

January 1 – December 31, 2024

Annual Report

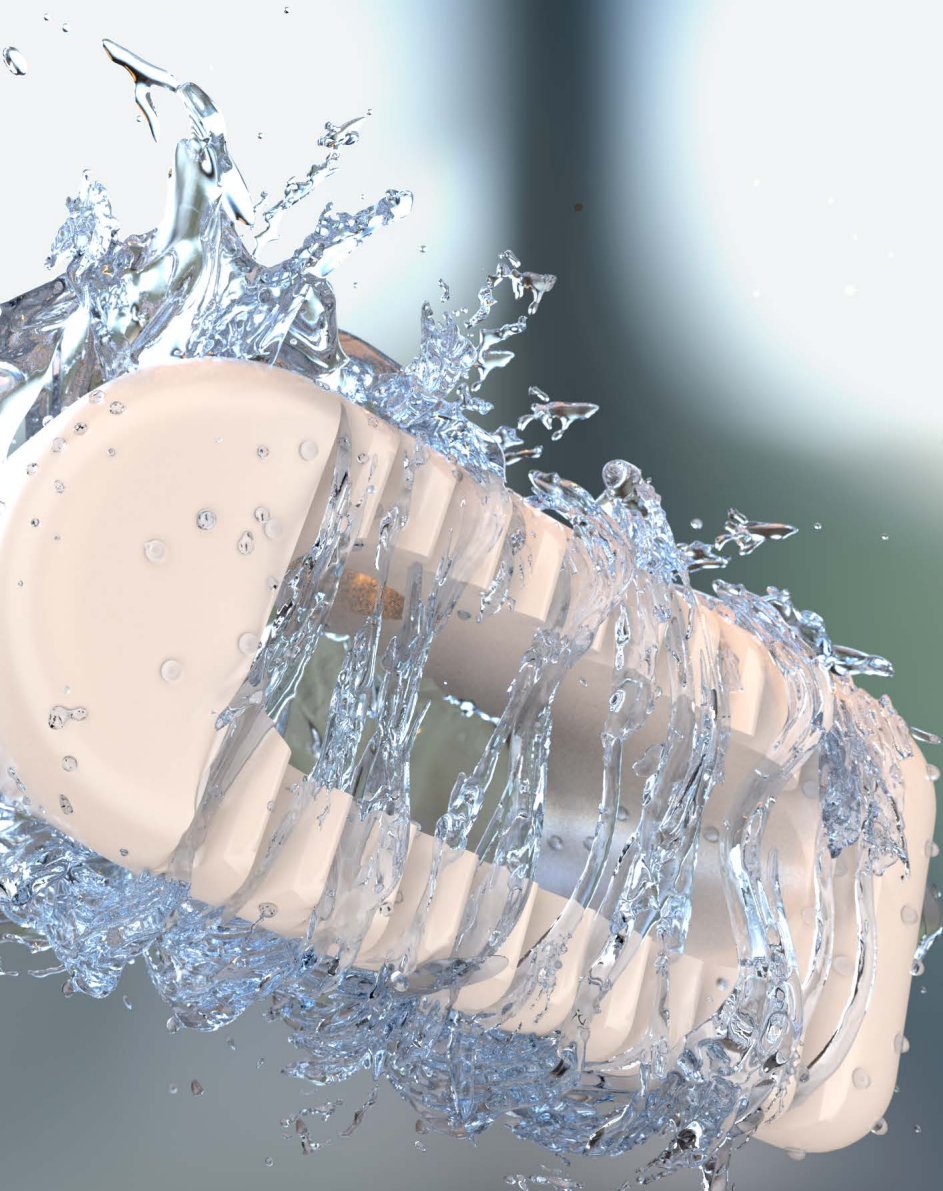
Promimic AB (publ)



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2 million sold implants

**Record number of
Approved products**

**First license agreement
within Extremities**

**Improved
profitability**



Strong growth in both new and established markets

Promimic can report another successful year. Sales reached 44.0 MSEK, which is an all-time high, and this means that we are growing by 19 percent. We can see that the use of our technology will continue to grow because in 2024 our technology has received 23 new regulatory approvals via customer implants in various markets around the world.

The growth from several of our customers is impressive. One of our largest customers, ATEC Spine, whose transformation into the market's fastest growing company in the Spine market segment is astonishing, from 144 to 610 MUSD in five years. During the year we have continued to develop new implants together with them, most recently in the area of expandable interbody systems. This creates the opportunity for more flexible and individualized treatments. This is the fastest growing implant type in this market segment. Read more about them on page [13](#).

Curiteva, with its unique process of 3D printing implants in the polymer PEEK, continues to drive development forward and has received several approved products during the year. They also reported positive initial clinical results at the North American Spine Society annual meeting last September.

On the dental implant side, our customer S.I.N. Implant System continues to grow and now also in several new markets. This is partly an effect of their

new ownership in 2023, when the global healthcare company Henry Schein took over. However, the growth comes primarily from the fantastic work that the team at S.I.N. does every day. S.I.N. also published a small clinical study during the year where the patients were smokers. The study showed that the implants with our HA^{nano} Surface grew faster and had stronger anchorage in the bone than the control implants without our surface. Customers like these set the stage for continued growth for Promimic.

At the beginning of the year, Promimic completed the largest investment in the company's history. Our new headquarters, with fully operational laboratory and production environments, at GoCo Health Innovation City is now in full operation. This investment is crucial for our continued expansion and growth. We have more than doubled our production capacity in the new labs and increased our capacity to carry out more development projects for our customers. We are very happy in the premises and in the new surroundings. The entire area breathes innovation, new thinking and forward thinking.

During the year, we have continued the development of new application areas and we executed a new license agreement in the foot and ankle surgery. Its implants are part of the Extremeties market segment, an area that has the highest growth in orthopedics right now. New 3D printed products open up new business opportunities for Promimic. We are also

conducting development in the Sports Medicine market segment where the goal is to be able to create bioactive polymer implants.

By the end of 2024, our HA^{nano} Surface will be present in over 50 approved implant systems. This makes 2024 the most successful year to date in terms of new approvals for our technology. The year also presented some challenges, just as we were about to move into our new processing facility in the USA, we had a fire in adjacent premises. No one was injured and we were not directly affected by the fire, but the property and ventilation system were affected, causing a delay of 10 months. This has not affected our capacity as this is a future investment to ensure continued growth over the next five years. The property has now been restored and will be put into use at the beginning of the summer.

No part of our success would have been possible without our fantastic team. Everyone contributes with their expertise, enthusiasm and desire to constantly develop. We have fun at work while working with world-class nanotechnology. Promimic is at the forefront of what can be offered today to implant companies and their customers' customers, i.e. patients. Being able to offer benefits to patients is a driving force in itself. It is something we carry with us every day when we optimize our customers' implants and in our research to find and develop new technologies.

Looking ahead, I am convinced that 2025 will be a very exciting year for Promimic. We will continue to grow in the markets where we are established but also add new application areas and market segments to our business. I am convinced that we will take important steps in 2025 and that the most exciting time lies ahead.

Mölnadal, April 9, 2025

Magnus Larsson
CEO, Promimic



About Promimic

Background

Promimic has developed a state-of-the-art nanotechnology that mimics nature, making it possible to create a unique bioactive surface on any implant. The company manufactures, markets and sells these biomaterials for improved osseointegration (bone healing) to leading companies in the dental, spine, total joint, extremities, and sports medicine implant markets. Promimic is headquartered in Mölndal, Sweden with sales offices in USA. The processing of implants is done through the joint venture, Nano Processing Inc. in Indiana, USA. With over 2,000,000 implants in clinical use worldwide, the company's technology is accepted and ready for growth with both established partners and new customers.

Products and market

The company's technology platform is a new generation of nanometer-thin surface modification of the outermost layer of the implant. The company's main product is HA^{nano} Surface, which causes the surface of the implants to mimic bone crystals, which facilitates the healing process and improves the anchoring of the implants in the bone tissue. This is verified in over 30 clinical and pre-clinical scientific studies.

HA^{nano} Surface was launched in 2015 on dental implants in Brazil as the first market. On December 5, 2017, the first implant with HA^{nano} Surface was cleared by the Food and Drug Administration (FDA) in the United States. That clearance opened up the American market for HA^{nano} Surface and today the surface is used clinically on implants for spine surgery, orthopedics after cancer treatments, implants for closure of the sternum after heart surgery and knee implants.

The technology can be applied to all types of implants that must be anchored in bone. It can also be used on 3D-printed implants, where other traditional technologies do not work. The technology receives regulatory market clearance via a simplified 510(k) process in the United States.

Promimic currently has license agreements with 18 implant companies, of which eleven companies have implants in clinical use. Promimic has established its own sales operation in the USA and secured several partnerships for continued growth and increased commercialization rate.

The implant industry is a large and growing global market with high profit margins. Within the market for orthopedic implants there is currently a growing trend towards uncemented and osseointegrating implants. Especially in the market segments for knee and spinal implants, the trends are currently

very favorable for Promimic. With a robust and strategic partnership firmly established in the dental implant market, alongside favorable trends in the orthopedic implant sector, a solid foundation exists for the emergence of numerous new business opportunities that can significantly propel the company's growth trajectory forward.

As the technology is well documented with proven clinical benefit, Promimic sees an opportunity to establish HA^{nano} Surface as the industry standard in bone-integrated implants.

Business model

Promimic has a license-based business model based on long-term partnerships with market-leading implant manufacturers. The company's revenue structure is a license agreement with milestone-based revenue during the development period and royalty-based revenue when the finished implant is sold to the end customer. The terms of these contracts are long-term and based on a close partnership.

In 2022, Promimic broadened the business model with a step into the process side. Together with Danco Medical, Nano Processing Inc. was formed. The collaboration provides increased growth and profitability through revenue from the coating process of implants in the American market.

It should be noted that according to agreements with our customers, Promimic receives royalty reports 45 days after the end of the quarter. Due to this, Promimic publishes interim reports late in the cycle.

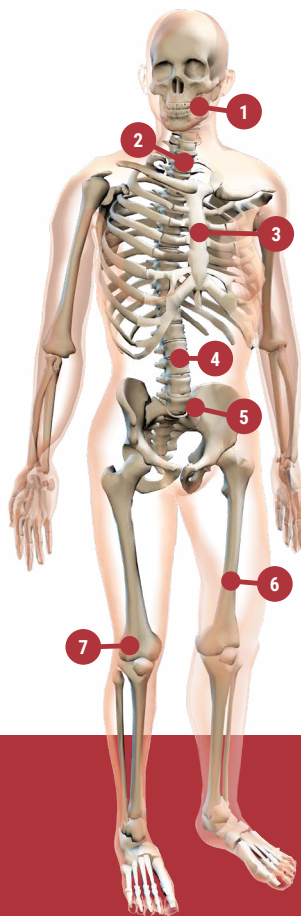
Organization

The team at Promimic has a solid background in sales, business development, financing and marketing towards the orthopedic and dental implant markets. The technical team has a unique technical competence with focus on material chemistry and nano-materials.

Team development within the "One Promimic Team" project has continued to be a high priority in 2024 in order to be able to meet and manage the high growth rate. The "One Promimic Team" project started with the aim to build a common set of values. The goal is to organize the company's various activities so that they are customer-driven with effective collaborations. Promimic has a culture of letting employees grow with the company and internal recruitment has been high in recent years.

At the end of 2024, there were 19 people employed, 17 employees at the head office in Mölndal, Sweden and two people at the sales office in Austin, Texas in the USA. Nano Processing Inc. employs four people who work with coating our customers' implants for the American market.





