

ProstaLund AB (publ)

Year-end report January-December 2023

Continued strong growth in sales

1 October-31 December

- Net sales reached SEK 6,4 (5,6) million, an increase of 16,1 percent
- Operating loss amounted to SEK -3,4 (-3,1) million
- The operating result includes one-time costs of approximately SEK 2 million related to organizational changes
- Loss after taxes SEK -3,4 (-3,1) million
- Earnings per share, SEK (basic and diluted) amounted to SEK -0,04 (-0,05)
- Cash flow from operating activities amounted to SEK -5,6 (-3,2) million

Significant events during period

- Extraordinary general meeting on October 12th – New election of Per Langö, Tomas Eriksson, Paul de Potocki and Tom Rönnlund as regular board members and re-election of Marianne Östlund and Annette Colin as regular board members
- Per Langö elected as chairman of the board on October on 12th
- Anders Kristensson appointed as new CEO on October 27th
- New election committee appointed on November 29th
- Niclas Nyström appointed new CFO on December 6th
- Agreement with Esbjerg Sygehus in Denmark

1 January-31 December

- Net sales reached SEK 22,2 (17,4), an increase of 27,5 percent
- Operating loss amounted to SEK -16,9 (-10,9) million
- The operating result includes one-time costs of approximately SEK 4 million related to organizational changes
- Loss after taxes amounted to SEK -17,0 (-11,1) million
- Earnings per share, SEK (basic and diluted) amounted to SEK -0,25 (-0,21)
- Cash flow from operating activities amounted to SEK -23,8 (-16,2) million
- Cash and cash equivalents amounted to SEK 15,4 (12,3) million per December 31st 2023

Significant events after the end of the period

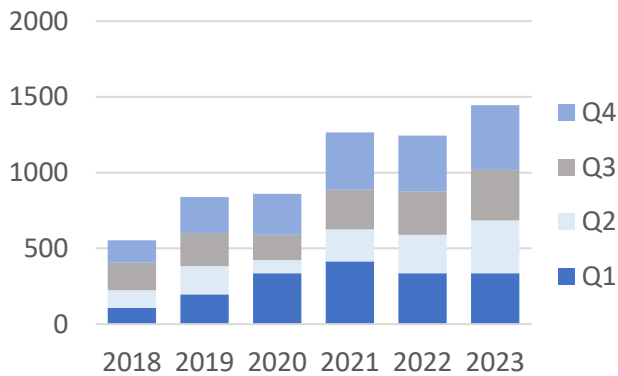
- New management team appointed on February 15th

Key figures

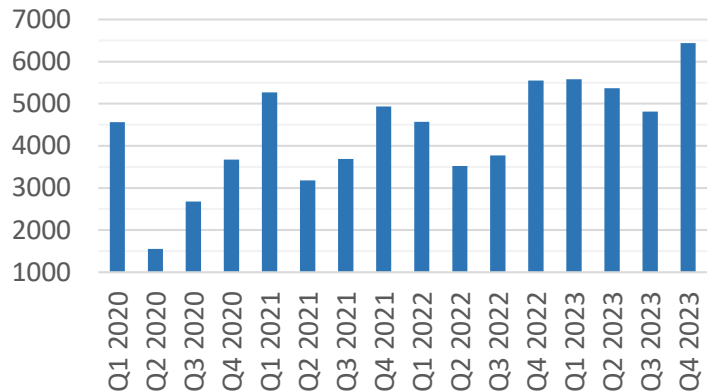
(SEK MILLION)	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Net sales	6,4	5,6	22,2	17,4
Gross Margin, %	73,4	70,3	70,5	73,9
Operating profit/loss, EBIT	-3,4	-3,1	-16,9	-10,9
Cash flow from operating activities	-5,6	-3,2	-23,8	-16,2
Cash and cash equivalents	15,4	12,3	15,4	12,3
Average number of employees	7,0	7,5	8,5	8,0

