, at lower revenue projections, or negative, at higher revenue projections (see Note 30 below).

| | Group | | Parent company | |
|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 |
| Operational revaluation effect from acquisitions | – | -1 364 | – | -1 364 |
| Operational exchange rate effect | – | -13 | – | – |
| Bad debt provision | – | -636 | – | – |
| Other | – | -410 | – | – |
| **Total** | **–** | **-2 423** | **–** | **-1 364** |

# **Note 11** Financial items

| | Group | | Parent company | |
|---|---|---|---|---|
| *Financial income:* | 2025 | 2024 | 2025 | 2024 |
| Bank | 1 205 | 1 992 | 1 169 | 1 916 |
| Other | – | – | 4 | – |
| Exchange rate gains | 3 | 2 821 | – | 2 821 |
| | **1 208** | **4 813** | **1 173** | **4 737** |
| *Financial expenses, borrowing at amortised cost* | | | | |
| Bank loan | -4 | -42 | -4 | -42 |
| Leasing interest | -40 | -47 | – | |
| Exchange rate losses | -4 291 | -1 051 | -4 291 | -1 048 |
| Other | -2 | -14 | – | -5 |
| *Change in fair value regarding debt for conditional purchase price:* | | | | |
| Present value effect | -268 | -3 317 | -268 | -3 317 |
| | **-4 605** | **-4 471** | **-4 563** | **-4 412** |
| **Net financial items** | **-3 397** | **342** | **-3 390** | **325** |

# **Note 12** Liabilities attributable to financing operations

The change in liabilities attributable to financing operations can be classified as below.

| | Long-term liabilities | Short-term liabilities | Lease liabilities | Total |
|---|---|---|---|---|
| **2025-01-01** | **54 701** | **214** | **1 751** | **56 666** |
| *Cash flow effect:* | | | | |
| Repayment | – | -214 | -816 | -1 030 |
| Borrowings | – | – | 437 | 437 |
| *Not affecting cash flow:* | | | | |
| Repayment | – | – | – | – |
| Conditional consideration | -4 629 | – | – | -4 629 |
| **Total** | **50 072** | **–** | **1 372** | **51 444** |
| | | | | |
| **2024-01-01** | **52 914** | **513** | **2 423** | **55 850** |
| *Cash flow effect:* | | | | |
| Repayment | -214 | -299 | -672 | -1 185 |
| Borrowings | – | – | – | – |
| *Not affecting cash flow:* | | | | |
| Repayment | – | – | – | – |
| Conditional consideration | 2 001 | – | – | 2 001 |
| **Total** | **54 701** | **214** | **1 751** | **56 666** |

# **Note 13** Taxes

The most important components of the tax expense for the financial year and the ratio of expected tax expense based on the Swedish effective tax rate of 20.6% (2024: 20.6%) to the reported tax expense in the result are as follows:

| | Group | | Parent company | |
|---|---|---|---|---|
| | **2025** | **2024** | **2025** | **2024** |
| Result after financial items | -50 154 | -49 083 | -60 309 | -50 883 |
| Tax according to current tax rate in Sweden, 20.6 (20.6%) | 10 332 | 10 111 | 12 424 | 10 482 |
| Effect of changed tax rate | -338 | -51 | – | – |
| Adjustment of previous years' tax | -46 | -134 | – | – |
| Non-taxable income | 4 | 4 | 4 | 4 |
| Non-deductible costs | -33 | -69 | -33 | -69 |
| Activation of tax on loss carryforwards | 1 114 | -544 | – | – |
| Change of temporary differences | 527 | 526 | – | – |
| Deferred tax assets during the year that are not recognised as assets | -12 395 | -10 417 | -12 395 | -10 417 |
| **Reported tax in the income statement** | **-835** | **-573** | **–** | **–** |
| The tax cost consists of the following components: | | | | |
| Current tax | – | – | – | – |
| Tax expense | -1 315 | -965 | – | – |
| Adjustment of previous years' tax | -46 | -134 | – | – |
| Deferred tax expense/income | – | – | – | – |
| Change of temporary differences | 526 | 526 | – | -74 |
| **Reported tax in the income statement** | **-835** | **-573** | **–** | **–** |

# Note 14 Earnings per share

## Earnings per share

Both earnings per share before and after dilution have been calculated by using the result attributable to the shareholders in the parent company as a numerator.

| Results attributable to ordinary shareholders | 2025 | 2024 |
|---|---|---|
| Profit for the year attributable to the parent company's owners according to the income statement | -50 988 | -49 657 |

No dilution effect in 2024 and 2025, as the Group reported a negative result.
During the second quarter, the company carried out a directed new share issue, resulting in a total of 11 500 000 shares.
The total number of shares thereafter amounted to 110 625 913.

| Number of shares | 2025 | 2024 |
|---|---|---|
| Weighted average number of shares used in the calculation of earnings per share before dilution | 105 331 | 97,659 |
| **Weighted average number of shares used in the calculation of earnings per share after dilution** | **105 331** | **97,659** |