Implants in clinical use

1. Dental implants
2. Implants for rigid surgery of the cervical spine: CIF, Stand-alone CIF and fixation screws
3. Implants for fixation of the sternum
4. Different implants for lumbar spine surgery: ALIF, TLIF, LLIF, Stand-alone ALIF
5. Implants for fusion of the Sacroiliac joint
6. Implants for "Limb salvage" after cancer treatment
7. Knee prostheses

Customers and foundation for growth

Promimic has licensed HA^{nano} Surface to customers in both the orthopedic and dental implant markets. The technology can be used on all types of implants that are anchored in bone. The skeleton on the left gives a good overview of the areas of the body where the technology is currently in clinical use.

The first customer to bring HA^{nano} Surface to market for improved osseointegration was S.I.N. Implant System from Brazil. They have halved the healing time of their implants with the help of Promimic's surface and have also been one of the fastest growing companies on the market for dental implants in the past year. This positive progress led S.I.N. in July 2023 to be acquired by the Fortune 500 company Henry Schein, a world-leading dental company.

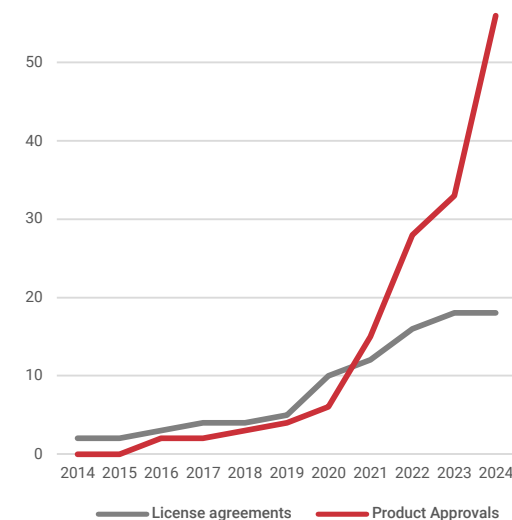
The major growth today is primarily within the market segment for spinal surgery. There, ATEC Spine is the fastest growing company with a growth of 27 percent for the full year 2024. Promimic is working on developing the collaboration with ATEC Spine to include more implants. Other customers with implants in clinical use in this market segment are Curiteva, Cutting Edge Spine and Innovasis with implants for fusion operations of the SI joint and lumbar spine.

Another fast grower is Able Medical with implants for fixation of the sternum after open heart surgery. Here HA^{nano} Surface is used to create faster healing

and stronger fixation. After 18 months on the market, the clinical results are impressive: 45,000 HA^{nano} Surface screws sold, and not a single replacement screw needed.

Our customer, Onkos Surgical, uses Promimic's technology on implants to replace bone after skeletal oncology. Many of Promimic's customers have launched their implants in recent years. In addition, Promimic has several customers who intend to use HA^{nano} Surface as a platform technology, which provides a stable foundation for continued future growth. This is clearly visible in the graph showing the relationship between the number of license agreements and implants in clinical use. This shows that Promimic is currently in the middle of its market and clinical breakthrough and, moreover, the company has a stable foundation for continued growth in the coming years.

Clinical and commercial breakthrough



Vision

World leader in using nano-technology to improve clinical outcomes in implant surgery.

Mission

Through partnership with a growing group of internationally leading medical technology companies sell technologies for surface modifications of implants that create clear clinical and commercial benefit.

Objectives

In 2022, the company established a number of goals of both a financial and operational nature to drive the company's growth and create the conditions for a multiple increase in turnover up to and including 2025. The company's overarching goal, which permeates the entire operation, is that more patients will regain their lost bodily function faster, whether it is a smaller dental implant, ensuring more successful back surgeries or saving a leg of a cancer patient, while this clinical benefit also brings a clear business benefit to the company's customers.

Short term (1-2 years)

- **Invest** in commercial expansion focusing on the US orthopedic implant market to drive growth.
- **Invest** in increased production capacity in the US to meet increased demand and drive growth.
- **Deepen the partnership** with existing customers to drive growth, both short and long term.
- **Expand the customer base** in existing and new application areas.

Medium term (3-5 years)

- **Establish Promimic** as a fast-growing gazelle company* with good profitability.
- **Further clinical verification** of the technology through strategic customer collaborations to create a stronger market position and drive growth in the orthopedic implant market segment.
- **Through strategic investments** in innovation, launch new customer offers of new implant surfaces for patient-specific implants, soft tissue integration and new biomaterials - with an extra focus on infection prevention.

Financial goal

- **Promimic shall** become a company with a turnover of SEK 100 million with an EBITDA margin of over 40 percent within five years through established customer relationships and a positive momentum.

* Gazelle company is a prize awarded by Dagens Industri to Sweden's fastest growing companies

Case | S.I.N. 360

In February, Promimic attended the S.I.N. 360 Annual Symposium in Arizona, presenting the HA^{nano} Surface to dentists in the American market. Following strong growth in South America over recent years, S.I.N. Implant System is now expanding its export efforts, particularly targeting the U.S. through the S.I.N. 360 concept. Additionally, S.I.N. has gained further strength through its new ownership, having been acquired in 2023 by the New York-based dental giant Henry Schein.

It is an exciting growth opportunity for Promimic to grow in new markets with existing customers. With Henry Schein's acquisition of Brazilian S.I.N. Implant System last year, and their investment in the S.I.N. 360 concept in the USA, Promimic has taken a step into the American dental market.

– It is important for us to work closely with our customers in order to be able to help them develop their business. Having the opportunity to meet their customers and demonstrate the benefits of our technology and how it improves implant healing gives us important direct contact with clinics and a better

understanding of how we can support the licensees of our technology, says Ulf Brogren, CCO at Promimic.

In connection with the symposium, a new zygomatic implant was launched that gives the maxillofacial surgeon more options for treatment protocols and anchoring of prosthetics. This is important as S.I.N. 360 is a concept that focuses on giving its customers (dentists) a digital way of working with the patient in focus and where the implants are the foundation for good anchoring of the prosthetics in the bone.

– Promimic's participation at our event was truly appreciated and valuable for our customers, says Felipe Leonard, CEO at S.I.N. Implant System.

With Henry Schein as the new owner, there are also increased global growth opportunities for S.I.N. Implant System. When companies enter new markets, they need something that sets their products apart from the crowd. HA^{nano} Surface on premium implants is a differentiating factor that makes their implants more attractive to customers.

– We are in a very expansive phase and will continue our efforts by, among other things, launching our products on the Indian market during Q2, says Felipe Leonard.

We are in a very expansive phase and will continue our efforts by, among other things, launching our products on the Indian market during Q2.



Felipe Leonard
CEO, S.I.N. Implant Systems



Patrick Dewey, President S.I.N. 360 at the company's annual symposium in Scottsdale, Arizona

Case | Evolution Spine

At the beginning of the summer, the first surgery using Evolution Spine's ALIF E3D™-A implant was successfully performed. This implant, designed for lumbar spine fusion surgery, is treated with HA^{nano} Surface and received FDA clearance in January. Evolution Spine is an exciting new customer for Promimic. With its innovative 3D-printed titanium implants and strong commitment to improving patient outcomes, Evolution Spine is ideally positioned to benefit from HA^{nano} Surface.

Spine surgery is one of the most complex areas in the orthopedic field. Hospitals and doctors collaborate across both orthopedics and neurosurgical specialties. It is important to give patients the best possible odds of improved mobility and a healthier life.

As its name suggests, Evolution Spine has been focused on continuous development since its inception. They collaborate with both academic institutions and new commercial partnerships to ensure that the implants integrate as well as possible with the bone tissue.

– Combining E3D™-A with HA^{nano} Surface has given us another dimension. With our 3D printed titanium implants, we have a structure and porosity that resembles the microstructure of bone. With HA^{nano}, we

add the final piece of the puzzle with nanostructures and the right chemistry for optimal osseointegration. This differentiates our implants in a competitive market, says Munear Ashton Kouzbari, CEO of Evolution Spine.

The collaboration between Promimic and Evolution Spine is a good example of how two innovative companies can advance the implant industry. Promimic's HA^{nano} Surface gives ALIF E3D™-A a nanostructure on the surface that actively promotes osseointegration by mimicking the body's own bone structure. This complements the porous 3D printed surface of ALIF E3D™-A, which allows HA^{nano} Surface to reach into the micrometer-sized pores and promote faster bone growth.

By improving the biological response and increasing the adhesion of the bone to the implant, a more stable fusion is enabled, which reduces the risk of complications and gives the patient a faster recovery.

Just as Promimic's American operations, Evolution Spine is based in Texas, specifically Dallas. The actual development work has been carried out at Promimic's lab in Gothenburg, in close contact with Evolution Spine. A spinal implant like the ALIF E3D™-A is an advanced product with various parts to be coated with HA^{nano} Surface, and the work has been both exciting and enriching for the Promimic team.



Munear Ashton Kouzbari
CEO, Evolution Spine



E3D™-A Interbody System

Case | Next Orthosurgical

During the NASS (North American Spine Society's annual meeting) spine surgery trade show in September, Promimic's customer Next Orthosurgical presented its modular spinal implant Interfuse Modular Interbody System with HA^{nano} Surface to surgeons and healthcare providers.

Using a building block principle, the Interfuse Modular Interbody System implant can be assembled inside the vertebra, meaning that the surgeon only needs to make a smaller incision to insert the implant into the body. This minimally invasive technique results in less impact on surrounding tissue, shorter recovery time, and a reduced risk of infections and other complications after surgery.

The modular design of the implant also allows for a solution that can be customized to meet the needs of different patients, providing greater flexibility and precision during surgery.

The material, PEEK, is one of the most common materials for spinal implants. PEEK is a thermoplastic that has an elasticity similar to bone, but unlike titanium, it is bioinert. This means that it does not attract body fluids with proteins that promote bone growth. This is where HA^{nano} Surface comes in. With nano-sized synthetic bone crystals, the implant absorbs more fluid, attracting blood and bone cells that initiate faster healing. HA^{nano} Surface can also reduce the number of bacteria on the implant surface, as bone tissue begins to cover the surface more quickly than if it had been untreated.



Interfuse Modular Interbody system mounted in the spine



Promimics CCO, Ulf Brogren presenting HA^{nano} Surface for Next Orthosurgical customers at NASS.

Case | ATEC Spine

A remarkable growth journey

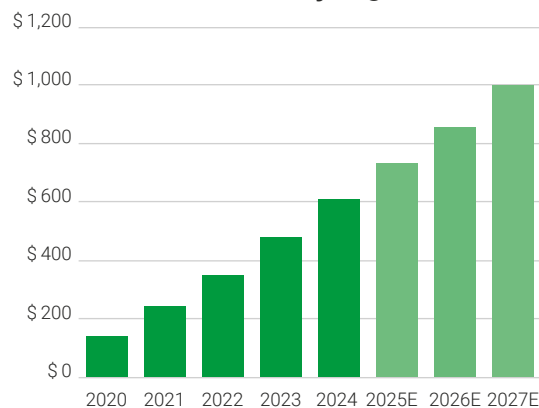
ATEC Spine has transformed into the fastest growing company in spine, delivering revenue growth at several multiples of the spine market overall in every year since 2018.

It all started when industry veteran Pat Miles joined as Chairman and CEO in late 2017. With that change in leadership came a change in strategic priorities. The company created the Organic Innovation Machine™, a team steeped with spine expertise and tasked with the development of the most clinically distinct portfolio in spine. The team delivered, building ATEC's comprehensive offering of unique technologies and informatics that integrate seamlessly into procedures aimed at advancing spine care.

The results speak for themselves. Over the last five years, surgeon adoption of ATEC's distinct procedures drove revenue from \$145 million in 2020 to \$611 million in 2024 as the company's share of the US spine market expanded from under two percent to an impressive eight percent.