Overview of the company's development

Number of CoreTherm treatments sold in the Nordic region 2018-2023



Sales development per quarter, 2020-2023

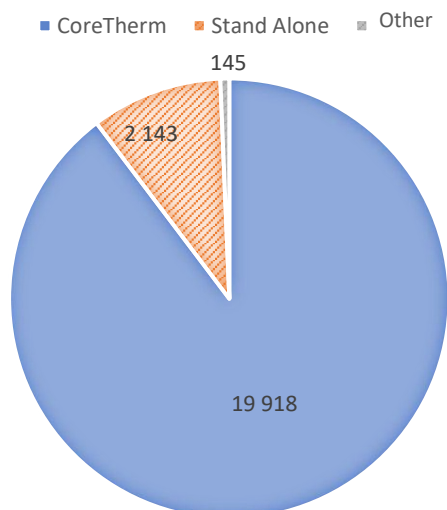


Quarterly financial performance

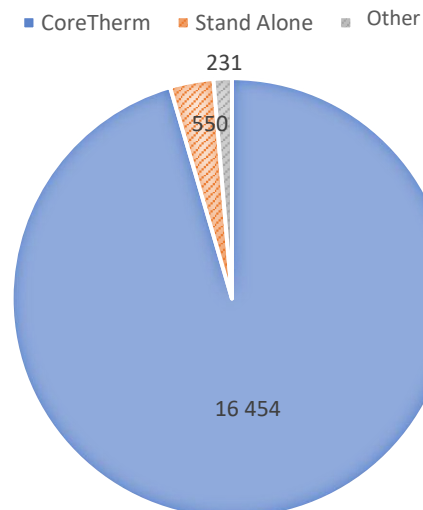
All amounts in SEK thousand	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
Net sales	6 442	4 812	5 368	5 584	5 550	3 773
Gross profit/loss	4 730	3 522	3 605	3 795	3 902	2 791
Gross margin in %	73,4%	73,2%	67,2%	68,0%	70,3%	74,0%
Overhead costs	-8 345	-9 598	-7 311	-6 970	-7 334	-4 687
Operating profit/loss	-3 362	-6 245	-4 070	-3 175	-3 144	-1 987
Profit/loss for the period	-3 387	-6 284	-4 124	-3 216	-3 133	-2 117
Cash flow	-7 530	-11 510	28 041	-5 926	-3 666	11 568

Sales distributed by category

JAN-DEC, 2023



JAN-DEC, 2022



CEO update

Dear Shareholders,

The fourth quarter of 2023 was the strongest in terms of sales to date for ProstaLund. This means that the company has delivered growth for seven quarters in a row and shows that the company's sales strategy continues to be successful. For the full year, a growth of 28% was generated and it is pleasing that we are growing both with CoreTherm® in the home markets and with our stand-alone products internationally and I see great opportunities for continued growth.



While I am happy that the company continues to show strong growth in terms of sales, I am anything but satisfied with the profitability. It has been a turbulent second half of the year which entailed large one-off costs and in terms of results the company is weighed down by these also during the fourth quarter. These extra costs are mainly related to organizational changes and the ambition is for us to return to normal and thus an improvement in results. During the fourth quarter, the focus has been filling vacancies in the organization, both in the short and long term, and I look positively on the steps that have been taken and we have now left the turbulence of the autumn behind us.

CoreTherm® on the home market in the Nordic region

CoreTherm® in the Nordics is the major base of our sales, approx. 90%. The fourth quarter was the best so far for CoreTherm®, where we delivered over 400 treatment catheters to the Nordic clinics. For the whole year, we thus landed on almost 1,500 treatments, a growth of 16% compared to the previous year. During 2023, we have delivered the CoreTherm® treatment concept to three new clinics, two in Sweden and one in Denmark. With these new agreements, this means that there are now six private urology clinics in Sweden that can actively help patients with symptoms due to Enlarged prostate.

The majority of our Swedish CoreTherm® sales came from these six private clinics during the year. It is in the privately performed, publicly financed care that we see opportunities for further growth in Sweden going forward. It is important, not least as a seal of quality, that CoreTherm® is also offered at the publicly run hospitals, especially university hospitals, but we are convinced that it is private clinics who will be the basis for continued CoreTherm® growth in Sweden.