**Dividends**

In 2025 Ossdsign AB paid TSEK 0 (2024: TSEK 0) in dividends to shareholders.
This corresponds to SEK 0 per share (2024: SEK 0 per share).

| Earnings per share, before and after dilution | 2025 | 2024 |
|---|---|---|
| | -0,48 | -0.51 |

*Dilution of earnings per share can take place if warrants are exercised for subscription of shares in the company, see also Note 7.*

# Note 15 Balanced development work and similar work

Changes in reported values for development work and similar work are:

| | Group | |
|---|---|---|
| | 2025-12-31 | 2024-12-31 |
| Opening balance accumulated acquisition values | 657 | – |
| Internally developed | 6 723 | 657 |
| Investment of the year | – | – |
| Sales/disposals | – | – |
| **Closing balance accumulated acquisition values** | **7 380** | **657** |
| | | |
| Opening balance accumulated depreciation | – | – |
| Sales/disposals | – | – |
| This year's depreciations | – | – |
| **Closing balance accumulated depreciation** | **–** | **–** |
| | | |
| **Reported value** | **7 380** | **657** |

The parent company has expensed the development costs for product development based on Catalyst.



# Note 16 Patents

Changes in reported values for patents

| | Group | |
|---|---|---|
| | 2025-12-31 | 2024-12-31 |
| Opening balance accumulated acquisition values | 27 722 | 27 722 |
| Closing balance accumulated acquisition values | 27 722 | 27 722 |
| | | |
| Opening balance accumulated depreciation | -11 088 | -8 316 |
| This year's depreciation | -2 773 | -2 772 |
| Closing balance accumulated depreciation | -13 861 | -11 088 |
| **Reported values** | **13 861** | **16 634** |

The period of use applicable to patents is 10 years, which coincides with the patent protection period.
*For more information regarding impairment test, please see Note 17 Goodwill.*

# Note 17 Goodwill

Changes in reported values for goodwill

| | Group | |
|---|---|---|
| | 2025 | 2024 |
| Opening balance accumulated acquisition values | 143 621 | 131 130 |
| Conversion difference | -14 833 | 12 491 |
| Closing balance accumulated acquisition values | 128 788 | 143 621 |
| **Reported value** | **128 788** | **143 621** |

## Impairment test

The Group's goodwill of TSEK 131 130 arose through the acquisition of a subsidiary in November 2020. Goodwill is tested for impairment at the lowest levels where there are separately identifiable cash flows (cash-generating units). Only one such cash-generating unit has been identified in the Group.

| | 2025 | 2024 |
|---|---|---|
| Group | 128 788 | 143 621 |
| | **128 788** | **143 621** |

The recoverable amounts for each segment were determined based on value in use calculations, which included a detailed nine-year forecast, followed by an extrapolation of expected cash flows for the units' remaining periods of use, using a declining growth rate determined by Group management.

The present value of expected cash flows for each segment is determined using the appropriate discount factor that reflects the time value of money and the risks that are specific to the segment.

The impairment test consists of assessing whether the unit's recoverable amount is higher than the carrying amount. The recoverable amount has been calculated on the basis of the unit's value in use, which is the present value of the unit's expected future cash flows. The DCF model used in this valuation is based on the company's business plan for the period 2026-2030 with assumptions as per below.

Significant assumptions used for calculations of value in use are shown below:

- Annual growth volume in the periods 2026-2030 are assuming rapid increase but at a declining rate, as per the Group's business plan. These calculations are based on estimated future cash flows before tax based on the financial business plan approved by management and the board. The acquisition that generated the goodwill value was an R&D company without a commercialised product. In August 2021 the Group launched the first commercial product, OssDsign Catalyst, which has generated high growth figures to date from a low starting point. The patents acquired, which form the basis for business development, are essentially in force up to 2030, which is also true for the contractual revenue based variable consideration.

- The weighted average growth rate used to extrapolate cash flows beyond 2030 has been estimated at 2%. This long-term growth rate is well within the framework of the forecasts contained in industry reports.

- Gross margin development in the test period is at a lower pace than internal observed data as well as external market data.

- Operating expenses are estimated to develop in line with sales revenue, which also applies to capital expenditure needs.

- Working capital requirements are estimated conservatively in the test period, higher than the Group's current NWC level.

- The discount rate before tax used in the present value calculation of estimated future cash flows is 12.31% (14.5%), which corresponds to the Group's average cost of capital (WACC). As the Group has no foreign capital, this also corresponds to the WACC after tax.

### Cash flow assumptions

*Group*

The Group Management's important assumptions about the Group unit include stable profit margins, based on previous experience of this mature market. Group management believes that this is the best available input data for forecasts of this mature market. The cash flow calculations reflect the stable profit level achieved in the market just before the business plan period, as well as the company's own observed data from the initial sales. No expected efficiency measures have been included in the calculations and prices and wages reflect general inflation expectations in this sector.