The partnership between Promimic and ATEC started in 2021, when, in under twelve months, the first implants with Promimic HA^{nano} Surface were launched under the NanoTec trademark.

ATEC Försäljning



"We greatly appreciate Promimic's contribution to ATEC clinical distinction, the driving force of our industry-leading growth. NanoTec implants are coveted by surgeons and we are proud to offer the technology as an essential part of our procedures."

Pat Miles
Chariman and CEO for ATEC Spine





Today, ATEC offers nine different implant systems with NanoTec. Three more systems are expected to be available in the first half of 2025. During 2024, development was focused on adding NanoTec to ATEC's expandable interbody implants, one of the fastest growing segments in spine.

While industry competitors are broadening the scope of their product offerings outside of spine, ATEC remains steadfast in its 100% spine focus. By harnessing its unparalleled spine knowhow, the company is on a mission to revolutionize spine surgery. Research demonstrates that spine surgery is less predictable, less reproducible and less durable than other orthopedic surgery. ATEC views that disparity as a massive opportunity that they can address with innovation.

The US spine market represents 70 percent of the global spine market, with attractive pricing and strong procedural adoption. While its domestic market has historically been ATEC's sole focus, the company has identified growth opportunities outside of the US, specifically in Australia, New Zealand, and Japan. Having secured regulatory clearance and established sales and office support in those geographies, surgeon training is now underway. In December 2024, ATEC completed its first surgery in Japan.

2025 is expected to be an exciting year for ATEC. The company anticipates continued growth leadership, improved profitability and, importantly, an inflection to positive cash flow. Cash flow will open the door for ATEC to self-fund the future growth of the business.



"We are well-positioned to earn market share and drive growth that materially outpaces our market. Promimic will continue to be an important partner in the ATEC growth story."

"The sophisticated procedures and integrated informatics that our team has architected are moving the field of spine forward."

Ali Shorooghi
Sr VP of Marketing at ATEC

Promising results in Compromised Bone

It is well-documented in scientific studies that common diseases such as diabetes, osteoporosis, obesity, and metabolic syndrome can impair the body's ability to heal following implant surgery. Smoking is another factor known to negatively impact implant healing. In research, these are collectively referred to as 'Compromised Bone Situations'—conditions characterized by impaired osseointegration, meaning the bone has greater difficulty growing into and attaching securely to the implant. This impairment increases the risk of complications and implant failure in affected patient groups.

HA^{nano} Surface gives new hope

New study results from both preclinical and clinical studies show that surface modification with HA^{nano} Surface could play a crucial role for these patients. The body's own healing gets a boost, as the surface modification causes the material to mimic the structure of bone tissue, making it easier for

bone-forming cells to attach and grow. In addition to counteracting the effects of impaired healing, it can also stimulate bone formation, reduce inflammation and reduce the risk of bacterial attachment on the implant. Ultimately, this leads to better and safer treatment outcomes, especially in more challenging patient cases such as those mentioned above.

In **diabetes**, HA^{nano} Surface has in preclinical studies reduced the pro-inflammatory cytokines that drive inflammation – which in turn allows implants to heal faster and with greater stability. This can be crucial in, for example, extensive dental implants, but also orthopedic procedures such as ankle replacements where bone healing often leads to problems with traditional implants.

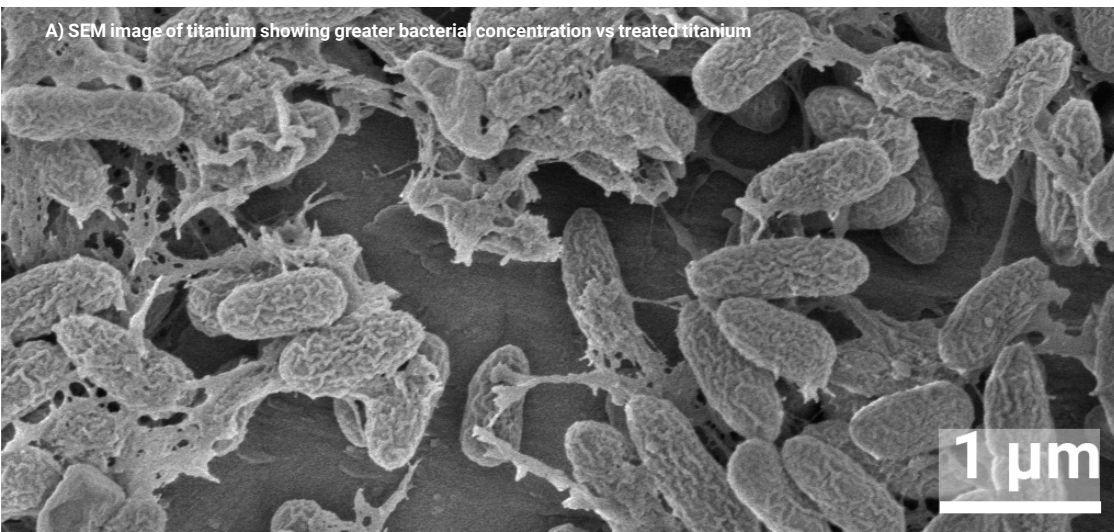
In patients with **obesity and metabolic syndrome**, bone formation is often slow, but preclinical data shows that HA^{nano} Surface maintains the levels of markers for new bone formation. This can make a big difference in, for example, knee replacement surgery, where early stability is crucial for a successful outcome.

Even in **osteoporosis** – where the bone is fragile and more difficult to work with – the results show that HA^{nano} Surface increases the proportion of bone that grows directly against the implant. This provides better conditions, especially in spinal surgery where porous bone quality is particularly complicated.

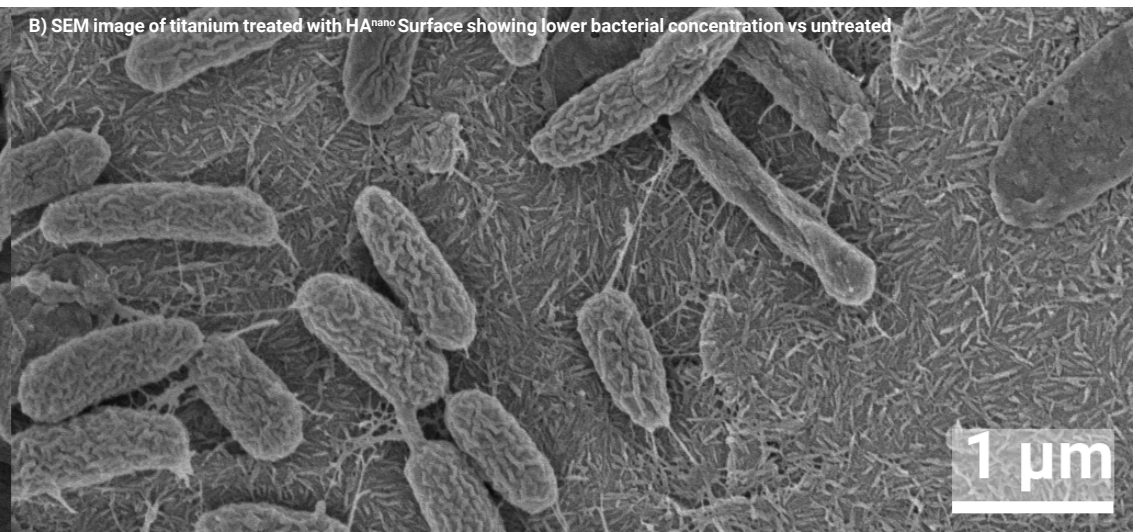
Smokers, who often have poor blood circulation and healing ability, have been shown in studies to have both better implant stability and faster bone healing with HA^{nano} Surface. This also applies to **patients with an increased risk of infection**.

The technology reduces the ability of bacteria to attach to the implant surface – which in turn reduces the risk of biofilm and infection, without affecting the biological formation of the implant. This makes HA^{nano} Surface particularly interesting in, for example, hip revisions in patients with previous prosthesis infections. In summary, these scientific results show that HA^{nano} Surface has the potential to change how we view implant treatment in difficult patient cases, and sets a new standard for future surgery.

A) SEM image of titanium showing greater bacterial concentration vs treated titanium

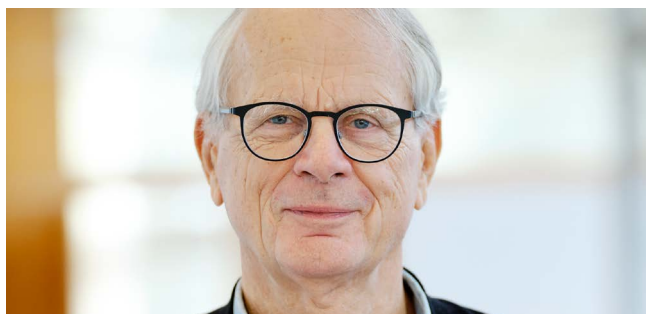


B) SEM image of titanium treated with HA^{nano} Surface showing lower bacterial concentration vs untreated



Board of Directors and Management

Board of Directors



Tommy H. Karlsson

Chairman of the Board since 2018

Born: 1946

Education: M.Sc. in Business Administration, Uppsala University

Background: -

Other assignments: Jurk Group AB

Shares and stock options in Promimic AB: 85 000 shares and 0 stock options

Independence in relation to the company: Yes

Independence in relation to major shareholders: Yes



Pehr Abrahamsson

Board member since 2021

Born: 1967

Education: M.Sc. in Business Administration, Lund University and Executive Program, Harvard Business School

Background: Director, Stryker Medical

Other assignments: -

Shares and stock options in Promimic AB: 1 875 shares and 0 stock options

Independence in relation to the company: Yes

Independence in relation to major shareholders: Yes



Helena Brisby

Board member since 2021

Born: 1965

Education: Medical degree, Linköping University and doctorate in medicine, Gothenburg University

Background: Professor and Chief Physician in Orthopedics at the University of Gothenburg/Sahlgrenska University Hospital

Other assignments: Dynaspine Diagnostics AB, Inventra AB and board member of research foundations: Felix Neubergs Foundation and The International Society for Study of the Lumbar Spine

Shares and stock options in Promimic AB: 1 875 shares and 0 stock options

Independence in relation to the company: Yes

Independence in relation to major shareholders: Yes

Board of Directors



Johan Dighed

Board member since 2021

Born: 1973

Education: B.Sc. in Law, Lund University

Background: Deputy CEO and general counsel at Karolinska Development AB

Other assignments: KDev Investments AB, KDev Invest Consulting AB, KCIF Fund Management, AnaCardio AB, AnaCardio R&D AB, AnaCardio Holding AB, KD Incentive AB, Modus Therapeutics AB

Shares and stock options in Promimic AB: 0 shares and 0 stock options

Independence in relation to the company: Yes

Independence in relation to major shareholders: No



Johan Holmström

Board member since 2024

Born: 1970

Education: Civilekonom, Handelshögskolan, Göteborgs Universitet

Background: Chief Commercial Officer (CCO), XVIVO Perfusion AB (publ)

Other assignments: -

Shares and stock options in Promimic AB (publ): 0 shares and 0 options

Independence in relation to the company: Yes

Independence in relation to major shareholders: Yes



Håkan Krook

Board member since 2017

Born: 1966

Education: Bachelor of Economics, Karlstad University

Background: Investment Director Chalmers Venture AB, General Partner Chalmers Innovation Seed Fund AB, CEO Chalmers Innovation Affiliate Fund AB

Other assignments: Aluwave AB, Winningtemp AB, Halon Security AB, Northfork AB, SigmaStocks AB, SigmaStocks Neo AB, Illoomina AB, Adsorbi AB, Uniseed AB, WT Manco AB

Shares and stock options in Promimic AB: 0 shares and 0 stock options

Independence in relation to the company: Yes

Independence in relation to major shareholders: Yes

Management



Magnus Larsson

CEO since 2017

Born: 1963

Education: B.Sc. in business administration, University of Lund

Background: Magnus Larsson has extensive experience from leading positions in pharmaceuticals and medical technology in both small and large organizations, e.g. Johnson & Johnson Pharma and Nobel Biocare. Before Magnus joined Promimic, he was Director of Global Market Development at DentsplySirona Implants.

