



PROSTALUND AB (publ)

Interim report January-June 2025



Second quarter

April 1 - June 30

- Net sales reached MSEK 2.1 (2.8)
- Operating profit/loss totaled MSEK -6.3 (-7.2)
- Loss after taxes MSEK -6.5 (-7.1)
- Earnings per share, before and after dilution amounted to SEK -1.80 (-3.72)
- Cash flow from operating activities amounted to MSEK -2.3 (-6.1)

January 1 - June 30

- Net sales reached MSEK 5.9 (6.3)
- Operating profit/loss totaled MSEK -11.4 (-11.9)
- Loss after taxes MSEK -11.6 (-12.0)
- Earnings per share, before and after dilution amounted to SEK -3.19 (-6.25)
- Cash flow from operating activities amounted to MSEK -6.5 (-12.7)
- Cash and cash equivalents amounted to SEK 2.4 (3.4)

Key figures

(MSEK)	APRIL-JUNE 2025	APRIL-JUNE 2024	JAN-JUNE 2025	JAN-JUNE 2024
Net sales	2.1	2.8	5.9	6.3
Gross profit/loss	1.6	2.1	4.4	4.5
Operating profit/loss, EBIT	-6.3	-7.2	-11.4	-11.9
Cash flow from operating activities	-2.3	-6.1	-6.5	-12.7
Cash and cash equivalents	2.4	3.4	2.4	3.4
Average number of employees	8	8	8	6

Significant events during the period

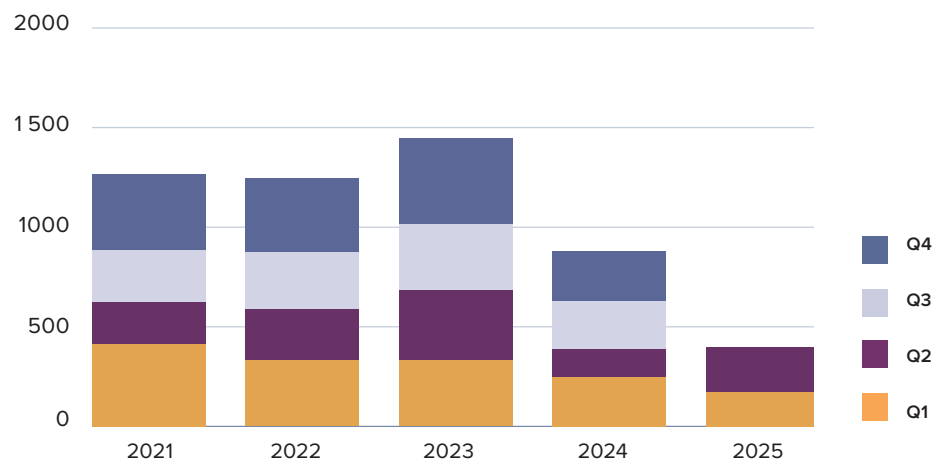
- On May 2, ProstaLund AB (publ) announces that a strategic review is being initiated due to weakened liquidity and is taking out a loan of MSEK 2.5.
- On May 19, Chairman of the Board Per Langö announces that he is leaving the Board with immediate effect.
- ProstaLund's CEO resigns at his own request on May 19.
- On May 20, First patients treated with CoreTherm® Eagle.
- On May 21, ProstaLund AB (publ) comments on trading halt and plans to decide on a directed share issue.
- On May 23, the Board of Directors decided to carry out a directed new share issue of MSEK 5.5 to several existing shareholders, subject to subsequent approval by the Annual General Meeting.
- On May 26, ProstaLund AB appoints Malin Melander as acting CEO.
- On May 28, ProstaLund AB (publ) appoints Annette Colin as interim CFO and appoints former CEO Anders Kristensson as consultant in strategic and operational matters.
- On June 17, second clinic in Sweden starts treatment with CoreTherm® Eagle.
- On June 25, the Annual General Meeting resolved to carry out a directed share issue of MSEK 5.5.
- On June 26, first CoreTherm® Eagle treatments performed in Denmark.