During 2023, a large part of CoreTherm® growth came from Denmark. With the new agreement in Esbjerg, there are now six public hospitals in Denmark performing CoreTherm® treatments. In the Danish healthcare system, unlike in Sweden, there are hospitals that only deal with benign conditions, which means that this care is given greater focus compared to Sweden.

Schelin Catheter® & CoreFlow® Soft Stent

The strategy of using Schelin Catheter® and CoreFlow® Soft Stent to create relationships with urologists outside the Nordics has proven successful. When 2023 is summed up, we see that the products contributed a significant part of the sales growth the company had during the year. Overall, these products accounted for approx. 10% of our total sales during the year. Schelin Catheter® is so far the dominant of these two in this context.

During the year, we launched the Schelin Catheter® in France, Germany, Switzerland, Austria, Slovenia, Poland and Brazil. New distribution agreements were signed for Switzerland and Poland, while France has an agency agreement and in Austria and Germany ProstaLund sells directly to customers. There are pros and cons to choosing a sales channel and we will continuously evaluate the models to optimize the company's outcome.

Common to all countries is that all doctors who have used Schelin Catheter® have been very satisfied with what the product can contribute. Interestingly, satisfied doctors often choose to tell other urologists, within and outside the country's borders, about their experiences. It can happen through direct communication or on social media, but we

also have examples such as Dr. Siena who had his study published a year ago, "Use of a Schelin Catheter® for analgesia during Rezum treatment of the prostate", in the journal Prostate Cancer and Prostatic Diseases and the two scientific presentations at the American Urological Congress in Chicago regarding the Schelin Catheter® by doctors from Hong Kong and Italy. These spontaneous sharing of experiences create new requests and the ripple effect has exceeded our expectations. My assessment is that so far we have only scratched the surface of the potential for Schelin Catheter® and we expect continued strong growth in the coming years.

In addition to using the Schelin Catheter® in steam treatment, urologists in our markets have chosen to also test it in TURP, HoLEP, GreenLight Laser, Urolift and iTind with good results. In addition, ProstaLund has received a patent in 2023 to use the catheter in the treatment of prostatitis in combination with Botox or penicillin. We consider the potential for Schelin Catheter® as a stand-alone product to be very large.

The interest in CoreFlow® Soft Stent is a bit in the shade compared to Schelin Catheter®. We are happy that Dr. Sonny Schelin had an interesting case report published with CoreFlow® during the year and expect that this can contribute to increased interest. In late autumn, we have seen, not least in France, that many urologists are willing to evaluate the product and with good results.

Way forward

Soon we plan to deliver the first CoreTherm® Eagle platform to the market. It is a very important milestone in the company's history where, with CoreTherm® Eagle, we are given the opportunity to scale up the business in a way that was previously not possible. We have a strong domestic market and have established contacts with many important opinion leaders both in Europe and globally, thanks to the introduction of our stand-alone products. With CoreTherm® Eagle, we can deliver a modern platform, which meets the needs of users, and which can solve some of the problems that the world's urologists are struggling with. There is really nothing to contradict that we could not conquer an equal share of CoreTherm® treatments outside the borders in the future corresponding to the market share we have in Sweden.

The interest in Schelin Catheter® and CoreFlow® Soft Stent as stand-alone products remains high and we will continue to capitalize on this revenue stream as well. New tests are carried out continuously and increasingly frequently, mainly around Europe. In 2023, the company chose to withdraw its 510k application for the USA, but that is where we see the greatest future potential and we have started work to get there as soon as possible in a cost-effective way.

This week we announced ProstaLund's new management team and I am extremely happy to welcome Johan, Malin and Ulrika to ProstaLund and our management team. Their background, broad competence and experience are a perfect match in our continuous development.

2024 looks very exciting and will be the start of a new chapter in ProstaLund's history.

A handwritten signature in black ink, appearing to read "Anders Kristensson".

Anders Kristensson
CEO

Financial information

Net sales and profit/loss

Net sales amounted to SEK 6,442 (5,550) thousand during the fourth quarter, which was a 16,1 percent increase. Treatment catheters, CoreTherm accounts for most of the increase, with growth amounting to 23.4% in the fourth quarter.