Shares in Promimic AB: 119 701 shares (privately and related parties)

Stock options in Promimic AB: 5 000 stock options



Ulf Brogren

CCO since 2019, joined 2008

Born: 1973

Education: B.Sc. University of Gothenburg, and journalist

Background: Ulf Brogren has for almost fifteen years held various leading positions within Promimic AB, such as CEO and board member. Prior to that, Ulf was Marketing Director and Investment Manager at Chalmers Innovation and worked with advice and board work in roughly 10 start-up companies.

Shares in Promimic AB: 14 246 shares

Stock options in Promimic AB: 9 000 stock options



Heidi Bader

CFO since 2023

Born: 1981

Education: M.Sc. in Management and B.Sc. in Accounting from the School of Economics at the University of Gothenburg

Background: Heidi Bader has most recently worked as CFO for FlexQube AB and has many years of experience in leading finance positions in the transport industry. She also has experience as Operations Manager in the consultant and recruitment industry.

Shares in Promimic AB: 3 369 shares (privately and related parties)

Stock options in Promimic AB: 5 000 stock options



Per Kjellin

CTO since 2006

Born: 1972

Education: Doctoral degree in Materials Science and Surface Chemistry, Chalmers University of Technology

Background: Per Kjellin is one of the company's founders and has a PhD in Materials and Surface Chemistry from Chalmers, with a focus on nanomaterials. Per has published a number of articles in the field from his research. He is behind all granted and applied patents for the company.

Shares in Promimic AB: 480 192 shares (privately and through company)

Stock options in Promimic AB: 1 000 stock options



Chris Whitfield

President Promimic Inc since 2021, joined 2019

Born: 1967

Education: B.Sc. in Business Administration

Background: Chris Whitfield has solid experience in the medical technology industry and has had leading roles such as CCO for Ametica and Sales and Marketing Director for Pioneer Surgical.

Shares in Promimic AB: 16 730 shares (privately and through company)

Stock options in Promimic AB: 0 stock options

Report of the Board of Director's

The board and managing director of Promimic AB (publ), 556657-7754, hereby submit the annual report for the financial year 2024.

The annual report is prepared in Swedish kronor, SEK, and is mainly presented in thousands

Operations

Promimic AB (publ) is a biomaterials company that manufactures, markets and sells solutions for improved osseointegration to leading companies in the markets for orthopedic and dental implants. The company's main product is HA^{nano} Surface, which means that the surface of the implants mimics the bone, which facilitates the healing process and improves the anchoring of the implants in the bone. The

largest market is the United States. Other important markets are Brazil and Europe.

Promimic AB (publ) is based in Västra Götaland, Mölndal, with offices in GoCo Health Innovation City.

Organizational structure

Promimic group consists of the parent company Promimic AB, a wholly owned subsidiary, Promimic U.S. Inc., USA and 60 percent of Nano Processing Inc (NPI), USA. Promimic AB is the head office and owns all intellectual property rights. Promimic U.S. Inc is a sales company for the American market. NPI is a company that processes implants for the American market.

Multi-year overview

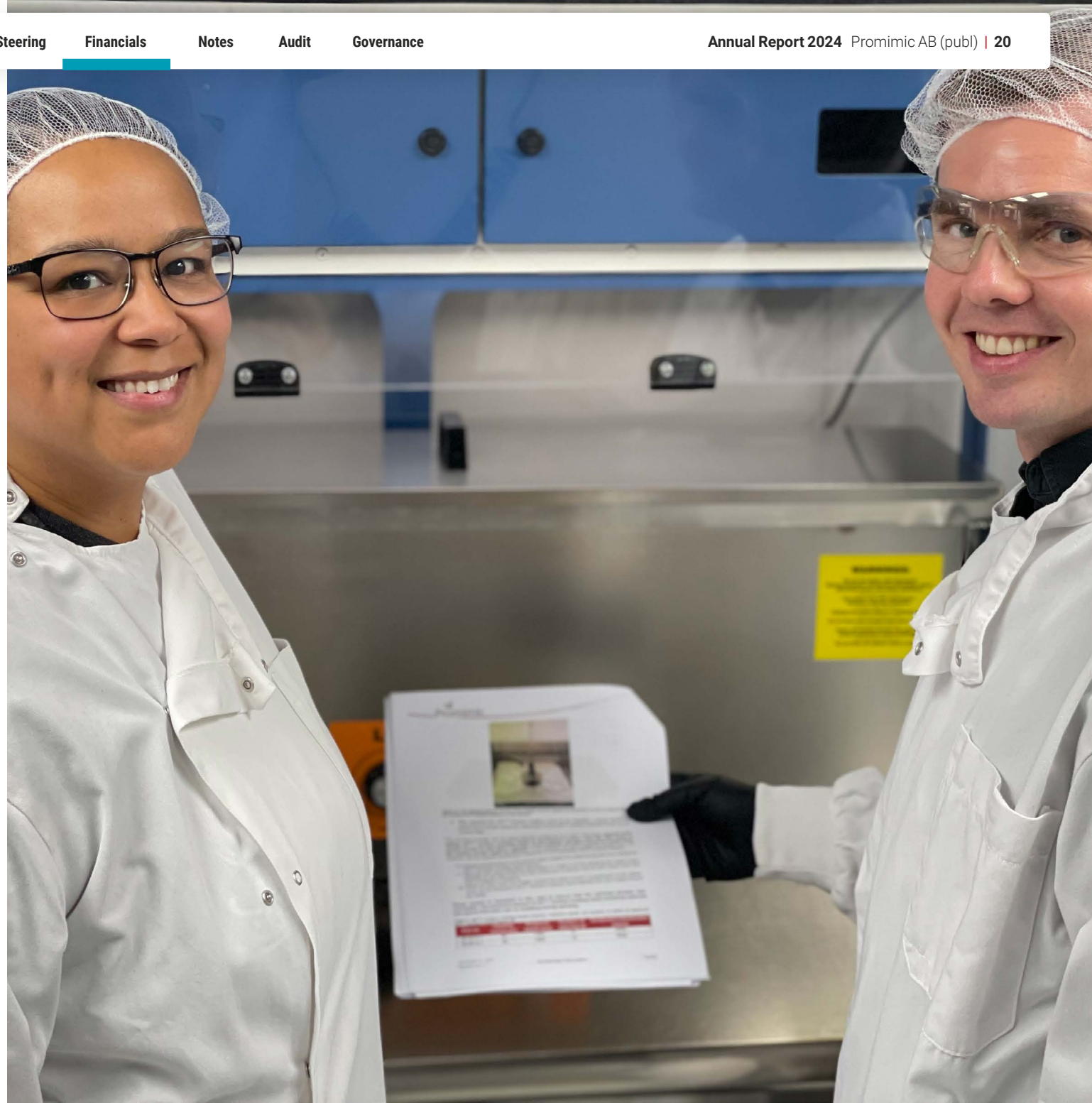
TSEK	Group				Parent Company				
	2024	2023	2022	2021	2024	2023	2022	2021	2020
Net sales	43 976	37 070	16 214	8 067	32 924	24 020	13 464	8 067	5 572
Profit/loss before tax	-7 112	-7 819	-15 388	-15 050	-11 962	-12 578	-16 918	-15 266	-13 706
Total assets	88 067	92 875	92 774	32 163	92 575	101 360	104 394	31 544	44 548
Return on equity	neg	neg	neg	neg	neg	neg	neg	neg	neg
Operating margin	neg	neg	neg	neg	neg	neg	neg	neg	neg
Equity ratio**) (%)	79	83	88	70	81	85	89	70	84
Cashflow**) (%)	320	398	607	202	275	373	590	197	579

*) For definitions see Note 1.



Significant events in 2024

- On March 8, the company's founder sells part of his shareholding in Promimic AB (publ) to repay a loan.
- On April 26, the company's Annual Report for 2023 was published.
- On May 22, the company presents a record number of approvals for Promimic's customers in Q1 2024.
- On May 22, the company's Annual General Meeting was held at GoCo Health Innovation City.
- On August 22, the company presents a new sales record and a new license agreement in Q2 2024.
- On September 5, Fåhrens Startup and Growth Fund increases its ownership in Promimic.
- On October 11, Promimic redeemed the option program 2021-T03.
- On October 15, the Nomination Committee for the 2025 Annual General Meeting was appointed by the following persons: Lars Kristensson, (appointed by K-Svets Venture AB), Linda Spahiu Elvesjö (appointed by Kdev Investments AB), Louise Brudö (appointed by Chalmers Ventures AB), Tom Young (appointed by Riepen LLC), Jonas Eixmann, (appointed by Andra AP-fonden).
- On November 21, the company presented growth and ten new approvals during Q3 2024.



Quality Management System

Promimic AB (publ) conducts quality work in accordance with ISO 13485:2016.

Risk and uncertainties

The board regularly assesses which risks the company has and which measures are required to reduce them. For a complete account of all the company's risks, refer to the company's published prospectus as of April 2022. The main risks related to Promimic's operations and industry include, among other things:

Business, operational and industry-specific risks

Dependence on qualified personnel

The company has a small organization and its success is largely dependent on the competence and experience that the company management and other key personnel possess.

The company's ability to continue developing its operations is dependent on the key personnel's knowledge within the company's field of operations. In the event that Promimic is unable to retain qualified personnel, the company's operations may be negatively affected by reduced development capacity, sales capacity, and competitiveness.

Ability to manage growth

Promimic is in an intensive phase regarding development projects with customers, regulatory processes that the company's customers have together with Promimic, as well as regarding commercialization of the company's products. The

company has had a strong growth in the number of development projects in recent years. During 2024, the company expects to handle around 20 development projects.

In addition, the company is facing an expansion phase in the USA, which requires the company to allocate significant resources from the company's management and operations. In line with a growing business, the business needs to expand through increased staffing and the implementation of effective planning and management processes.

This requires sufficient financial room for maneuver to manage the company's intended growth and carry out its expansion phase.

Dependence on large customers

In the relatively early commercialization phase that the company is in, the company is dependent on a few customers. Should any of these companies cancel the collaboration, it would have a negative effect on the company's sales.

Financial risks

The company has a negative cash flow. The new share issue of 80 MSEK, before issue costs, that was done in April 2022, in connection with the listing on the Nasdaq First North Growth Market, is expected by management and the Board of Directors to be sufficient for the implementation of the company's business plan up until positive cash flow.

Currency risk

Promimic's income is mainly in US dollars and to some extent in Brazilian reals and in Euros. The costs are mainly in SEK and partly in USD. The company has therefore a net currency risk

exposure mainly in USD. The company can secure net flows in USD of up to 12 months with between 50-75 percent.

Legal and regulatory risks

Registration and regulatory requirements

Every implant marketed by Promimic's customers needs to be approved by the relevant regulatory authorities. If Promimic's customers fail to successfully put their applications through the review processes by for example, the FDA or EMA, it would impair the company's future earning capacity and thus the company's financial position.

Economic development in brief during the financial year

Group

Revenue

Net sales amounted to 43,976 TSEK (37,070), an increase of 19 percent compared to the previous year. Income from the sale of processing of customers' implants is included in NPI with 13,866 TSEK (13,504) which is why the comparable increase, excluding NPI, was 28 percent. Net sales include royalty and license income of 19,714 TSEK (14,871).