Significant events after the end of the period

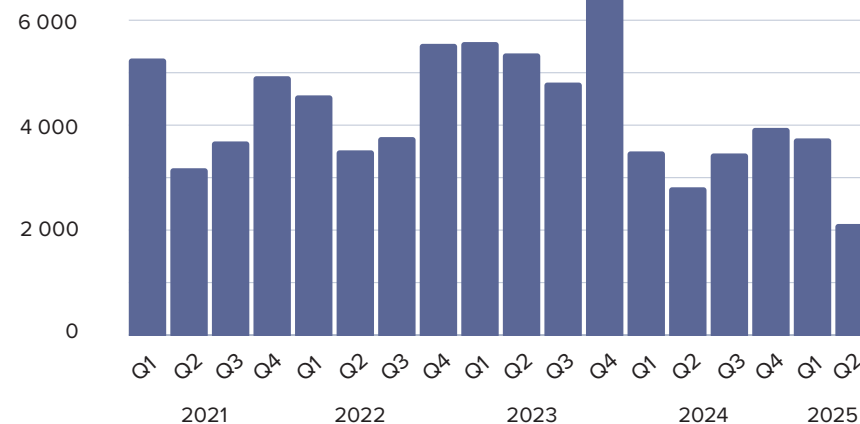
- On July 11, ProstaLund announced that the board of directors had decided, subject to subsequent approval by the general meeting, to apply for delisting from Nasdaq First North Growth Market.
- On July 14, ProstaLund AB (publ) announced that the company is suffering from an acute liquidity shortage and is seeking new financing.
- On July 21, a notice of an extraordinary general meeting was published.

Overview of the company's development

Number of CoreTherm® treatments sold in the Nordic region 2021-2025



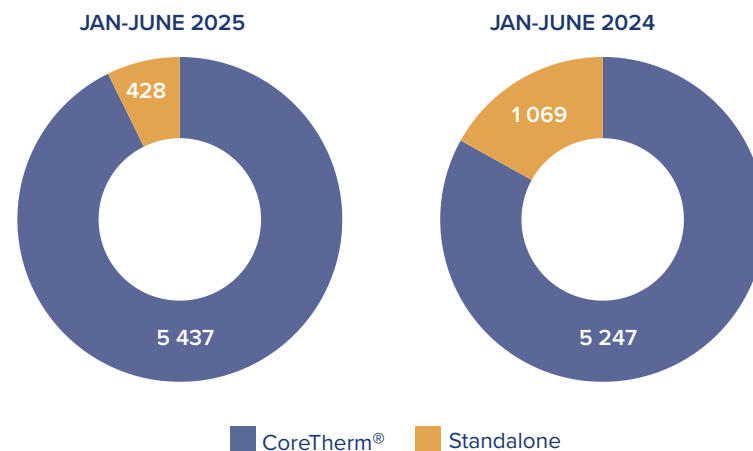
Sales development per quarter 2021-2025 (KSEK)



Quarterly financial performance

(KSEK)	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
Net sales	2,117	3,748	3,948	3,461	2,816	3,500
Gross profit/loss	1,605	2,775	2,167	2,177	2,087	2,440
Gross margin (%)	75.8%	74.1%	54.9%	62.9%	74.1%	69.7%
Overhead costs	-7,906	-7,719	-8,685	-6,591	-9,242	-7,180
Operating profit/loss	-6,338	-5,019	-6,153	-4,443	-7,162	-4,732
Profit/loss for the period	-6,531	-5,036	-6,174	-4,489	-7,209	-4,759
Cash flow	14	-5,428	-4,299	8,741	-3,564	-8,075

Sales distributed by category (KSEK)



CEO comments

An eventful quarter in many aspects

Launch of CoreTherm® Eagle

CoreTherm® Eagle has been launched at three of our Centers of Excellence in both Sweden and Denmark, with very positive results. In parallel with the roll-out of CoreTherm® Eagle, we continue to intensify our sales efforts.