Impairment testing as described above, taking into account the latest developments, has not identified any impairment requirements. A sensitivity analysis, similar to the one described with respect to conditional consideration (see Note 31 below), was also performed without identifying any impairment requirements. The sensitivity analysis took into account valuation differences related to potential variations in forecasted income and expenses, as well as working capital requirements and the cost of capital (WACC).

# **Note 18** Equipment and tools

Changes in reported values regarding equipment and tools:

| | Group | | Parent company | |
|---|---|---|---|---|
| | **2025** | **2024** | **2025** | **2024** |
| Opening balance accumulated acquisition values | 1 004 | 958 | – | – |
| Investment of the year | 677 | – | – | – |
| Acquisition of subsidiaries | – | – | – | – |
| Sales/disposals | -230 | -37 | – | – |
| Exchange rate differences | -67 | 83 | – | – |
| **Closing balance accumulated acquisition value** | **1 384** | **1,004** | **–** | **–** |
| | | | | |
| Opening balance accumulated depreciation | -963 | -908 | – | – |
| This year's depreciations | -144 | -14 | – | – |
| Acquisition of subsidiaries | – | – | – | – |
| Sales/disposals | 230 | 37 | – | – |
| Reclassifications | – | – | – | – |
| Exchange rate differences | 35 | -78 | – | – |
| **Closing balance accumulated depreciation** | **-842** | **-963** | **–** | **–** |
| Reported value | 542 | 41 | – | – |

# **Note 19** Leasing agreement

The Group mainly has rights of use regarding premises in US and Scotland.

| | Group | |
|---|---|---|
| | 2025 | 2024 |
| Opening balance accumulated acquisition values | 3 829 | 3 499 |
| Investment of the year | 829 | – |
| Disposals | – | – |
| Exchange rate differences | -631 | 330 |
| Closing balance accumulated depreciation | 4 027 | 3 829 |
| Opening balance accumulated depreciation | -2 111 | -1 095 |
| Disposals | – | – |
| This year's depreciations | -925 | -880 |
| Exchange rate differences | 374 | -136 |
| Closing balance accumulated depreciation | -2 662 | -2 111 |
| **Closing balance accumulated depreciation** | **1 365** | **1 718** |

The subsidiaries in Scotland and the US have agreements regarding premises.

The group also leases IT equipment. These leases are low value leases. The group has chosen not to report right-of-use assets and lease liabilities for these leases.

| Amounts recognised in profit or loss | 2025 | 2024 |
|---|---|---|
| Cost of contracts of lesser value | 925 | 880 |
| Interest, see also Note 11 | 40 | 47 |
| Maturity analysis regarding lease debt | 55 | 62 |
| **Maturity analysis regarding lease debt:** | | |
| Later than one year but within five years | 403 | 1 032 |
| Later than five years | – | – |

Total cash flow regarding leasing for the financial year ended 31 December 2025 amounted to 945 TSEK (868 TSEK).
*For further information regarding maturity analysis, see Note 36.*



# **Note 20** Financial assets and liabilities

## Categories of financial assets and liabilities

Accounting principles include a description of each category of financial assets and liabilities and the associated accounting principles. The reported values for financial assets and liabilities in the Group are as follows:

| Group<br>2025-12-31 | Financial assets valued at amortised cost | Financial assets at fair value through profit or loss | Total |
|---|---|---|---|
| Other long-term receivables | 132 | – | 132 |
| Accounts receivable | 26 131 | – | 26 131 |
| Other receivables | 590 | – | 590 |
| Cash and cash equivalents | 191 346 | – | 191 346 |
| | **218 199** | **–** | **218 199** |

| Group<br>2025-12-31 | Liabilities valued at amortised cost | Liabilities at fair value through profit or loss | Total |
|---|---|---|---|
| **Financial liabilities** | | | |
| Long-term borrowing | – | – | – |
| Short-term borrowing | – | – | – |
| Conditional consideration | – | 50 072 | 50 072 |
| Accounts payable and other liabilities | 5 327 | – | 5 327 |
| | **5 327** | **50 072** | **55 399** |

| Group<br>2024-12-31 | Financial assets valued at amortised cost | Financial assets at fair value through profit or loss | Total |
|---|---|---|---|
| Other long-term receivables | 157 | – | 157 |
| Accounts receivable | 25 678 | – | 25 678 |
| Other receivables | 707 | – | 707 |
| Cash and cash equivalents | 100 858 | – | 100 858 |
| | **127 400** | **–** | **127 400** |

| Group<br>2024-12-31 | Liabilities valued at amortised cost | Liabilities at fair value through profit or loss | Total |
|---|---|---|---|
| **Financial liabilities** | | | |
| Long-term borrowing | – | – | – |
| Short-term borrowing | 214 | – | 214 |
| Conditional consideration | – | 54 701 | 54 701 |
| Accounts payable and other liabilities | 5 830 | – | 5 830 |
| | **6 044** | **54 701** | **60 745** |

As per the balance date 2025-12-31, the Group has no financial debt. Reported values for accounts receivable, other receivables, cash and cash equivalents, accounts payable and other liabilities are deemed to be reasonable estimates of fair value.