Total revenue amounted to 49,360 TSEK (40,129) which was an increase of 23 percent, excluding NPI the increase was 33 percent. Balanced development costs of 4,932 TSEK (2,141) relate to the development of a new product for integration into soft tissue, a new product with a ceramic surface and studies

regarding the infection prevention effect. Also included in other operating income are both realized and unrealized currency gains amounting to 451 TSEK (918).

Earnings

Operating income amounted to -8,324 TSEK (-9,118). Other external costs increased with 3,361 TSEK which is mostly related to higher costs for the premises, increased travel, purchased consultant fees for business development and personnel. Other operating expenses amounted to -942 TSEK (-860).

Financial income included interest income of 892 TSEK (1,392) where realized and unrealized exchange rate gains amounted to -67 TSEK (156). Financial costs amounted to 320 TSEK (-92).

Cashflow and financial position

The cash flow from current operations amounted to -10,363 TSEK (-3,750).

The cash flow from investment activities amounted to a total of -9,991 TSEK (-9,365) of which investment in development projects amounted to -4,933 TSEK (-2,141), patent -1,717 TSEK (-1,436) and lab equipment for the new premises at GoCoand NPI -3,341 TSEK (-5,788).

Cash flow from financing activities was 5,184 TSEK (4,935).

The group's cash and cash equivalents at the end of the period amounted to 35,765 TSEK (50,323).

Parent Company

Revenue and earnings

Total operating income amounted to 38,307 TSEK (27,109), an increase of 41 percent. Operating profit amounted to -12,934 TSEK (-13,838).

Cash

Cash and cash equivalents at the end of the period amounted to 27,360 TSEK(45,397).

The share and owners

Promimic's share has been listed on Nasdaq First North Growth Market since April 29, 2022 under the ticker PRO.

The share capital amounts to SEK 1,889,232.60 for a total of 18,892,326 shares with a quota value of 0.1 SEK.

The shares are registered with Euroclear Sweden AB.

Shareholders	Shares*	Share (%)
K-Svets Venture AB	7,218,840	38.21 %
Kdev Investments AB	2,323,920	12.30%
Chalmers Ventures AB	1,238,510	6.56%
Avanza Pension	1,247,663	6.60%
Andra AP-fonden	1,084,690	5.74 %
Riepen LLC	1,035,836	5.48 %
FSG Fund II AB	887,678	4.70 %
Swedbank Robur Ny Teknik	624,000	3.30 %
Per Kjellin och genom bolag	480,102	2.54 %
Martin Andersson	374,430	1.98 %
Karolinska Development AB	312,500	1.65 %
Marinvest Holding AB	312,500	1.65 %
Others 905 st	1,751,657	9.27 %
TOTAL	18,892,326	100.00%

*) Source: Euroclear December 31, 2024

Adviser

Carnegie Investment Bank AB is the company's Certified Adviser.

Important information about Nasdaq First North

Nasdaq First North Growth Market is an alternative trading platform operated by an organization within the NASDAQ Stockholm Group. Companies on the Nasdaq First North Growth Market are not subject to the same rules as companies on the regulated main market. Instead, they follow a less comprehensive set of rules and regulations tailored to small growth companies. The risk of investing in a company on the Nasdaq First North Growth Market may therefore be higher than investing in a company on the main market. All companies with shares that are sold and bought on the Nasdaq First North Growth Market have a certified advisor who checks that the rules are followed. Nasdaq First North Growth Market approves a company's application for a trading license.

Option program

Currently, the company has one option program of 36,250 options from 2024, that expire in 2027.

2024-T04

At the extraordinary general meeting on May 22, 2024 At the extraordinary general meeting on it was decided to issue 57,500 warrants with the right for employees of the company to subscribe. The options have a term of three years and the exercise price is 64 SEK.

Data per aktie

	2024	2023
Average number of shares before dilution	18,774,826	18,481,076
Average number of shares after dilution	18,910,451	18,892,326
Number of shares before dilution at year-end	18,892,326	18,657,326
Number of shares after dilution at year-end	18,928,576	18,892,326
Equity per share before dilution	3.70	4.13
Equity per share after dilution	3.69	4.07
Earnings per share before and after dilution	-0.67	-0.50

Future dividends

Future dividends are dependent on a number of factors. Promimic is a growth company where generated profits are planned to be set aside for the development of the business. No share dividend is therefore planned for the coming years.

Proposed distribution of profits

The following funds in the Parent Company (TSEK) are at the disposal of the Annual General Meeting: -141,565,866

Share premium reserve 218,261,723

Profit/loss for the year -15,961,712

60,734,146

The Board of Director's proposes

the following amount to be carried forward 60,734,146

60,734,146

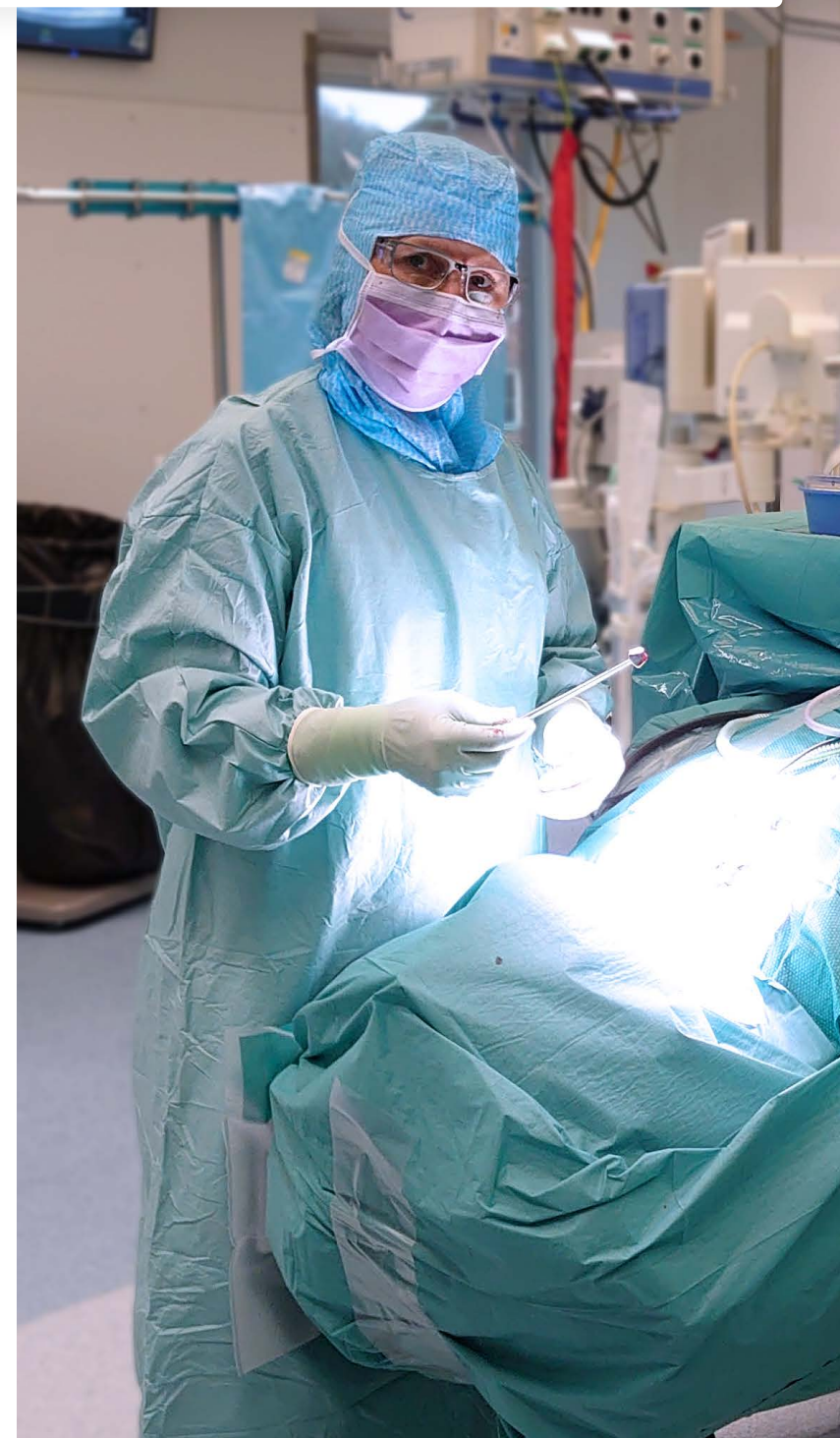
Regarding the company's results and position in general, reference is made to the subsequent profit and loss statements and accompanying notes.

Balance sheet and income statement will be determined at the ordinary general meeting on May 22, 2024.

Financial Reports

Income Statement | Group

TSEK	2024 Jan-Dec	2023 Jan-Dec
Revenue		
Net sales	43 976	37 070
Own development	4 932	2 141
Other income	2 451	918
Total revenue	49 360	40 129
Operational expenses		
Cost of goods	-923	-696
Other external expenses	-23 015	-19 655
Personnel expenses	3 -27 725	-23 919
Depreciation of tangible and intangible assets	-5 079	-4 118
Other external expenses	-942	-860
Total operating costs	-57 684	-49 247
Operating income (EBIT)	-8 324	-9 118
Financial items		
Financial income and similar items	892	1 392
Interest expenses and similar items	320	-92
Total financial items	1 212	1 300
Profit/loss before tax	-7 112	-7 818
Income taxes	-5 438	-1 404
Income for the period	-12 550	-9 222



Balance Sheet | Group

TSEK	12/31/2024	12/31/2023	TSEK	12/31/2024	12/31/2023		
ASSETS			EQUITY AND LIABILITIES				
Fixed assets			EQUITY				
Intangible fixed assets			Capital stock	1 889	1 866		
Capitalized development expenses	4	11 202	7 407	204 434	199 522		
Patent	5	5 088	4 748	-136 409	-124 669		
Goodwill	6	2 314	3 210				
Total intangible fixed assets		18 604	15 365				
Tangible fixed assets			Current liabilities				
Machinery and other technical facilities	7	6 301	6 353	4 717	4 483		
Equipment and installations	8	4 309	2 585	0	0		
Total tangible fixed assets		10 610	8 938	774	667		
Financial assets			Other current liabilities	275	640		
Deferred tax claim	9	0	4 000	Accrued expenses and deferred income	11	12 387	10 366
Total financial assets		0	4 000	Total current liabilities		18 153	16 156
Total fixed assets		29 214	28 303	TOTAL EQUITY AND LIABILITIES		88 067	92 875
Current assets							
Inventory							
Raw materials and consumables		778	330				
Total inventory		778	330				
Current receivables							
Accounts receivables		14 797	7 557				
Other receivables		675	974				
Tax claim		521	365				
Prepaid expenses and accrued income		6 317	5 022				
Total current receivables		22 310	13 919				
Total cash and cash equivalents	10	35 765	50 323				
Total current assets		58 853	64 572				
TOTAL ASSETS		88 067	92 875				