As previously mentioned, interest in our treatment is high, and we are engaged in constructive dialogues with several potential customers internationally. The launch of CoreTherm® Eagle means that more patients will gain access to our treatment, which we are very pleased about. Together with our customers, we contribute to improving the daily lives and quality of life for more men with prostate problems.

Sales and financial performance

In the second quarter of the year, we recorded a decline in sales compared to the same period last year. At the same time, the gross margin strengthened, both compared to the previous quarter and for the first half of the year as a whole.

The decrease in sales is mainly attributable to our standalone products, particularly the Schelin Catheter®. As communicated in the 2024 year-end report, we have renegotiated distributor agreements to ensure that our partners have the right conditions to also work with CoreTherm® Eagle. This has meant that we have actively chosen to terminate a number of agreements, which has negatively impacted sales. In addition, new customers stocked up on products ahead of launching at new centers in 2024, which also met their demand during the first half of 2025.

We are now engaged in more in-depth discussions with new distributors and potential partners in the international market, with the hope that these will eventually also enable the launch of CoreTherm® in new markets.

Strategic changes and company structure

During the quarter, advanced discussions were held with a potential buyer of one of the company's two business units. Despite this, no transaction could be completed on mutually acceptable terms, and the sales process was terminated. The ongoing process negatively affected the company's ability to sign new customer agreements, which in turn impacted sales.

In May, the company's Chair of the Board, CEO, and CFO all resigned at their own request. Shortly thereafter, an interim CEO and interim CFO were appointed. The new Board, elected at the Annual General Meeting in June 2025, subsequently initiated a strategic review, which was communicated in July. As part of this work, the company also announced its intention to delist from Nasdaq First North Growth Market, subject to a resolution at an Extraordinary General Meeting.

Outlook

The liquidity situation remains a significant challenge, which may require cost-saving programs and other necessary measures to reverse the trend. The company is actively working to secure additional financing.

Despite the challenges we face, we look forward with confidence to a continued exciting and eventful 2025.

Lund, 21 August 2025

Interim CEO Malin Melander

Financial information

Net sales and profit/loss

Net sales amounted to KSEK 2,117 (2,816) for the second quarter, which was a decrease of 24,8% compared with the corresponding quarter last year. All markets are in line with the previous year's quarter in terms of the number of CoreTherm® treatments, while the decline is mainly attributable to standalone products.

As previously communicated, distributor agreements have been renegotiated to provide our partners with the right conditions to work with CoreTherm® Eagle. This meant that we terminated certain agreements, which has particularly had a negative impact on sales of the Schelin Catheter®. In addition, new customers stocked up on products ahead of the launch of new centers in 2024, which covered their needs during the first half of 2025.

The gross margin strengthened during the quarter and amounted to 75.8% (74.1). Operating profit for the second quarter amounted to KSEK -6,338 (-7,162). Profit after tax amounted to KSEK -6,531 (-7,121).

Net sales for the period January–June amounted to KSEK 5,865 (6,316), corresponding to a decrease of 7.1%, driven by a decline in standalone products. CoreTherm® treatments have shown positive growth overall during the first half of the year compared with the previous year.

The gross margin strengthened during the period January–June and amounted to 74.7% (71.7). Operating profit for the period January–June amounted to KSEK -11,357 (-11,894). Profit after tax for the first half of the year amounted to KSEK -11,567 (-11,968).

Investments

No investments in tangible fixed assets were made during the second quarter, comparable figure for the same quarter last year amounted to KSEK 51. Investments in intangible fixed assets amounted to MSEK 1.256 (1.354), which mainly relates to the upgrade of the company's new platform CoreTherm® Eagle.