The gross margin was strengthened during the quarter and amounted to 73,4% (70,3).

The operating loss for the fourth quarter amounted to SEK -3,362 (-3,144) thousand.

The deterioration in earnings during the quarter is mainly due to higher administrative costs relating to consultants, recruitment etc. in connection with the company's ongoing organizational changes. One-off costs of approximately SEK 2 million have burdened the result during the quarter.

Loss after tax amounted to SEK -3,387 (-3,133) thousand.

Net sales for the full year amounted to SEK 22,206 (17,411) thousand, which was an increase of 27.5 percent compared to the previous year. The positive change is due, among other things, to new agreements with clinics in Sweden, growth in Denmark and sales of stand-alone products outside the Nordic region.

The gross margin for the full year amounted to 70,5% (73,9). The deterioration in the gross margin is partly due to a change in the product mix, partly due to unfavorable currency effects on the purchasing side mainly during the first half of 2023.

Operating loss amounted to SEK -16,851 (-10,893) thousand. The deterioration in earnings is partly due to a deterioration in the gross margin, which is mainly due to the negative currency effect of the USD, partly due to higher sales costs for the expansion outside the Nordics, market development etc. and regulatory costs in connection with the transition to the medical technology regulations MDR for Europe.

The company has also had larger one-off costs of approximately SEK 4 million in connection with organizational changes made during the second half of the year.

Loss after tax amounted to SEK -17,010 (-11,098) thousand.

Investments

Investments in property, plant & equipment amounted to SEK 101 (96) thousand for the fourth quarter. Investments in intangible assets amounted to SEK 2,352 (283) thousand, which mainly relate to the company's new platform and patents.

For the full year, investments in tangible fixed assets amounted to SEK 146 (147) thousand. Investments in intangible fixed assets amounted to SEK 3,199 (4,607) thousand.

Financial position and financing

Cash flow from current operations for the fourth quarter amounted to SEK -5,603 (-3,187) thousand.

For the full year cash flow from operating activities amounted to SEK -23,801 (-16,202) thousand. The cash flow has mainly been affected by the negative result and increased capital tied up in the form of increased inventory. Lead times on components increased significantly and to ensure being able to deliver to customers, a decision was made on a buffer stock.

The company took out a short-term loan of SEK 1 million in May, without collateral, from the owners, Mats Alyhr and Sonny Schelin. The short-term loan of SEK 1 million was repaid on 30 June. A rights issue was carried out during the month of June and provided the company with approximately SEK 31 million in new capital after deduction for issue costs.

Equity amounted to SEK 55,291 (41,686) thousand the equity ratio amounted to 84 (82) percent.

Cash and cash equivalents at the end of the period amounted to SEK 15,350 (12,275) thousand.

Organisation

The number of people employed was 7 (6) at the end of the period. The employees included 4 (4) women and 3 (2) men. The average number of employees was 8. The number of consultants was 8.

Parent company

Net sales amounted to SEK 6,418 (5,550) thousand during the fourth quarter. For the full year net sales amounted to SEK 22,062 (17,179) thousand, an increase of 28 percent.

Operating loss for the fourth quarter amounted to SEK -3,461 (-3,174) thousand, while the corresponding figures for the full year amounted to -16,857 (-10,942) thousand.

Loss after tax was -3,489 (-4,566) thousand for the quarter and for the full year -17,016 (-12,506) thousand.

Research and development

Development work is conducted in-house in collaboration with technical consultants and external clinics. The development work is focused on new development and further refinement of the current product portfolio.

Insurance

ProstaLund has a standard corporate insurance which also includes product liability. The insurance is subject to ongoing review. The Board of Directors assesses that the corporate insurance is adapted to the current scope of operations.

Disputes

ProstaLund är inte part i någon rättslig tvist eller skiljeförfarande. Styrelsen känner inte heller till några omständigheter som skulle kunna leda till att någon sådan rättslig process är förestående.