# **Note 21** Shares in Group companies

## The Group's composition

The Group includes direct holdings of subsidiaries as follows:

| Name/Residence | Corporate ID | Number of shares | Shares % 2025 | Shares % 2024 |
|---|---|---|---|---|
| OssDsign Ltd | 10690872 | 1 | 100% | 100% |
| OssDsign USA Inc | 6558835 | 1,000 | 100% | 100% |
| Sirakoss Ltd | SC386423 | 1 | 100% | 100% |

| | Parent company | |
|---|---|---|
| **Change during the year:** | **2025-12-31** | **2024-12-31** |
| Opening balance accumulated acquisition values | 137 687 | 137 687 |
| Förvärv | – | – |
| Lämnade aktieägartillskott | – | – |
| **Closing balance accumulated acquisition values** | **137 687** | **137 687** |
| **Reported value TSEK** | **137 687** | **137 687** |
| whereof (SEK): | | |
| OssDsign Ltd | 11 | 11 |
| OssDsign USA Inc | 8 | 8 |
| Sirakoss Ltd | 137 687 347 | 137 687 347 |
| **Closing balance accumulated acquisition values** | **137 687 366** | **137 687 366** |

# **Note 22** Other long-term receivables

The Group's long-term receivables relate to rental deposits in favor of the landlord regarding premises in Columbia, Maryland, where the American subsidiary has its headquarters.

| | Group | | Parent company | |
|---|---|---|---|---|
| | **2025** | **2024** | **2025** | **2024** |
| Opening balance accumulated acquisition values | 157 | 2 458 | – | 2 314 |
| Repayment of rental deposits | – | -2 314 | – | -2 314 |
| Currency exchange rate differences | -25 | 13 | – | – |
| **Closing balance accumulated acquisition values** | **132** | **157** | **–** | **–** |
| **Reported value** | **132** | **157** | **–** | **–** |



# **Note 23** Deferred tax assets and tax liabilities

Deferred taxes arising from temporary differences are summarised as follows:

| | 2025 | | |
|---|---|---|---|
| Change during the year of deferred taxes for the Group: | Deferred tax liability | Deferred tax assets | Net |
| Intangible assets | 2 634 | – | -2 634 |
| Right-of-use assets | – | – | – |
| Receivables | – | 171 | 171 |
| Temporary differences on tax-deductible costs | – | 556 | 556 |
| Activated loss carryforwards | **192** | **–** | **-192** |
| | **2 826** | **727** | **-2 100** |

| | 2024 | | |
|---|---|---|---|
| Change during the year of deferred taxes for the Group: | Deferred tax liability | Deferred tax assets | Net |
| Intangible assets | 3 160 | – | -3 160 |
| Right-of-use assets | 376 | 353 | -23 |
| Receivables | 216 | – | -216 |
| Temporary differences on tax-deductible costs | – | 380 | 380 |
| Activated loss carryforwards | – | 239 | 239 |
| | **3 752** | **972** | **-2 781** |

Deferred tax assets are reported for tax loss carryforwards only to the extent that they are likely to be used to off-set future taxable profits. If the Group had reported deferred tax assets for tax loss carryforwards, they would have amounted to TSEK 164,000 (149,516). Tax loss carryforwards are not subject to any limitations in time.

# **Note 24** Inventory

| Inventory consists of the following: | Group | | Parent company | |
|---|---|---|---|---|
| | **2025-12-31** | **2024-12-31** | **2025-12-31** | **2024-12-31** |
| Raw materials and consumables | 9 925 | 7 789 | 9 925 | 7 789 |
| Finished goods | 12 753 | 5 975 | 10 638 | 5 629 |
| | **22 678** | **13 764** | **20 563** | **13 418** |

Inventory is recognised at the lower of cost and net realisable value. An obsolescence reserve is calculated individually for identified obsolete and slow-moving items, as well as on a flat-rate basis according to the age of the inventory.
The reserve amounted to 1 599 TSEK at the balance sheet date (prior year: 888 TSEK).

# **Note 25** Accounts receivable

Age distribution of accounts receivable and reserve for doubtful accounts receivable.

| | Group | |
|---|---|---|
| | 2025-12-31 | 2024-12-31 |
| Accounts receivable gross | 26 961 | 26 724 |
| Reservation for customer losses | -830 | -1 046 |
| Accounts receivable | 26 131 | 25 678 |
| **Total** | **26 131** | **25 678** |

*For more information on Accounts receivable, see Note 38.*

| | Parent company | |
|---|---|---|
| Accounts receivable | 2025-12-31 | 2024-12-31 |
| Accounts receivable not due | – | – |
| Accounts receivable overdue, 0-3 months | – | – |
| Accounts receivable overdue, 4-6 months | – | – |
| Accounts receivable overdue, more than 6 months | – | 75 |
| Reserve for doubtful accounts receivable | – | – |
| **Total** | **–** | **75** |