For the period January-June, investments in tangible fixed assets amounted to KSEK 50 (51). Investments in intangible fixed assets amounted to KSEK 2,301 (2,718) for the same period.

Financial position and financing

Cash flow from operating activities for the second quarter amounted to KSEK -2,307 (-6,089). For the period January-June, cash flow from operating activities amounted to KSEK -6,468 (-12,700).

In April, the company took out a loan from Henrik Alyhr AB of MSEK 2.5 on market terms. The loan expired in full on June 30, 2025.

On June 30, MSEK 1 was received as part of the directed new share issue resolved by the Annual General Meeting on June 25.

Equity amounted to KSEK 44,542 (43,321) and the equity/assets ratio was 80% (78).

Cash and cash equivalents amounted to KSEK 2,408 (3,380) as of June 30.

Organisation

At the end of the period, the company had 7 (9) employees, of whom 5 (6) were women and 2 (3) men. The average number of employees during the period was 8 and the number of consultants was 3.

Research and development

Development work is carried out in-house in co-operation with external clinics and technical consultants. Development work is focused on new development and further refinement of the current product portfolio.

Insurance

ProstaLund has customary business insurance that also includes product liability cover. The insurance cover is subject to ongoing review. The Board considers that the business insurance is adapted to the current scope of the business.

Disputes

ProstaLund is not a party to any legal or arbitration proceedings. Nor is the Board of Directors aware of any circumstances that could lead to any such legal process being imminent.

Risk factors

ProstaLund's business is affected by a number of risks, the effects of which could have a negative impact on its future, results or financial position.

The latest annual report and prospectus, which are available on the company's website www.prostalund.se, contain a description of the risk factors. Listed below, in no particular order, are the risk factors considered to be of greatest significance:

- Dependence on funding
- Dependence on key personnel
- Regulatory approvals
- Product liability
- Currency risk
- Competition
- Disputes
- Changes in legislation

Prerequisites for continued operation

This financial information has been prepared on a going concern basis. The company has historically recognised losses. In preparing the communication, management has based its assumptions on existing cash and cash equivalents, increased sales and the potential availability of other financing.

In estimating future expenditures, management has recognised that certain expenditures are within management's control and may be eliminated or deferred. Management and the Board recognise that there are uncertainties in estimating future cash flows and uncertainties in financing operations.

If the Group is unable to continue as a going concern for any reason, it may affect the Company's ability to realise the carrying amounts of its assets, in particular related to capitalised development expenditure, and to pay its liabilities at the normal pace and in the amounts disclosed in its interim financial statements.

Transactions with related parties

Contracts with members of the Board of Directors

The Company has entered into consultancy agreements with some of its Directors. The consultancy agreements regulate the performance by the Board members of tasks that cannot be considered to constitute duties normally incumbent on a Board member. The other members of the Board of Directors and the CEO must approve such work before it is carried out.

Royalty agreement

The company has previously entered into a royalty agreement with Schelin Medicin AB regarding the rights to the products Coreflow® and Schelin Catheter®. The agreement means that two (2) percent of the invoiced amount for these products will be paid in royalties to Schelin Medicin AB, provided that the company report a profit and that a patent is granted. The royalty may amount to a maximum of MSEK 4 per year and a maxi-

mum of MSEK 20 in total. The agreement shall terminate when an amount of MSEK 20 has been paid to Schelin Medicin AB.

Valuation of intangible assets

The capitalised development expenditure recognised is subject to impairment testing by management. The most critical assumption evaluated by management is whether the intangible asset is expected to generate future economic benefits that are at least equal to the carrying amount of the intangible asset. Management's judgement is that the expected future cash flows are sufficient to justify the carrying amount of the intangible asset and therefore no impairment loss has been recognised. However, the valuation is based on and dependent on the going concern assumption.

Remuneration policy

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

Shares

ProstaLund is listed on Nasdaq First North Growth Market. The company is traded under the ticker PLUN and the ISIN code SE0023468418. Certified Adviser is Västra Hamnen Corporate Finance AB.