Risk factors

ProstaLund is affected by a number of risks whose effects could have a negative impact on its future, earnings or financial position. The latest annual report and prospectus, which is available on the company's website www.prostalund.se, contains a description of the risk factors. The risk factors that are judged to be of the greatest importance are listed below, in no particular order:

- Depending on financing
- Depending on key personnel
- Regulatory approvals
- Product liability
- Currency risk
- Competition
- Disputes
- Changes in legislation

Prerequisites for continued operation

This financial information has been prepared based on the assumption of continued operations. The company has historically reported losses. In preparing the report, management has based its assumptions on existing cash and cash equivalents, increased sales and the possibility of other financing.

When estimating future expenses, management has taken into account that certain expenses are under management's control and can thus be eliminated or postponed to the future. Management is aware that there are uncertainties in the estimation of future cash flows as well as uncertainties in the financing of operations.

If the Group for some reason can't continue to operate, it may affect the Group's ability to realize the assets carrying amounts, especially related to capitalized expenses for development work, and to pay debts at a normal rate and to the amounts included in the Group's interim report.

Transactions with related parties

Agreement with board members

The Company has entered into consulting agreements with some of the Company's Board members. The consulting agreements regulate the board members' performance of assignments that cannot be considered to be tasks that are normally incumbent on a board member. The fee for work according to the consulting agreement amounts to SEK 1,800 per hour. Others on the board and the company's CEO must approve such work before it is performed.

Royalty agreement

The company has previously entered into a royalty agreement with Schelin Medicin AB regarding the rights to the products Coreflow® Soft Stent and the Schelin Catheter®. The agreement means that two (2) percent of the invoiced amount for these products must be paid in royalties to Schelin Medicin AB, provided that the company reports a profit and that a patent has been granted. The royalty can amount to a maximum of SEK 4 million per year and a maximum of SEK 20 million in total. The agreement shall cease to apply when an amount of SEK 20 million has been paid to Schelin Medicin AB.

Valuation of intangible assets

The reported capitalized expenses for development work are subject to management's impairment test. The most critical assumption, evaluated by management, relates to whether the intangible asset is expected to generate future economic benefits, which at least correspond to the carrying amount of the intangible asset. Management's assessment is that the expected future cash flows are sufficient to justify the carrying amount of the intangible asset, which is why no write-down has been made. However, the valuation is based on and dependent on the conditions for continued operation.

Remuneration policy

The guiding principle is that ProstaLund will offer its management and key personnel competitive remuneration based on the market situation, the company's performance, and individual performance. The design of the remuneration policy shall ensure that the management and key personnel and the shareholders have common goals.

Shares

ProstaLund is listed on the Nasdaq First North Growth Market. The company is traded under the ticker name PLUN and the ISIN code SE0002372318. Certified Adviser is Västra Hamnen Corporate Finance AB.

The number of shares at the end of the period was 76,588,737. and the quota value was SEK 0.1 per share. All shares are of the same type and have the same voting rights.

Annual report

The annual report for 2022 was published on April 4 2023. The annual report is available on the company's website www.prostalund.com

Election committee

In accordance with the principles for the nomination committee that have previously been decided at the annual general meeting, the following nomination committee has been appointed for ProstaLund AB (publ) ahead of the annual general meeting on May 30th 2024. The convener of the nomination committee

is ProstaLund's chairman of the board, Per Langö. The nomination committee consists of the following three people: Mats Alyhr, William Gunnarsson and Sonny Schelin.

The nomination committee is preparing proposals for the annual general meeting for 2024 regarding board members, auditors, remuneration etc.

The last day to submit proposals to the selection committee is March 27, 2024.

Annual General Meeting

The Annual General Meeting 2023 was held on May 4th 2023 in Lund. The protocol is available on the company's website www.prostalund.com

The date for The Annual General Meeting 2024 is May 30th in Lund.

Financial calendar

- 2024-05-16 04 Interim report Jan-Mar 2024
- 2024-08-19 Interim report Apr-Jun 2024
- 2024-11-01 Interim report Jul-Sep 2024
- 2025-02-20 Year-end report 2024

Scope of the report

This year-end report covers the period from 1 January 2023 to 31 December 2023. The comparative information in the report refers to the corresponding period in 2022, unless otherwise stated. All information in the report refers to the ProstaLund Group, unless it is explicitly stated that the information refers to the parent company ProstaLund AB (publ).