# **Note 26** Other receivables

| | Group | | Parent company | |
|---|---|---|---|---|
| | 2025-12-31 | 2024-12-31 | 2025-12-31 | 2024-12-31 |
| VAT | 590 | 542 | 468 | 542 |
| Other items | – | 165 | – | – |
| | **590** | **707** | **468** | **542** |

# **Note 27** Prepaid Expenses and accrued income

| | Group | | Parent company | |
|---|---|---|---|---|
| | 2025-12-31 | 2024-12-31 | 2025-12-31 | 2024-12-31 |
| Prepaid insurance | 323 | 1 794 | 104 | 1 545 |
| Other items | 4 738 | 1 682 | 1 885 | 1 645 |
| **Reported value** | **5 061** | **3 476** | **1 989** | **3 190** |

# **Note 28** Cash and cash equivalents

| | 2025-12-31 | 2024-12-31 |
|---|---|---|
| Cash and cash equivalents include the following: | | |
| SEK | 147 437 | 83 738 |
| EUR | 44 | 1 395 |
| GBP | 26 753 | 2 778 |
| USD | 17 112 | 12 947 |
| | **191 346** | **100 858** |

# **Note 29** 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 110 625 913 class A shares.

| | 2025 | 2024 |
|---|---|---|
| Subscribed and paid shares | | |
| At the beginning of the year | 6 104 | 6 104 |
| New share issue | 719 | – |
| Shares from exercise of warrant programs | 91 | – |
| **Subscribed and paid shares** | **6 914** | **6 104** |
| Shares for share-based payments | – | – |
| **Sum at the end of the year** | **6 914** | **6 104** |

Shares issued by the Group have the same right to dividends and repayments of invested capital and represent unanimously at OssDsign's Annual General Meeting.

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

Resolved shares that have not yet been issued have been approved only for use in the Group's option program *(for more information, see Note 7).*

# **Note 30** Conditional consideration

Conditional consideration comprises the following amounts:

| | Group | | Parent company | |
|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 |
| Conditional consideration from acquisition of subsidiaries: | | | | |
| Milestone payments | 28 362 | 30 179 | 28 362 | 30 179 |
| Revenue based variable consideration | 21 709 | 24 522 | 21 709 | 24 522 |
| | **50 071** | **54 701** | **50 071** | **54 701** |

## Specification of conditional consideration

In the Group, all liabilities are valued at acquisition value, except for conditional consideration related to the acquisition of Sirakoss Ltd. This is valued at fair value over the P&L, as per IFRS 9. Conditional consideration has been classified as a Level 3 liability in the IFRS valuation hierarchy.

The valuation technique used in the valuation of conditional consideration is a Discounted Cash Flow model. The valuation model discounts expected future cash flows using a risk adjusted discount rate to determine present value of such cash flows. Expected cash flows are calculated using probable scenarios for future sales revenue until 2030, as well as contractual parameters with respect to revenue based consideration.

Milestone payments are based on cumulative revenue and triggered when such revenue reaches certain pre-determined thresholds, with cash flow impact in the following year.

Variable consideration is an annual royalty amount, based on the revenue in that particular year, and calculated according to a tiered single digit royalty percentage schedule, also with cash flow impact in the following year.

**Significant non-observable data are identified as:**
- Projected compound annual growth rate (CAGR)
- Risk adjusted discount rate
- Projected revenue curve

**Relation between significant non-observable data and fair value calculation:**
The assessed fair value would increase (decrease) if:
- The compound annual growth rate (CAGR) were higher (lower)
- The discount rate were lower (higher)
- The revenue curve generated higher (lower) growth early in the period

| | Milestone payments | Revenue based variable consideration | Total |
|---|---|---|---|
| **Fair value 2025-01-01** | **30 179** | **24 522** | **54 701** |
| Total reported profits and losses in this year's result: | | | |
| Present value / discount effect – reported in net financial items | 1 674 | -1 407 | **267** |
| Revenue change – reported in Other operating expenses | -3 491 | 2 138 | **-1 353** |
| Reclassification within the balance sheet | – | -3 544 | **-3 544** |
| **Fair value 2025-12-31** | **28 362** | **21 709** | **50 071** |
| | | | |
| **Fair value 2024-01-01** | **27 436** | **25 264** | **52 700** |
| Total reported profits and losses in this year's result: | | | |
| Present value / discount effect – reported in net financial items | 2 744 | 573 | **3 317** |
| Revenue change – reported in Other operating expenses | – | 1 364 | **1 364** |
| Reclassification within the balance sheet | – | -2 680 | **-2 680** |
| **Fair value 2024-12-31** | **30 179** | **24 522** | **54 701** |

**Sensitivity analysis:**
The effects on the fair value of conditional consideration caused by potential changes in any of the significant non-observable data, all else being equal, would be as follows:

| 2025 | Increase | Decrease |
|---|---|---|
| **Conditional consideration** | | |
| Compound Annual Growth Rate (2% deviation) | 3 038 | -2 869 |
| Discount rate (1% deviation) | -1 785 | 1 874 |
| Revenue curve with higher/lower growth early in the period (20%) | 7 422 | -3 927 |