Changes in Equity | Group

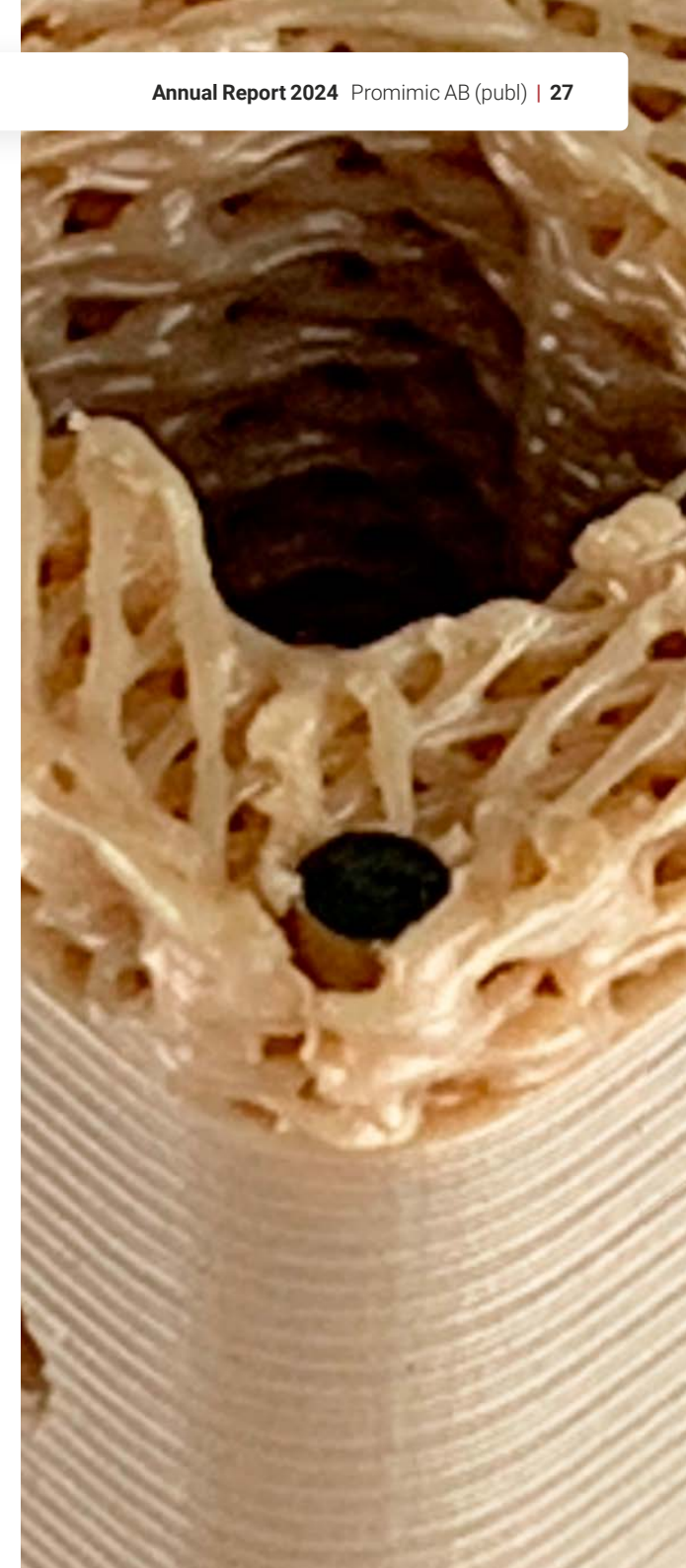
TSEK	Share capital	Other paid-up capital	Reserves	Profit carried forward	Profit/Loss	Total equity
Opening balance January 1 2023	1 842	194 611	240	-99 488	-15 887	81 318
Transfer of previous year's results				-15 887	15 887	0
Premium Warrants	24	4 912				4 935
Change in exchange rate			-312			-312
Profit/loss for the period					-9 222	-9 222
Closing balance December 31 2023	1 866	199 523	-72	-115 375	-9 222	76 719
Opening balance January 1 2024	1 866	199 523	-72	-115 375	-9 222	76 719
Transfer of previous year's results				-9 222	9 222	0
Premium Warrants	24	4 912		249		5 184
Exchange rate differences			560			560
Profit/loss for the period					-12 550	-12 550
Closing balance December 31 2024	1 889	204 434	488	-124 348	-12 550	69 914

Cash flow Statement | Group

TSEK	Not	2023 jan-dec	2022 jan-dec
Operating activities			
Operating income before financial items (EBIT)		-8 324	-9 118
Adjustment for items not included in cash flow	12	5 854	4 118
Interest paid/received		928	1 300
Income tax paid		-1 404	-936
Cash flow from operating activities before changes in working capital		-2 946	-4 637
Changes in working capital			
Changes in inventories		-448	-147
Changes in operating receivables		-8 966	-3 465
Changes in operating liabilities		1 997	4 499
Cash flow from operating activities		-10 363	-3 750
Investment activities			
Investment of intangible fixed assets		-6 650	-3 577
Investment of tangible fixed assets		-3 341	-5 788
Cash flow from investments activities		-9 991	-9 365
Financing activities			
Warrant program		5 184	4 935
Cash flow from financing activities		5 184	4 935
CASH FLOW FOR THE PERIOD		-15 170	-8 180
Cash and cash equivalents at the beginning of the period		50 323	58 800
Exchange difference in cash and cash equivalents		612	-297
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		35 765	50 323

Income Statement | Parent Company

TSEK	2024 Jan-Dec	2023 Jan-Dec
Revenue		
Net sales	32 924	24 020
Own development	4 932	2 141
Other income	2 451	948
Total revenue	38 307	27 109
Operational expenses		
Cost of goods	-923	-761
Other external expenses	-23 659	-17 565
Personnel expenses	3 -21 562	-18 619
Depreciation of tangible and intangible assets	-4 156	-3 207
Other external expenses	-942	-796
Total operating costs	-51 241	-40 947
Operating income (EBIT)	-12 934	-13 838
Financial items		
Financial income and similar items	652	1 352
Interest expenses and similar items	320	-92
Total financial items	972	1 260
Profit/loss before tax	-11 962	-12 578
Income taxes	-4 000	0
Income for the period	-15 962	-12 578



Balance Sheet | Parent Company

TSEK	Not	12/31/2024	12/31/2023
ASSETS			
Fixed assets			
Intangible fixed assets			
Capitalized development expenses	4	11 202	7 407
Patent	5	5 088	4 748
Total intangible fixed assets		16 293	12 155
Tangible fixed assets			
Machinery and other technical facilities	7	5 966	6 075
Equipment and installations	8	3 378	2 356
Total tangible fixed assets		9 344	8 431
Financial assets			
Shares in Group companies	13	18 606	18 606
Deferred tax claim	9	0	4 000
Total financial assets		18 606	22 606
Total fixed assets		44 243	43 192
Current assets			
Inventory			
Raw materials and consumables		778	330
Total inventory		778	330
Current receivables			
Accounts receivables		12 591	6 073
Receivables group companies		275	251
Other receivables		642	944
Tax claim		521	365
Prepaid expenses and accrued income		6 165	4 808
Total current receivables		20 194	12 441
Total cash and cash equivalents	10	27 360	45 397
Total current assets		48 332	58 167
TOTAL ASSETS		92 575	101 360

TSEK	12/31/2024	12/31/2023
EQUITY AND LIABILITIES		
EQUITY		
Tied-up equity		
Share capital	1 889	1 866
Fund for development work	12 438	7 039
Total tied-up equity	14 327	8 905
Total non-restricted equity		
Other contributed capital	218 262	213 350
Other equity including profit for the period	-157 528	-136 416
	60 734	76 934
Total equity	75 062	85 839
Current liabilities		
Accounts payable	4 372	4 498
Other current liabilities	724	640
Accrued expenses and deferred income	11 12 417	10 382
Total current liabilities	17 513	15 521
TOTAL EQUITY AND LIABILITIES	92 575	101 360

Changes in Equity | Parent Company

TSEK	Share capital	Fund for development work	Share premium reserve	Profit carried forward	Profit/Loss	Total equity
Opening balance January 1 2022	1 842	4 479	208 439	-104 361	-16 918	93 480
Transfer of previous year's results				-16 918	16 918	0
Net change development fund		2 561		-2 561		0
Premium Warrants	24		4 912			4 935
Profit/loss for the period					-12 578	-12 578
Closing balance December 31 2022	1 866	7 040	213 350	-123 840	-12 578	85 838
Opening balance January 1 2023	1 866	7 040	213 350	-123 840	-12 578	85 838
Transfer of previous year's results				-12 578	12 578	0
Net change development fund		5 399		-5 399		0
Premium Warrants	24		4 912	249		5 184
Profit/loss for the period					-15 962	-15 962
Closing balance December 31 2023	1 889	12 439	218 262	-141 566	-15 962	75 062

Cash flow Statement | Parent Company

TSEK	Not	2023 jan-dec	2022 jan-dec
Operating activities			
Operating income before financial items (EBIT)		-12 934	-13 838
Adjustment for items not included in cash flow	12	4 931	3 207
Interest paid/received, etc		710	1 232
Cash flow from operating activities before changes in working capital		-7 294	-9 399
Changes in working capital			
Changes in inventories		-447	-147
Changes in operating receivables		-8 367	-2 634
Changes in operating liabilities		1 992	4 607
Cash flow from operating activities		-14 116	-7 573
Investment activities			
Investment of intangible fixed assets		-6 650	-3 577
Investment of tangible fixed assets		-2 553	-5 459
Cash flow from investment activities		-9 203	-9 036
Financing activities			
Warrant program		5 184	4 935
Cash flow from financing activities		5 184	4 935
CASH FLOW FOR THE PERIOD		-18 135	-11 674
Cash and cash equivalents at the beginning of the period		45 397	57 175
Exchange difference in cash and cash equivalents		98	-104
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		27 360	45 397

Notes

Note 1

Accounting principles

The current financial information has been prepared in accordance with the Annual Accounts Act (1995:1554) and the Swedish Accounting Board's BFNAR 2012:1 Annual Report and Consolidated Financial Statements (K3).

Since July 2022, Nano Processing Inc is included, which is considered a joint Venture and is consolidated using the proportionate consolidation method. The principles have not changed compared to previous year.

Assets, provisions and liabilities have been valued at acquisition value unless otherwise stated below.

Intangible assets

Costs for research and development

Expenditure on research, ie. planned and systematic research with the aim of obtaining new scientific or technical knowledge and insight, are reported as costs when they arise.

When accounting for expenses for the development of research results or other knowledge, the cost accounting model is applied, which means that all expenses are booked when they arise.

When reporting expenditure for development the activation model is applied. This means that expenses incurred during the development phase are capitalized when all the conditions below are met:

- It is technically possible to complete the intangible asset so that it can be used or sold.

- The intention is to complete the intangible asset and to use or sell it.
- Conditions exist for using or selling the intangible fixed asset.
- It is likely that the intangible fixed asset will generate future financial benefits.
- There are necessary and adequate technical, financial and other resources to complete the development and to use or sell the intangible assets.
- The expenses attributable to the intangible fixed asset can be calculated reliably.

The acquisition value of an internally generated intangible fixed asset consists of all directly attributable expenses (e.g. materials and salaries).

Depreciation

Depreciation takes place on a linear basis over the asset's estimated useful life. It is ensured that the economic life span exceeds or at least amounts to 10 years. Depreciation is reported as an expense in the income statement.

	Years
<i>Internally generated intangible fixed assets</i>	
Balanced expenditure for development work	10
<i>Acquired intangible assets</i>	
Patents	10

Tangible fixed assets

Tangible fixed assets are reported at acquisition value less accumulated depreciation and any write-downs.

Depreciation

Assets are depreciated on a linear basis over the asset's estimated useful life as it reflects the expected consumption of the asset's future economic benefits. Depreciation is reported as an expense in the income statement.

	Years
Machinery and other technical facilities	5-10
Equipment and installations	3-10

Write-downs – tangible and intangible fixed assets and shares in group companies

At each balance sheet date, it is assessed whether there is any indication that an asset's value is lower than its reported value.

Leasing

All leasing agreements are reported as operational leasing (lease agreements), regardless of whether the agreements are financial or operational. The leasing fee is recognized as a cost linearly over the leasing period.