Accounting policies

This report has been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Accounting Standards Board's general advice. Accounting principles and calculation methods applied are in accordance with the accounting principles used in the preparation of the most recent annual report.

Audit

This report has not been subject to review by the company's auditors.

ProstaLund AB (publ)
Lund February 16th, 2024

The Board of Directors

ASSURANCE

The board and the managing director assure that the year-end report provides a fair overview of the group's and the parent company's operations, position and results, and describes significant risks and uncertainty factors that the parent company and the companies that are part of the group face.

Lund February 16th, 2024

Per Langö	Tomas Eriksson	Paul de Potocki
Chairman of the board	Board member	Board member
Tom Rönnlund	Marianne Östlund	Annette Colin
Board member	Board member	Board member

Anders Kristensson

CEO

FOR QUESTIONS ABOUT THIS REPORT, PLEASE CONTACT:

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PUBLICATION

This information is information that ProstaLund AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, on February 16th 2024 at 08:15 CET.

ProstaLund is listed on the Nasdaq First North Growth Market. The Company is traded under the ticker name PLUN and ISIN code SE0002372318.

Certified Advisor is Västra Hamnen Corporate Finance AB.

Consolidated Income Statement in Summary

All amounts in SEK thousand	Okt-Dec 2023	Okt-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Net sales	6 442	5 550	22 206	17 411
Cost of goods sold	-1 712	-1 648	-6 554	-4 538
Gross profit	4 730	3 902	15 652	12 873
Sales & Marketing expenses	-3 459	-4 307	-17 889	-14 288
Administrative expenses	-3 361	-1 648	-9 316	-5 513
Research and development costs	-1 525	-1 379	-5 019	-4 000
Other operating income	631	393	651	393
Capitalized development expenditure	-378	-105	-930	-358
Operating profit/loss	-3 362	-3 144	-16 851	-10 893
Profit/loss from financial items				
Interest income and similar profit/loss items	14	11	14	2
Interest expenses and similar profit/loss items	-39	-	-173	-207
Profit/loss after financial items	-3 387	-3 133	-17 010	-11 098
Tax expenses	-	-	-	-
Profit/loss for the period	-3 387	-3 133	-17 010	-11 098
Share attributable to parent company shareholders	-3 387	-3 133	-17 010	-11 098
Per share data	Okt-Dec 2023	Okt-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Earnings per share, SEK (basic and diluted)	-0,04	-0,05	-0,25	-0,21
Equity per share, SEK	0,72	0,73	0,72	0,73
Equity-asset ratio, %	84%	82%	84%	82%
Number of outstanding shares	76 588 737	57 193 154	76 588 737	57 193 154
Average number of outstanding shares	76 588 737	57 193 154	68 446 612	53 886 944

Definitions of financial ratios

Earnings per share: Profit/loss for the period divided by average weighted number of shares

Equity per share: Equity divided by number of shares at the end of the period.

Equity-asset ratio: Equity divided by total assets.

Consolidated Balance Sheet in Summary

All amounts in SEK thousand	2023-12-31	2022-12-31
Assets		
Intangible assets	28 037	24 934
Property, plant & equipment	396	419
Inventories	17 009	9 187
Trade receivables	2 206	2 816
Other receivables	2 509	1 412
Cash and cash equivalents	15 350	12 275
Total assets	65 507	51 043
Equity and liabilities		
Equity	55 291	41 686
Interest-bearing liabilities, longterm	933	1 333
Current interest-bearing liabilities	400	400
Trade payables	6 426	6 298
Other liabilities	2 457	1 326
Total equity and liabilities	65 507	51 043