# **Note 31** Accrued expenses and prepaid income

| | Group | | Parent company | |
|---|---|---|---|---|
| **Accrued expenses** | **2025-12-31** | **2024-12-31** | **2025-12-31** | **2024-12-31** |
| Personnel-related costs | 6 184 | 13 070 | 2 615 | 7 501 |
| Consultants | 823 | 1 399 | 295 | 784 |
| Other items | 11 915 | 9 340 | 3 142 | 1 704 |
| **Reported Value** | **18 922** | **23 809** | **6 052** | **9 989** |

# **Note 32** Pledged assets and contingent liabilities

| | Group | | Parent company | |
|---|---|---|---|---|
| **Pledged assets** | **2025-12-31** | **2024-12-31** | **2025-12-31** | **2024-12-31** |
| For own provisions and liabilities | | | | |
| *Liabilities to credit institutions* | | | | |
| Company mortgage | – | 3 850 | – | 3 850 |
| Other pledged assets | – | – | – | – |
| | **–** | **3 850** | **–** | **3 850** |

# Note 33 Transactions with related parties

**Key people in a leading position**
There are no receivables or liabilities to related parties on the balance sheet date. No transactions that have materially affected the company's position and earnings have taken place between the company and related parties.

Unless otherwise stated, there are no transactions with special conditions and no guarantees have been pledged or received. Outstanding balances are usually settled by cash.

For information on remuneration to senior executives, see Note 5.

**Transactions with subsidiaries**
The subsidiaries OssDsign USA Inc, OssDsign Ltd and Sirakoss Ltd invoice their costs to the parent company in accordance with the transfer price agreement. As of the balance sheet date, the parent company has a receivable on OssDsign USA Inc of TSEK 11,904 (TSEK 3,193), a liability to OssDsign Ltd of TSEK 10 (TSEK 191) and a receivable on Sirakoss Ltd of TSEK 520 (TSEK -391).

# Note 34 Events after the balance sheet date

The direction towards protectionism recently expressed by the U.S. administration can conceivably affect OssDsign's operations going forward. The U.S. import tariffs, as communicated to date, however, are not deemed to have any material impact on the Group's future earnings or financial position. No other events that lead to adjustments or significant events that do not lead to adjustments have occurred between the balance sheet date and the date of issue.

# Note 35 Non-cash-flow adjustments and changes in working capital

The following non-cash adjustments and adjustments for changes in working capital have been made in profit before tax in order to reach the cash flow from operating activities:

| | Group | | Parent company | |
|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 |
| Depreciation and disposals | 3 841 | 3 666 | – | – |
| Impairment of accounts receivable | – | – | – | – |
| Options | – | – | – | – |
| Leasing | – | – | – | – |
| Fair value effects on conditional consideration | -4 629 | 2 001 | -4 629 | 2 001 |
| Adjustment for items affecting comparability | – | – | – | – |
| Other | – | 2 314 | – | 2 314 |
| **Sum adjustments** | **-788** | **7 981** | **-4 629** | **4 315** |

# Note 36 Definition of key figures

| Key figures | Definition / calculation |
|---|---|
| Net sales | Operating main income, invoiced costs, side income and income corrections. |
| Operating result | Difference between reported operating income and reported operating expenses. |
| Adjusted operating result | Difference between reported operating income and reported operating expenses, with the exception of costs related to incentive programs and CEO change. |
| Result before income tax | Profit after financial income and expenses but before appropriations and taxes. |
| Balance sheet total | The company's total assets. |
| Equity ratio | Adjusted equity (equity and untaxed reserves less deferred tax) as a percentage of total assets. |
| Number of employees | The average number of employees based on annual working hours. |

# Note 37 Adjusted operating result

The alternative performance measure, Adjusted operating result, defined as EBIT excluding costs related to incentive programs and CEO transition, was added in 2025. The table below describes the bridge from EBIT to Adjusted EBIT.

| | 2025 | 2024 |
|---|---|---|
| **EBIT** | **-46 757** | **-49 426** |
| LTIP related costs | 8 172 | – |
| CEO transition costs | 12 086 | – |
| **Adjusted EBIT** | **-26 499** | **-49 426** |

LTIP related costs comprise 435, as per IFRS2, being the value of options awarded to participants in the U.S. and potential future social charges from exercise of such options, as well as 7 737 in program development and support for participation for OUS participants.

CEO transition related costs comprise 8 310 severance pay, incl social charges, 687 other exit costs and 3 089 recruitment related costs for new CEO.

# **Note 38** Risk related to financial instruments

## Risk management goals and principles

Through its operations, the Group is exposed to various risks related to financial instruments. Summary information on the Group's financial assets and financial liabilities divided into categories can be found in separate note, see above. The main types of risk are market risk (interest rate risk, commodity risk and currency risk), credit risk and liquidity risk.

The Group's risk management is determined by the Board and aims to minimise adverse effects on the Group's financial position and earnings.