Foreign currency

Items in foreign currency

Monetary receivables and liabilities in foreign currency have been recalculated at the exchange rate on the balance sheet date.

Note 1 cont'd

Exchange rate differences that arise when settling or recalculating monetary items are reported in the income statement in the accounting year in which they arise, either as an operating item or as a financial item based on the underlying business event.

The company is affected by changes in exchange rates, mainly in relation to the USD and to some extent in relation to the Brazilian real. The company can hedge up to 80 percent of exposed net flows in USD.

Recalculation of foreign operations

Assets and liabilities are converted to the accounting currency at the exchange rate on the balance sheet date. Income and expenses are converted to the average exchange rate. Exchange rate differences that arise during the conversion are reported directly against equity.

Inventory

The inventory is valued at the lower of acquisition value, calculated according to first-in-first-out, and net sales value. In doing so, obsolescence risk has been taken into account. In addition to purchase expenses, the acquisition value also includes expenses for bringing the goods to their current location and condition.

Financial assets and liabilities

Financial assets and liabilities are reported in accordance with chapter 11 of BFNAR 2012:1. Instruments are valued based on acquisition value.

Accounting in and removal from the balance sheet

A financial asset or financial liability is included in the balance sheet when the company becomes a party to the contractual

terms of the instrument. A financial asset is removed from the balance sheet when the contractual right to the cash flow from the asset ends or is settled. The same applies when the risks and benefits associated with the holding have essentially been transferred to another party and the company no longer has control over the financial asset. A financial liability is removed from the balance sheet when the contractual obligation has been fulfilled or terminated.

Valuation of financial assets

Financial assets are valued at acquisition value at the time of first accounting.

Accounts receivable and other receivables that constitute current assets are valued individually at the amount that is estimated to be affected.

Financial fixed assets are valued after the first accounting period at acquisition value with deductions for possible write-downs and with additions for possible revaluations.

Valuation of financial liabilities

Accounts payable and other non-interest-bearing liabilities are valued at accrued cost.

Compensation to employees**Benefits to employees after termination of employment**

In the company, there are exclusively pension plans that are managed as defined contribution plans. There are no other significant agreements that involve compensation after termination of employment other than what falls within the framework of union agreements or common practice for senior executives.

Tax

Tax on the year's profit in the income statement consists of

current tax and deferred tax.

The deferred tax asset is valued at a maximum of the amount that is likely to be recovered based on current and future taxable results. The valuation is reassessed every balance day.

Contingent liabilities

A contingent liability is:

- A possible obligation as a result of occurring events and whose existence will only be confirmed by one or more uncertain future events, which are not entirely within the company's control, occur or fail to occur, or
- An existing obligation as a result of events that have occurred, but which is not recognized as a liability or provision because it is not likely that an outflow of resources will be required to settle the obligation or the size of the obligation cannot be calculated with sufficient reliability.

Contingent liabilities is a summary term for such guarantees, financial commitments and possible obligations that are not included in the balance sheet.

Revenue

The inflow of financial benefits that the company has received or will receive for its own account is reported as income. Revenue is valued at the fair value of what has been received or will be received, less discounts.

Sale of goods

Sale of goods is recognized when the company has transferred to the buyer the essential risks and benefits associated with ownership, normally when the customer has an item in his possession.

Revenues from the sale of goods that do not have any significant service obligations are reported upon delivery.

Note 1, cont'd**Interest and royalty**

Income is recognized when the financial benefits associated with the transaction are likely to accrue to the company and when the income can be calculated reliably.

Royalty is accrued in accordance with the financial meaning of the agreement.

Contribution

A public grant that is not associated with requirements for future performance is reported when the conditions for receiving the grant have been met. A public grant that is linked to requirements for future performance is recognized as revenue when the performance is performed. If the contribution has been received before the conditions for reporting it as income have been met, the contribution is reported as a liability.

Consolidation**Subsidiary**

Subsidiaries are companies in which the parent company directly or indirectly holds more than 50 percent of the voting rights or otherwise has a controlling influence. Determining influence means a right to shape a company's financial and operational strategies in order to obtain financial benefits.

Promimic holds 60 percent of the shares in Nano Processing Inc., which is consolidated in accordance with the proportionate consolidation method as it is a Joint Venture.

Accounting principles in the parent company

The accounting principles in the parent company are consistent with the above stated accounting principles in the consolidated accounts.

Cashflow analysis

The cash flow analysis has been prepared according to the indirect method.

Definitions

Solidity: Adjusted equity as a percentage of total assets

Cash liquidity: Current assets excluding inventory as a percentage of current liabilities

Average number of shares: Number of shares at the end of each quarter divided by the number of quarters (five)

Note 2**Other income**

Other operating income split by type of income	Group/Parent company	
	2024	2023
Grants received	0	0
Exchange rate gains	451	918
Total operating income	451	918

Other operating income split by type of income	Group/Parent company	
	2024	2023
Grants received	0	0
Exchange rate gains	451	948
Total operating income	451	948

Note 3**Personnel**

The average number of employees is based on hours paid by the company in relation to normal working hours.

Average number of employees	Number		Of whom men, percent	
	2024	2023	2024	2023
Parent company	17	15	47	53
Subsidiaries	2	1,7	100	100
Total average number of employees	19	16,7		

Gender distribution in Board and Management	Number		Of whom men, percent	
	2024	2023	2024	2023
Parent company	10	10	80	80
Subsidiaries	1	1	100	100

TSEK Total salaries, remuneration and social securities	Salaries and remuneration, etc		Social security contributions	
	2024	2023	2024	2023
Parent company	-14 428	-12 590	-4 473	-3 551
(of which pension costs)	(-1 571)	(-1 377)	(-334)	(-334)
Subsidiaries	-5 892	-5 333	-304	-275
(of which pension costs)	(-158)	(-143)	-	-
Board	-1 250	-1 225	-290	-284
Total salaries, remuneration and social securities	-21 570	-19 148	-5 067	-4 110

Note 4

Expenditures brought forward for development work

	Group/Parent company	
	12/31/2024	12/31/2023
Opening cost	14 496	12 355
Cost for the year	4 932	2 141
Outgoing acquisition value	19 428	14 496
Opening depreciation	-7 089	-5 941
Depreciations in the year	-1 137	-1 148
Outgoing depreciations	-8 226	-7 089
Outgoing balance	11 202	7 407

Note 5

Patents

	Group/Parent company	
	12/31/2024	12/31/2023
Opening cost	12 060	10 624
Cost for the year	1 718	1 436
Outgoing acquisition value	13 778	12 060
Opening depreciation	-7 312	-6 106
Depreciations in the year	-1 378	-1 206
Outgoing depreciations	-8 690	-7 312
Outgoing balance	5 088	4 748

Note 6

Goodwill

	Group	
	12/31/2024	12/31/2023
Opening acquisition value	4 479	4 479
Acquisitions in the year	0	0
Outgoing acquisition value	4 479	4 479
Opening depreciation	-1 269	-373
Depreciations in the year	-896	-896
Outgoing depreciations	-2 165	-1 269
Outgoing balance	2 314	3 210

Note 7

Machinery and other technical facilities

	Group	
	12/31/2024	12/31/2023
Opening acquisition value	7 810	4 586
Acquired machinery		
Purchases	1 279	3 224
Outgoing acquisition value	9 089	7 810
Opening depreciation	-1 458	-641
Depreciations in the year	-1 329	-817
Outgoing depreciations	-2 786	-1 458
Outgoing balance	6 301	6 353

	Parent company	
	12/31/2024	12/31/2023
Opening acquisition value	7 517	4 296
Purchases	1 202	3 221
Outgoing acquisition value	8 719	7 517
Opening depreciation	-1 444	-639
Depreciations in the year	-1 310	-805
Outgoing depreciations	-2 754	-1 444
Outgoing balance	5 966	6 075

Note 8

Equipment and installations

	Group	
	12/31/2024	12/31/2023
Opening acquisition value	2 801	237
Acquired equipment and installations		
Purchases	2 062	2 564
Outgoing acquisition value	4 862	2 801
Opening depreciation	-215	-196
depreciation in the year	-338	-19
Outgoing depreciation	-553	-215
Outgoing balance	4 309	2 585

	Parent company	
	12/31/2024	12/31/2023
Opening acquisition value	2 415	177
Purchases	1 352	2 238
Outgoing acquisition value	3 766	2 415
Opening depreciation	-59	-148
Scrapping	0	104
depreciation in the year	-331	-15
Outgoing depreciation	-390	-59
Outgoing balance	3 378	2 356

Note 9

Deferred tax

	Group/Parent company	
	12/31/2024	12/31/2023
Opening deferred tax claim	4 000	4 000
Reversal of loss carry forwards	-4 000	0
Outgoing deferred tax asset	0	4 000

Note 10

Cash and cash equivalents

	Group	
	12/31/2024	12/31/2023
Available cash bank accounts	35 765	50 323
Locked funds	0	0
Total	35 765	50 323

	Parent company	
	12/31/2024	12/31/2023
Available cash bank accounts	27 360	45 397
Locked funds	0	0
Total	27 360	45 397

Note 11

Accrued costs and prepaid income

	Group	
	12/31/2024	12/31/2023
Prepaid income	7 386	4 267
Salaries and social security contributions	3 895	3 677
Other accrued costs	1 106	2 422
Total	12 387	10 366

	Parent company	
	12/31/2024	12/31/2023
Prepaid income	7 386	4 267
Salaries and social security contributions	3 895	3 157
Other accrued costs	1 136	2 958
Total	12 417	10 382

Note

Adjustments for non cash items

	Group	
	2024	2023
Depreciations according to income statement	5 079	4 118
Unrealized currency effects	775	
Total	5 854	4 118

	Parent company	
	2024	2023
Depreciations	4 156	3 207
Unrealized currency effects	775	
Total	4 931	3 207

Note 13

Shares in group companies

Group companies	CIN	Registered office	Share/Percent
Promimic U.S. Incorporated	35-2569829	Delaware, USA	100
Nano Processing Inc	88-3098397	Indiana, USA	60

TSEK

Book value per December 31, 2024	18 606
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Note 14

Significant events after the end of the financial year

On February 17, the company announced new results showing that coating implants with HA^{nano} Surface reduces the presence of bacteria.

On March 3, the CEO sells 15% of his total shareholding to free up private capital.

Signatures

Möndal April 9, 2025

Tommy H. Karlsson
Chairman of the Board

Helena Brisby
Member of the Board

Johan Holmström
Member of the Board

Pehr Abrahamsson
Member of the Board

Johan Dighed
Member of the Board

Håkan Krook
Member of the Board

Magnus Larsson
CEO

Our audit report was submitted April 9, 2025

KPMG AB

Johan Kratz
Certified Public Accountant

Audit Report

To the General Meeting of Promimic AB (publ),
corp.id 556657-7754

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Promimic AB (publ) for the year 2024. The annual accounts and consolidated accounts of the company are included on pages 19-36 in this document.

In our opinion, the annual accounts and consolidated 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 and the group as of 31 December 2024 and their financial performance and cash flow for the year then ended in accordance with 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 1-18 and 40-43. 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. 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 scepticism 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. We evaluate the appropriateness of the accounting principles used and the reasonableness of the board's and managing director's estimates in the accounting and associated information.
- 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 Promimic AB (publ) for the year 2024 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 operations, 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 responsibility

- 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 scepticism 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.

Göteborg April 9, 2025

KPMG AB

Johan Kratz, Certified Public Accountant



Governance Report

Promimic's corporate governance describes how the owners, through the general meeting, and the board govern the company and ensure that the CEO and company management create value and manage the risks in the business.

Corporate governance

The governance of Promimic is based on the Swedish Companies Act, the Articles of Association, Nasdaq First North Growth Market's regulations, internal rules and regulations, as well as other applicable Swedish and foreign laws and regulations.