Consolidated statement of changes in equity

All amounts in SEK thousand	Share capital	Paid-in capital	Other equity		Total equity
			Accumulated exchange difference	Accumulated loss including loss for the year	
Opening balance 2022-01-01	51 525	76 566	-6	-92 629	35 456
Profit/loss for the period				-11 098	-11 098
New share issues	567	19 270			19 837
Costs of new share issues		-1 378			-1 378
Reduction of share capital	-46 373	46 373			0
Exchange difference			-1 131		-1 131
Closing balance 2022-12-31	5 719	140 831	-1 137	-103 727	41 686
Profit/loss for the period				-17 010	-17 010
New share issues	1 940	32 002			33 942
Costs of new share issues		-3 321			-3 321
Exchange difference			-6		-6
Closing balance 2023-12-31	7 659	169 512	-1 143	-120 737	55 291

Cash Flow Analysis in Summary

All amounts in SEK thousand	Okt-Dec 2023	Okt-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Profit/loss after financial items	-3 387	-3 133	-17 010	-11 098
Adjustments for non-cash items	229	-298	259	-910
Tax paid				
Cash flow from operating activities before changes in working capital	-3 158	-3 431	-16 751	-12 008
Changes in working capital	-2 445	244	-7 050	-4 194
Cash flow from operating activities	-5 603	-3 187	-23 801	-16 202
Capitalization of development expenditure	-1 641	-283	-3 199	-4 607
Acquisition/disposal of property, plant & equipment	-	-96	-146	-147
Cash flow from investing activities	-1 641	-379	-3 345	-4 754
New share issue	-	-	33 942	19 837
Transaction costs attributable to new share issue	-186	-	-3 321	-1 378
Change in bank overdraft facilities	-	-	1 000	5 000
Change in bank overdraft facilities	-100	-100	-1 400	-3 467
Cash flow from financing activities	-286	-100	30 221	19 992
Total cash flow for the period	-7 530	-3 666	3 075	-964
Cash and cash equivalents at start of period	22 880	15 941	12 275	13 239
Cash and cash equivalents at end of period	15 350	12 275	15 350	12 275

Income Statement - Parent Company

All amounts in SEK thousand	Okt-Dec 2023	Okt-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Operating income	6 418	5 550	22 062	17 179
Net sales	-1 700	-1 648	-6 472	-4 430
Cost of goods sold	4 718	3 902	15 590	12 749
Gross profit				
Sales & Marketing expenses	-3 568	-4 377	-17 855	-14 253
Administrative expenses	-3 361	-1 648	-9 316	-5 513
Research and development costs	-1 525	-1 379	-5 019	-4 000
Other operating income	649	433	669	433
	-374	-105	-926	-358
Capitalized development expenditure	-3 461	-3 174	-16 857	-10 942
Operating profit/loss				
Profit/loss from financial items	11	2	14	2
Interest income and similar profit/loss items	-39	-1 394	-173	-1 562
Interest expenses and similar profit/loss items	-3 489	-4 566	-17 016	-12 502
Profit/loss for the period	-3 489	-4 566	-17 016	-12 502

Balance Sheet - Parent Company

All amounts in SEK thousand	2023-12-31	2022-12-31
Assets		
Intangible assets	28 038	24 934
Property, plant & equipment	396	419
Financial assets	464	464
Inventories	16 955	9 170
Trade receivables	2 182	2 816
Other receivables	2 504	1 408
Cash and bank balances	15 019	11 862
Total assets	65 558	51 073
Equity and liabilities		
Equity	55 289	41 684
Interest-bearing liabilities, longterm	933	1 333
Current interest-bearing liabilities	400	400
Liabilities to group companies	98	64
Trade payables	6 413	6 295
Other liabilities	2 425	1 297
Total equity and liabilities	65 558	51 073

Business overview

The Company in brief

ProstaLund is a Swedish company with headquarters in Lund. The company's registration number is 556745-3245. ProstaLund is a Swedish public limited company that was registered at the Swedish Companies Registration Office on December 4, 2007. The board has its registered head office in the municipality of Lund and operations are based in Sweden. The company's office address is Scheelevägen 19 in Lund with telephone number 046-12 09 08. The company's website is www.prostalund.se. The company is a reconciliation company and its share register is kept by Euroclear Sweden AB. In addition to ProstaLund, which is the parent company, the group includes the wholly owned subsidiaries Nordisk Medicin & Teknik AB ("NMT") and the American subsidiary CoreTherm® Medical Inc. ("CMI").