The number of shares at the end of the period was 3,624,052 and the quota value was SEK 4.0 per share. All shares are of the same type and have the same voting rights.

In 2024, a reverse stock split was carried out at a ratio of 1:40.

Annual report

The annual report for 2024 was published on June 4, 2025. The annual report are available on the company's website www.prostalund.se.

Annual General Meeting

The Annual General Meeting for 2025 was held on June 25 in Lund. For more information see communique from the annual general meeting on the company's website.

Financial calendar

- 2025-11-07 Interim report Jul-Sep 2025
- 2026-02-25 Year-end report 2025

Scope of the report

This interim report covers the period from January 1 2025 to June 30 2025. The comparative information in the report refers to the corresponding period in 2024, unless otherwise stated. All information in the report refers only to the parent company ProstaLund AB (publ), i.e. no consolidation of wholly owned subsidiaries takes place as these only account for a small part of the business.

Accounting policies

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

Audit

This report has not been reviewed by the company's auditors.

Assurance of the Board of Directors and Managing Director

The Board and the Managing Director assure that the interim report provides a fair overview of the company's operations, position and results, and describes significant risks and uncertainty factors that ProstaLund AB face.

Lund, 21 augusti 2025

Mats Alyhr
Chairman of the Board

Allan Jakobsson
Board member

Marianne Östlund
Board member

Malin Melander
Acting CEO

Sharholder information

For questions about this report, please contact:

Malin Melander, acting CEO and Chief Operating Officer

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- E-mail: malin.melander@prostalund.com

Offentliggörande

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, at 07:30 CET on August 21, 2025.

ProstaLund is listed on Nasdaq First North Growth Market. The company is traded under short name PLUN and ISIN code SE0023468418.

Certified Advisor is Västra Hamnen Corporate Finance AB.

Income Statement in Summary

KSEK	APRIL-JUNE 2025	APRIL-JUNE 2024	JAN-JUNE 2025	JAN- JUNE 2024	JAN-DEC 2024
Net sales	2,117	2,816	5,865	6,316	13,725
Cost of goods sold	-512	-729	-1,485	-1,789	-4,854
Gross profit	1,605	2,087	4,380	4,527	8,871
Sales and Marketing expenses	-3,262	-4,276	-7,022	-7,719	-15,528
Administrative expenses	-3,261	-3,350	-5,592	-6,016	-10,629
Research and development costs	-1,383	-1,616	-3,011	-2,687	-5,541
Other operating income	59	98	113	356	876
Capitalized development expenditure	-96	-105	-225	-355	-539
Operating profit/loss	-6,338	-7,162	-11,357	-11,894	-22,490
Profit/loss from financial items					
Interest income and similar profit/loss items	2	63	7	27	36
Interest expenses and similar profit/loss items	-195	-22	-217	-101	-177
Profit/loss after financial items	-6,531	-7,121	-11,567	-11,968	-22,631
Profit/loss for the period	-6,531	-7,121	-11,567	-11,968	-22,631

Definitions of financial ratios

Earnings per share

Profit/loss for the period divided by average weighted number of shares.

Equity-asset ratio

Equity divided by total assets.

Equity per share

Equity divided by number of shares at the end of the period.

Data per share

SEK	APRIL-JUNE 2025	APRIL-JUNE 2024	JAN-JUNE 2025	JAN-JUNE 2024	JAN-DEC 2024
Earnings per share, SEK before and after dilution	-1.80	-3.72	-3.19	-6.25	6.94
Equity per share, SEK	12.29	22.63	12.29	22.63	15.23
Equity-asset ratio, %	80%	78%	80%	78%	90%
Number of outstanding shares	3,624,052	1,914,718	3,624,052	1,914,718	3,624,052
Average number of outstanding shares	3,624,052	1,914,718	3,258,651	1,914,718	3,258,651
Share price at the end of the period, SEK	1.60	20.72	1.60	20.72	7.54

Note: All figures above concerns the parent company ProstaLund AB (publ). For more info look at page 6 under Scope of the report.