The most significant financial risks to which the Group is exposed are described below.

## Market risk

The Group is exposed to market risk through currency risk and interest rate risk as a result of both current operations and investment operations.

**Currency risk**

Transaction risk arises when future business transactions are expressed in a currency that is not the unit's functional currency. The Group's units do not have significant transactions in other than the unit's functional currency, which is why the Group's transaction risk is not material.

The Group has a number of holdings in foreign operations whose net assets are exposed to currency risks. The Group has elected not to hedge currency exposure arising from the net assets of the Group's foreign operations, as those are not considered material. The following table illustrates the translation risk by showing how a reasonably possible change in the currency for each foreign operation, all else equal, would affect the translation difference in other comprehensive income, which goes into the item "Reserves" in equity.

| | 2025 | 2024 |
|---|---|---|
| USD/SEK: +/- 10% | 194 | 436 |
| GBP/SEK: +/- 10% | 75 | 64 |

**Interest rate risk**

The Group's interest rate risk is currently considered small. The company has relatively low long-term borrowing. Borrowing at fixed interest rates in Swedish kronor.

*For more information on the Group's borrowing, see Notes 11 and 22.*

## Credit risk analysis

Credit risk is the risk that a counterparty will not fulfil an obligation to the Group. The assessment for the group also includes the parent company. The Group is exposed to this risk for various financial instruments, e.g. through claims on customers. The Group's maximum exposure to credit risk is limited to the carrying amount of financial assets on December 31, as summarised below:

| | 2025 | 2024 |
|---|---|---|
| Types of financial assets – reported values: | | |
| Cash and cash equivalents | 191 346 | 100 858 |
| Accounts receivable and other receivables | 26 721 | 26 385 |
| Other long-term receivables | – | – |
| **Total** | **218 067** | **127 243** |

The Group continuously monitors cancelled payments from customers and other counterparties, identified individually or in groups by the Group, and incorporates this information into its credit risk checks. If external credit ratings and / or reports concerning customers and other counterparties are available at a reasonable cost, these are collected and used. The Group's policy is to only do business with creditworthy counterparties.

Other long-term receivables consist almost exclusively of rental deposits regarding the Parent company's premises in Fyrislund, Uppsala. The credit risk regarding this rental deposit is considered immaterial.

The Group's management believes that all of the above financial assets that have not been written down or due for payment on December 31 2025 have a high credit quality.

**Accounts receivable**

On December 31, the Group has certain accounts receivable that are not settled at the agreed due date, but which are not considered uncertain. The amounts as of December 31 specified by time after due date are:

| | 2025 | 2024 |
|---|---|---|
| Overdue: | | |
| No more than three months | 6 556 | 7 717 |
| More than three months but not more than six months | 257 | 64 |
| More than six months or more | 855 | 1 046 |
| **Total** | **7 669** | **8 827** |

The Group applies the simplified method in IFRS 9 of accounting for the expected credit losses over the remaining maturity of all accounts receivable as those items do not contain a significant financing component.

In assessing the expected credit losses, accounts receivable have been assessed collectively because they have common credit risk characteristics.

Group

| 2025-12-31 | Not due | 0-6 months | More than 6 months | More than 12 months | Total |
|---|---|---|---|---|---|
| Expected credit loss | 0% | 0% | 25% | 100% | |
| Reported value, gross | 19 293 | 6 813 | 34 | 821 | **26 961** |
| Expected credit losses for the remaining term | – | – | -8 | -821 | **-830** |

| 2024-12-31 | Not due | 0-6 months | More than 6 months | More than 12 months | Total |
|---|---|---|---|---|---|
| Expected credit loss | 0% | 0% | 25% | 100% | |
| Reported value, gross | 17 897 | 7 781 | – | 1 046 | **26 724** |
| Expected credit losses for the remaining term | – | – | – | -1 046 | **-1 046** |

The parent company has not made any provision for expected credit losses.
Reconciliation between the accounts receivables' loss provision as of December 31, 2025 and the opening loss provision is shown below:

| | |
|---|---|
| Opening loss reserve 1 January 2024 | -410 |
| Unutilised loss reserve that is returned during the year | -636 |
| Loss reserve as of December 31, 2024 | -1 046 |
| Loss provisions reported during the year | 216 |
| Loss reserve as of 31 December 2025 | -830 |

The credit risk attributable to liquid funds is considered negligible as the counterparts are renowned banks with high external credit ratings.

## Liquidity risk analysis

Liquidity risk is the risk that the Group will not be able to meet its obligations. The Group manages liquidity needs by monitoring planned loan payments for long-term financial liabilities as well as forecast payments and disbursements in day-to-day operations. The data used to analyse these cash flows are consistent with those used in the analysis of agreed maturities below. Liquidity needs are monitored on an ongoing basis. Long-term liquidity needs for a period of approximately 180 days and 360 days are identified periodically to ensure the liquidity need over a 12-month period. As of the balance sheet date, the company's liquidity reserve amounts to approximately SEK 191 346 195 (100 857 885) SEK. The analysis shows that the available reserve is expected to be sufficient during this period.