Introduction to the Company's operations

The company develops, markets and sells products in urology. The majority of the sales are made through recurring sales of disposable catheters and other accessories that are used together with the Company's platform in the treatment of BPH/BPE.

The company has a treatment concept (CoreTherm® Concept) for individually adapted heat treatment for benign prostate enlargement, also called BPE or BPH, which mainly affects men over 50 years of age.

In recent years, the company has developed a new platform, CoreTherm® Eagle, which received market approval through a CE marking based on the EU's medical technology regulations (MDR) in February 2023.

The platform now has, among other things, a built-in computer, temperature reading in real time, storage of patient data and built-in recommendations for treating doctors. The company believes that CoreTherm® Concept constitutes one of the market's best treatments against BPH/BPE with regards to parameters such as treatment results, possibility to treat regardless of prostate size, retreatment frequency, treatment time, fewer complications compared to surgical intervention, learning time for treating doctors and cost of a treatment. CoreTherm® Concept consists of several patented and unique inventions where the machine's treatment control is based on 25 years of research and clinical experience.

At the same time, the Company has two independent products, Schelin Catheter® and CoreFlow® Soft Stent, which were launched in Europe in September 2022, with very good results. These products have shown strong growth for the full year 2023 compared to the previous year and their share of the company's total sales now corresponds to 10% (3%). It is the Company's opinion that the products are unique because there are no similar products on the market as a result of the Company holding patents for both products in the markets in which the Company operates.

The company's product range is CoreTherm® Concept, which consists of anesthetic catheters (Schelin Catheter®), treatment catheters (CoreTherm® Catheter) and aftercare catheters (CoreFlow® Soft Stent).

Schelin Catheter® and CoreFlow® Soft Stent are also sold for use in other treatment methods outside of the CoreTherm® Concept. The company also sells the urine flow meter Oruflow.

CoreTherm® Concept – Treatment concept

CoreTherm® Concept is a patented and individually adapted treatment concept of BPH/BPE through heat. CoreTherm® Concept is used today primarily in public hospitals and private clinics in the Nordics. In 2023, the company had approximately 20 percent market share of the treatments performed in Sweden. The treatment is evidence-based and has the same end result as surgery¹. The concept has a number of advantages:

- The size of the prostate does not limit the method
- The treatment is performed under local anesthesia, to be compared with full anesthesia during surgery
- Maximum treatment time is 15 min

During a CoreTherm® Concept treatment, the temperature is measured in real time. The treatment effect can thus be calculated continuously and with the help of the temperature monitoring the responsible doctor or nurse can control the treatment. The treatment takes a maximum of 15 minutes and the entire visit to the reception takes around 1 hour in total.

Schelin Catheter® - Injection tool

Schelin Catheter® is a patented and unique product that has a built-in needle in the catheter intended for intraprostatic and periprostatic injection of drugs directly into the prostate. With the Schelin Catheter®, anesthetics and adrenaline are administered to manage pain and prostatic blood flow during a CoreTherm® Concept treatment of BPH/BPE, and the catheter thus plays a central role in the development of the treatment concept.

The product can also be used in other contexts, for example before local anesthesia and other treatment procedures regarding ailments in the prostate, where drugs need to be administered into the prostate sterilely. Since the launch, September 2022, the Company has experienced greatly increased demand for the product in Europe.

CoreFlow® Soft Stent – Aftercare product

CoreFlow® Soft Stent is a patented and unique product. The product is a hybrid between a catheter and a stent. The product has many uses:

The product can be used as a disposable product after the BPH/BPE treatment regardless of the treatment method. The product can also be used as a diagnostic tool and simulate treatment results of an invasive measure against obstruction, microwave therapy (TUMT) or transurethral resection (TURP). The product is also an alternative to indwelling catheter (KAD) in case of urinary retention, which enables self-drainage and reduces the risk of urinary tract infection. CoreFlow® Soft Stent can partially replace urodynamic examinations, as well as be used where said examinations are not applicable.

This product is also used outside of the CoreTherm® Concept treatment and is sold as a stand-alone product in Europe together with the Schelin Catheter® (see above).