Balance Sheet in Summary

All amounts in KSEK	2025-06-30	2024-06-30	2025-03-31	2024-12-31
ASSETS				
Intangible assets	36,621	30,701	35,394	34,378
Property, plant & equipment	2,017	398	822	813
Financial assets	-	464	-	-
Inventories	12,147	15,292	13,657	14,345
Trade receivables	893	1,233	2,278	2,647
Other receivables	1,756	4,347	1,687	1,633
Cash and bank balances	2,408	3,380	2,394	7,822
Total assets	55,842	55,815	56,232	61,638
EQUITY AND LIABILITIES				
Equity	44,542	43,321	50,073	55,181
Interest-bearing liabilities, longterm	333	733	433	533
Current interest-bearing liabilities	3,077	4,430	400	400
Liabilities to group companies	-	165	-	122
Trade payables	5,511	5,961	3,655	3,373
Other liabilities	2,379	1,205	1,671	2,029
Total equity and liabilities	55,842	55,815	56,232	61,638

Summary statement of changes in equity

All amounts in KSEK	2025-06-30	2024-06-30	2024-12-31
Opening balance	55,181	55,289	55,289
Result from merger			-249
Ongoing targeted new share issue	1,000	-	26,952
Costs of new share issues	-72	-	-4,180
Profit/loss for the period	-11,567	-11,968	-22,631
Closing balance	44,542	43,321	55,181

Note: All figures above concerns the parent company ProstaLund AB (publ). For more info look at page 6 under Scope of the report.

Cash Flow Analysis in Summary

All amounts in KSEK	APRIL-JUNE 2025	APRIL-JUNE 2024	JAN-JUNE 2025	JAN-JUNE 2024	JAN-DEC 2024
Profit/loss after financial items	-6,531	-7,209	-11,567	-11,968	-22,631
Adjustments for non-cash items	66	26	136	104	962
Cash flow from operating activities before changes in working capital	-6,465	-7,183	-11,431	-11,864	-21,669
Changes in working capital	4,158	1,094	4,963	-836	-922
Cash flow from operating activities	-2,307	-6,089	-6,468	-12,700	-22,591
Capitalization of development expenditure	-1,256	-1,354	-2,301	-2,718	-6,452
Acquisition/disposal of property, plant & equipment	-	-51	-50	-51	-537
Cash flow from investing activities	-1,256	-1,405	-2,351	-2,769	-6,989
Ongoing targeted new share issue	1,000	-	1,000	-	26,952
Transaction costs attributable to new share issue	-	-	-72	-	-4,180
Change in bank overdraft facilities	2,677	4,030	2,677	4,030	4,030
Repayment of loans	-100	-100	-200	-200	-4,430
Cash flow from financing activities	3,577	3,930	3,405	3,830	22,372
Total cash flow for the period	14	-3,564	-5,414	-11,639	-7,208
Infusion of cash					11
Cash and cash equivalents at start of period	2,394	6,944	7,822	15,019	15,019
Cash and cash equivalents at end of period	2,408	3,380	2,408	3,380	7,822

Note: All figures above concerns the parent company ProstaLund AB (publ). For more info look at page 6 under Scope of the report.

Business overview

The Company in brief

ProstaLund AB is a Swedish company with headquarters in Lund. The company's organisation number is 556745-3245. ProstaLund is a Swedish public limited company registered with the Swedish Companies Registration Office on 4 December 2007. The Board of Directors has its registered 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 CSD company and its share register is maintained by Euroclear Sweden AB. In addition to ProstaLund, which is the parent company, the Group includes the wholly owned subsidiary CoreTherm Medical Inc ('CMI').