The purpose of the company's operations shall be to develop and sell products to implant companies as well as to conduct other compatible activities.

Internal control

The Board's responsibility for internal control is regulated in the Limited Liability Companies Act and the Annual Accounts Act - which contain requirements that information about the most important elements of Promimic's system for internal control and risk management in connection with the financial reporting must be included in the corporate governance report each year.

Among other things, the Board must ensure that Promimic has good internal control and formalized routines that ensure that established principles for financial reporting and internal control are adhered to and that there are appropriate systems for monitoring and controlling the company's operations and the risks that Promimic and its operations are associated with.

The overall purpose of internal control is to reasonably ensure that the company's operational strategies and goals are followed up and that the owners' investment is protected.

The internal control must further ensure that the external financial reporting is reliable with reasonable certainty and prepared in accordance with good accounting practice, that applicable laws and regulations are followed and that requirements for listed companies are complied with.

Monitoring environment

The Board has the overall responsibility for the internal control regarding the financial reporting. In order to create and maintain a functioning control environment, the Board has adopted a number of policies and governing documents that regulate the financial reporting.

These mainly consist of the Board's rules of procedure, CEO instructions and instructions for financial reporting. The Board has also adopted a special financial policy, information policy and an insider policy. The Board continuously monitors the company's financial position and the effectiveness of the company's internal control and risk management, and keeps itself informed of the audit of the annual report and consolidated financial statements. Furthermore, the Board reviews and monitors the auditor's impartiality and independence. The Board also receives reports from Promimic's auditor.

Management and follow-up

Ongoing follow-up of profit outcomes take place at group level against budget and forecasts. Reporting takes place to the managing director and Board. According to the Board's instructions to the CEO, the company's auditors must report

their work directly to the Board at least once a year.

Information och communication

The company has information and communication channels that aim to promote the accuracy of the financial reporting and enable reporting and feedback from the business to the board and management, for example by making governing documents in the form of internal policies, guidelines and instructions regarding the financial reporting available and known to affected employees.

The company has also drawn up policy and instructions with the aim of informing employees and other stakeholders within Promimic about the laws that are applicable regarding the company's disclosure of information and the special requirements for people who are active in a listed company in situations such as the handling of insider information. In connection with this, Promimic has established routines for handling and limiting the dissemination of information that has not yet been published, so-called deferred publication.

The Board has adopted a communication policy and insider policy that regulate the group's disclosure of information.

Risk assessment

The Board receives additional information about risk management, internal control and financial reporting from the auditor at board meetings with the auditor present.

Monitoring activities

Control activities limit identified risks and ensure accurate and reliable financial reporting. The Board is responsible for the internal control and follow-up of the company management.

This takes place through both internal and external control activities as well as through review and follow-up of the company's governing documents.

An important part of Promimic's control activities are standardized reporting routines as well as clear and documented work arrangements and division of responsibilities.

Need for internal auditing

The effectiveness of internal auditing is largely dependent on the company's organizational structure and the size of the organization. Promimic has a relatively small organization where finance, economics and other administration are managed from the company's office in Mölndal. Follow-up of results and balance is done monthly by the various functions within the company as well as by the company's management and board. All in all, this means that it is not considered justified to have a special unit for internal audit.

Shareholders

The Promimic group consists of two wholly owned companies and one partially owned company. Parent company in the group is the Swedish public limited company Promimic AB (publ), whose shares are listed on the Nasdaq First North Growth Market. The share capital in Promimic is represented by ordinary shares. The number of shares amounted to 18,892,326 with equal rights, corresponding to a quota value of 10 öre. As of December 31, 2024, the number of shareholders amounted to approximately 1,000. For further information on ownership structure, trading and price development, see page 22 of the annual report. The larger main sharehol-

ders in Promimic exercise an active ownership role. The board and group management control a total of 68.1 percent of capital and votes in the company. The articles of association do not contain a reservation on voting rights limitation.

General Meeting

Shareholders' right to decide in Promimic's affairs is exercised through the highest decision-making body, the Annual General Meeting or extraordinary General Meeting. The meeting decides, for example, on changes to the Articles of Association, Board and auditor elections, determination of the profit and loss account, discharge of liability for the Board and the CEO, and disposition of profit or loss.

According to Promimic's Articles of Association, notices to the general meeting must be given by advertising in Post- och Inrikes Tidningar and by making the notice available on the company's website as well as announcing in Dagens Industri.

Voting rights accrue to shareholders who, according to the notice's instructions, have registered for the meeting and who are included in the general meeting share register that is produced before the meeting.

Right to attend

In order to participate in the general meeting, shareholders must register with Promimic no later than the day stated in the notice to the general meeting. This day must not be Sunday, another public holiday, Saturday, Midsummer Eve, Christmas Eve or New Year's Eve and not fall earlier than the fifth weekday before the meeting.

Initiatives from shareholders

Shareholders who wish to have a matter dealt with at the general meeting must submit a written request to the company's Board no later than four weeks before the general meeting.

Annual General Meeting 2024

The 2024 Annual General Meeting was held on May 22, physically in Mölndal. Altogether, 75.0 percent of the total number of shares and votes were present. The accounts for 2023 were approved and the board members and CEO were granted discharge. Decisions were also made on the election of Board members, Chairman of the board and auditor, as well as fees for the board and auditor.

Annual General Meeting 2025

The Annual General Meeting will be held physically in Mölndal on May 22, 2025.

Nomination Committee

The general meeting has decided on a principle for the appointment of the selection committee. The election committee shall consist of representatives from the five largest shareholders in terms of votes listed in the by Euroclear Sweden maintained the share register as of the last banking day in August. The chairman of the board must convene the first the meeting. Board members, CEO or others senior executives in the company must not be members of the selection committee.

The following people are part of the election committee:

- Lars Kristensson, appointed by K-Svets Venture AB
- Linda Spahiu Elvesjö, appointed by Kdev Investments AB
- Louise Brudö, appointed by Chalmers Ventures AB
- Tom Young, appointed by Riepen LLC
- Jonas Eixmann, appointed by Andra AP-Fonden

The appointment has taken place in accordance with the instructions regarding principles for appointment to the Nomination Committee that were established at the annual general meeting of Promimic AB on May 22, 2024. The shareholders who have appointed the members of the nomination committee represented a total of roughly 65 percent of all shares in the company on August 31, 2024.

The nomination committee's task is to prepare and present proposals before the Annual General meeting regarding the number of Board members to be elected by the general meeting, election of the Chairman and other members of the board, board fees, election of the chairman at the annual general meeting, election of auditors (if applicable) and proposals for rules for appointment of the nomination committee before the upcoming annual general meeting.

Board of Directors

After the general meeting, the Board is Promimic's highest decision-making body. It is the Board that is responsible for the company's organization and the management of the company's affairs, for example by establishing goals and strategy, ensuring routines and systems for following up on the established goals, continuously assessing Promimic's

financial situation and evaluating the operational management. It is also the board's responsibility to ensure that correct information is provided to the company's shareholders, that the company complies with laws and regulations, and that the company develops and implements internal policies and ethical guidelines.

The board also appoints Promimic's managing director and determines the salary and other remuneration based on current guidelines.

Composition

The board members are elected annually by the annual general meeting for the period until the next annual general meeting is held. According to the articles of association, the board must consist of a minimum of four and a maximum of 10 members without deputies.

In 2024, the board consisted of six members who are elected for one year by the annual general meeting. Currently, the company's board consists of Tommy Karlsson as Chairman of the Board and members Pehr Abrahamsson, Helena Brisby, Johan Dighed, Johan Holmström and Håkan Krook.

CEO Magnus Larsson is not part of the board, but participates as presenter at all meetings. The members of the Board are presented in more detail on pages 16-17.

Chairman

The Chairman of the Board leads the board meetings. Every question concerning the company conditions that is referred to the Board must be referred to the Chairman of the Board, who must then ensure that the question is prepared and at a

later board meeting presented for decision or as information.

The Chairman's duties also include reviewing and following the board's work, preparing the agenda for board meetings, summarizing the discussions at board meetings, following the management's work and acting as support to the CEO, ensuring that the Board's decisions are implemented, and maintaining regular contact with the Board members between board meetings.

The work

The Board follows a written procedure that is reviewed annually and determined at the constituent board meeting. The rules of procedure regulate, among other things, the board's working methods, duties, decision-making order within the company, the board's meeting schedule, the Chairman's duties and an appropriate distribution of work between the Board and the CEO. Instructions regarding financial reporting and instructions to the CEO are also established in connection with the constituent board meeting. The Board's work is also conducted based on an annual meeting plan that meets the board's need for information. The meeting plan must be designed so that the meetings coincide with the preparation of quarterly reports and financial statements.

The control questions that come to the board are handled by the board as a whole. In addition to the board meetings, the chairman of the board and the CEO have an ongoing dialogue regarding the management of Promimic. The Board meets according to a pre-decided meeting plan and must hold at least six regular board meetings in addition to the constituent meeting between each general meeting.

In addition to these meetings, extra meetings can be arranged. In 2024, the board held 10 minutes-recorded meetings, of which one is a constituent meeting.

Below is a list of the members attendance.

Name	Attendance
Tommy Karlsson	10/10
Pehr Abrahamsson	9/10
Helena Brisby	9/10
Johan Dighed	10/10
Johan Holmström	3/4
Håkan Krook	10/10

Committees

The board has a remuneration committee. The remuneration committee consists of Tommy Karlsson (chairman of the board) and Pehr Abrahamsson (member of the board). The CEO is the rapporteur in matters that do not affect the CEO terms and conditions. The remuneration committee is tasked with reviewing and making recommendations to the Board regarding the principles for conditions and remuneration for the company's senior executives. The remuneration committee must evaluate the CEO's work annually. Questions concerning the CEO's terms of employment, remuneration and benefits are prepared by the remuneration committee and decided by the board.

In his role, the CEO is subordinate to the board and his main task is to manage Promimic's ongoing management and day-to-day operations. The Board's rules of procedure and the CEO's instructions show which issues Promimic's board must

decide on and which decisions fall on the CEO.

The CEO also prepares reports and necessary decision-making documents for board meetings and is the presenter of the material at board meetings. In addition to the CEO, Promimic has four senior executives, see page 18.

Audit

Promimic's auditor examines the annual accounts and annual report as well as the company's ongoing operations and routines in order to then express an opinion on the accounting and the administration of the board and the CEO. The auditor must submit an audit report to the general meeting after each financial year. The company's auditor reports to the board his observations from the review and his assessments of the company's internal control.

At the Annual General Meeting on May 22, 2024, it was decided to re-elect KPMG as auditing firm, with Johan Kratz as Auditor in charge. It was also decided that compensation to the Auditor should be paid according to an approved bill.

To the General Meeting of Promimic AB (publ), CIN 556657-7754

Tasks and division of responsibilities

It is the board that is responsible for the corporate governance report and that it is prepared in accordance with the Annual Accounts Act.

Focus and scope of the review

Our review is in accordance with FAR's statement RevR16 The auditor's review of the corporate governance report. This means that our review has a different focus and a significantly smaller scope compared to the focus and scope of an audit according to International Standards on Auditing and good auditing practice in Sweden. We believe that this review provides us with sufficient basis for our statements.

Statement

A corporate governance report has been drawn up. Information in accordance with ch. 6 § 6, second paragraph, points 2–6 of the Annual Accounts Act and ch. 7 § 31 second paragraph of the same act are compatible with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

Göteborg April 9, 2025

KPMG AB

Johan Kratz, Certified Public Accountant

Promimic AB (publ) | Orgnr 556657-7754 | info@promimic.com | www.promimic.com

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