As of 31 December 2025, the group has financial liabilities and provisions that can be summarised as follows:

| Group | Short term | | Long term | |
|---|---|---|---|---|
| 2025-12-31 | Within 6 months | 6-12 months | 1–5 years | Later than 5 years |
| Liabilities to credit institutions | – | – | – | – |
| Interest on liabilities to credit institutions | – | – | – | – |
| Accounts payable | 5 327 | – | – | – |
| Leasing debt | 484 | 484 | 403 | – |
| Additional purchase price | 3 603 | – | 50 072 | – |
| **Total** | **9 414** | **484** | **50 475** | **–** |

This can be compared with the maturities in previous reporting periods for the group financial liabilities and provisions that are not derivatives as follows:

| Group | Short term | | Long term | |
|---|---|---|---|---|
| 2024-12-31 | Within 6 months | 6-12 months | 1–5 years | Later than 5 years |
| Liabilities to credit institutions | 214 | – | – | – |
| Interest on liabilities to credit institutions | 4 | – | – | – |
| Accounts payable | 5 830 | – | – | – |
| Leasing debt | 360 | 360 | 1 032 | – |
| Additional purchase price | 2 680 | – | 49 245 | 5 456 |
| **Total** | **9 088** | **360** | **50 277** | **5 456** |

| Parent company | Short term | | Long term | |
|---|---|---|---|---|
| 2025-12-31 | Within 6 months | 6-12 months | 1–5 years | Later than 5 years |
| Liabilities to credit institutions | – | – | – | – |
| Interest on liabilities to credit institutions | – | – | – | – |
| Accounts payable and other liabilities | 2 579 | – | – | – |
| Leasing debt | – | – | – | – |
| **Total** | **2 579** | **–** | **–** | **–** |

This can be compared with the maturities in previous reporting periods for the group financial liabilities and provisions that are not derivatives as follows:

| Parent company | Short term | | Long term | |
|---|---|---|---|---|
| 2024-12-31 | Within 6 months | 6-12 months | 1–5 years | Later than 5 years |
| Liabilities to credit institutions | 214 | – | – | – |
| Interest on liabilities to credit institutions | 4 | – | – | – |
| Accounts payable and other liabilities | 3 427 | – | – | – |
| Leasing debt | – | – | – | – |
| **Total** | **3 645** | **–** | **–** | **–** |

# **Note 39** Proposal for disposal of the parent company profit or loss

At the disposal of the Annual General Meeting, amounts in SEK:

| | |
|---|---|
| Share premium | 1 045 145 537 |
| Retained earnings from previous years | -704 619 234 |
| Profit for the year | -60 308 834 |
| | **280 217 469** |
| The Board proposes that the retained earnings be treated so that it: | |
| is balanced in a new account | **280 217 469** |

# **Note 40** Certification

**The Board's declaration**

The Board of Directors and the CEO ensure that the consolidated accounts and the annual accounts have been prepared in accordance with IFRS and generally accepted accounting principles, respectively, and provide a true and fair view of the position and earnings of the Group and the parent company. The Board of Directors' Report for the Group and the Parent Company provides a true and fair view of the Group's and the Parent Company's operations, status and results, and describes the significant risks and uncertainties that the Parent Company and the companies that are part of the Group face.

The Group and the Parent Company earnings and position in general are shown in the previous income statements and balance sheets, cash flow analyses and notes.

The Group's and parent company's report on earnings and financial position will be subject to confirmation at the Annual General Meeting on June 9, 2026.

This report has been prepared in both Swedish and English. In the event of discrepancies between the versions, the Swedish version applies.

Uppsala, April 28, 2026.

Mark Waugh
CEO

Simon Cartmell
Chairman of the Board

Jill Schiaparelli
Board member

Christer Fåhraeus
Board member

David Jern
Board member

Tomas Blomquist
Board member

Our audit report was submitted on April 28, 2026
Ernst & Young AB

Oskar Wall
Authorised Public Accountant

# Auditor's Report

To the general meeting of the shareholders of OssDsign AB (publ), corporate identity number 556841-7546

## Report on the annual report and consolidated financial statements

**Opinions**
We have audited the annual accounts and consolidated accounts of OssDsign AB (publ) for the year 2025. The annual accounts and consolidated accounts of the company are included on pages 34-83 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31 December 2025 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2025 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

**Basis for opinions**
We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

**Other Information than the annual accounts and consolidated accounts**
This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-33. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of the Board of Directors and the Managing Director**
The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS Accounting Standards as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

**Auditor's responsibility**
Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated accounts. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

## Report on other legal and regulatory requirements

**Opinions**
In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of OssDsign AB (publ) for the year 2025 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

**Basis for opinions**
We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

**Responsibilities of the Board of Directors and the Managing Director**
The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of opera-

tions, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

**Auditor's responsibilities**

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional skepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

Uppsala April 28, 2026
Ernst & Young AB

Oskar Wall
Authorized Public Accountant



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