Introduction to the Company's operations

The Company develops, markets and sells urological products. The majority of sales are through recurring sales of disposable catheters, antennas and other accessories used together with the Company's platform in the treatment of BPH.

The Company has a treatment concept (CoreTherm® Concept) for personalised heat treatment for the condition benign prostatic hyperplasia, also known as BPH or BPE, which mainly affects men over the age of 50. In recent years, the company has developed a new platform, CoreTherm® Eagle, which received market authorisation through a CE mark from outside the EU's Medical Device Regulation (MDR) in February 2023.

The platform now includes an inbuilt computer, real-time temperature reading, patient data storage and inbuilt recommendations for treating physicians. The company believes that CoreTherm® Concept is one of the best treatments for BPH on the market in terms of parameters

such as treatment outcome, ability to treat regardless of prostate size, re-treatment frequency, treatment time, fewer complications compared to surgery, learning time for treating physicians and cost of 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.

In addition, the Company has two standalone products, Schelin Catheter® and CoreFlow® Soft Stent. It is the Company's view that the products are unique as there are no similar products on the market due to the fact that the Company holds patents for both products in the markets in which the Company operates.

The Company's product offering is the CoreTherm® Concept, which consists of an anaesthetic catheter (Schelin Catheter®), treatment catheter (CoreTherm® Catheter) and aftercare catheter (CoreFlow® Soft Stent).

The Schelin Catheter® and CoreFlow® Soft Stent are also sold for use in other treatment modalities outside the CoreTherm® Concept.



CoreTherm® Eagle



CoreTherm® Catheter

CoreTherm® Concept – Treatment concept

CoreTherm® Concept is a patented and personalised treatment concept for BPH/BPE using heat. CoreTherm® Concept is currently used mainly in public hospitals and private clinics in the Nordic countries. The treatment is evidence-based and has comparable end result as surgery¹.

The concept has a number of advantages:

- The size of the prostate does not limit the method
- The treatment is done under local anaesthesia, compared to general anaesthesia in surgery
- Maximum treatment time is 15 minutes

During a CoreTherm® Concept treatment, the temperature is measured in real time. The treatment effect can thus be calculated continuously and the temperature monitoring allows the doctor or nurse in charge to control the treatment. The treatment takes a maximum of 15 minutes and the entire visit to the clinic takes about 1 hour.

Schelin Catheter® - Injection tool

The Schelin Catheter® is a patented and unique product that has a needle built into the catheter for intraprostatic and periprostatic injection of drugs directly into the prostate.

The Schelin Catheter® administers anaesthetics and adrenaline to manage pain and prostatic blood flow during a CoreTherm® Concept treatment of BPH, and the catheter thus plays a central role in the development of the treatment concept.

The product can also be used in other contexts, such as for local anaesthesia and other treatment procedures for prostate disorders, where drugs need to be administered into the prostate sterile.

1. Mattiasson A., Wagrell L., Schelin S., et al: Five-year follow up of feed-back microwave thermotherapy versus TURP for clinical BPH: a prospective randomized multicenter study. Urology 69, 91-97, 2007

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 applications and can be used:

- as a disposable product after BPH treatment regardless of the treatment method.
- as a diagnostic tool and simulate the treatment outcome of an invasive anti-obstruction procedure, microwave therapy (TUMT) or transurethral resection (TURP).
- as an alternative to indwelling catheters (KAD) in case of urinary retention, enabling self-drainage and reducing the risk of urinary tract infection.

CoreFlow® Soft Stent can partially replace urodynamic tests, and can be used where these tests are not applicable.

This product is also used outside the CoreTherm® Concept treatment and is sold as a standalone product internationally together with the Schelin Catheter®.



Schelin Catheter®



CoreFlow® Soft Stent



ProstaLund is a Swedish medtech company, a leader in the development of innovative urology products and treatments. ProstaLund has patented CoreTherm®, customised thermal treatment of Benign Prostatic Enlargement (BPE)

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