Chordate Medical Holding AB (publ)

Year-End Report

JANUARY–DECEMBER 2024

CHORDATE MEDICAL

CHORDATE MEDICAL

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Disclaimer

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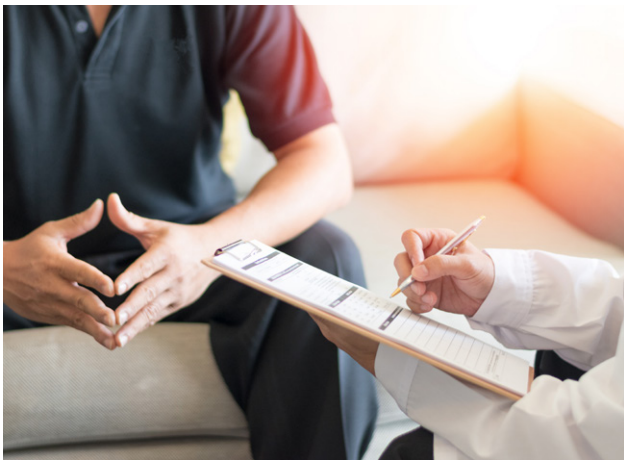

Interim Report

January–December 2024

Summary of the period October–December 2024

- Net turnover was SEK 86,076 (481,597)
- Cash flow from operating activities was SEK -4,659,856 (-7,501,648)
- Profit/loss after financial items was SEK -8,529,829 (-9,842,912)
- Profit/loss after tax was SEK -8,529,829 (-9,842,912)
- Earnings per share were SEK -8.22 (-0.04)

Summary of the period January–December 2024

- Net turnover was SEK 664,687 (976,281)
- Cash flow from operating activities was SEK -24,407,728 (-27,263,296)
- Profit/loss after financial items was SEK -27,253,583 (-29,186,675)
- Profit/loss after tax was SEK -27,253,583 (-29,186,675)
- Earnings per share were SEK -27.96 (-0.13)

Chordate Medical in brief

Chordate Medical Holding AB (publ) is a medical technology company that has developed, patented and received CE marking for Ozilia®, a neuromodulating and medication-free treatment technology for chronic migraine and chronic rhinitis. The treatment has a proven effect according to a recently conducted clinical study and is marketed on select markets in the EU and the Middle East. Chordate Medical is listed on Nasdaq First North Growth Market Stockholm (ticker: CMH). Read more at www.chordate.com.

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Chordate Medical Holding AB (publ)
CIN 556962-6319

Significant events during the quarter

US magazine Wired covered migraine and Chordate's Ozilia treatment

The American magazine Wired described the Ozilia technique as a "non-invasive method that can reprogram nerve signals" and a potential alternative for migraine patients who do not respond to traditional medications.
10/2/2024

Chordate Medical received market authorization for the migraine indication in Saudi Arabia

The Company announced that the Saudi Food and Drug Authority (SFDA) had approved the application for market authorization for the migraine indication for the Ozilia®Migraine product system and that the market introduction in Saudi Arabia could begin.
10/14/2024

Chordate Medical retained Swiss Advisor to initiate the exit process

Chordate Medical Holding AB (publ) ("Chordate" or "the Company") announced the Board of Director's resolution to appoint Partner International Switzerland GmbH as an advisor to find an international buyer for the business.
10/15/2024

Chordate announced the outcome of warrants of series TO 8

Through the exercise of warrants of series TO 8, Chordate Medical received approximately MSEK 3.1 million before issue costs.
11/20/2024

Chordate Medical obtained trademark registration for Ozilia® in Japan

The Company has previously registered the trademark in the EU, China, and the United Kingdom. Active applications are ongoing in the United States and Brazil.
12/6/2024

Chordate decided on a preferential issue of units of approximately SEK 22.2 million

The Board of Directors of Chordate Medical Holding AB (publ) decided to carry out an issue of units consisting of ordinary shares and preference shares for an initial amount of approximately SEK 22.2 million, with preferential rights for the Company's existing shareholders, subject to the approval of the extraordinary general meeting. The subscription price for a unit, consisting of one ordinary share and one preference share was SEK 12. Around 79.9 percent of the rights issue is covered by subscription undertakings and guarantee commitments.
12/23/2024

Significant events after the reporting period

Chordate expanded follow-up study PM010 with key university clinic in Switzerland

Chordate added a 12th study clinic to the post-market surveillance study for migraine treatment after Inselspital, Universitätsklinik für Neurologie, in Bern (CH) received ethical approval to join the study.
1/10/2025

Groundbreaking migraine study on Ozilia published in prestigious *Neurology* journal

The highly esteemed scientific journal ***Neurology*** published the scientific article on Chordate Medical's PM007 registration study on preventive neurostimulation treatment for chronic migraine.
1/13/2025

Chordate Medical Holding published information memorandum in connection with rights issue

1/31/2025

Chordate announced the outcome of the rights issue

Overall, the rights issue was subscribed to approximately 79.9 percent, providing the Company with approximately SEK 17.7 million before deduction of issue costs.
2/19/2025

Chordate Medical Holding's preference share admitted to trading on Nasdaq First North Growth Market with first trading day on March 17, 2025

3/14/2025

Chordate Medical Holding appointed Lago Kapital as liquidity provider for the Company's preference share

The purpose of the liquidity provider arrangement was to improve liquidity and reduce volatility. Lago's assignment commenced on March 17, 2025.
3/17/2025

Market breakthrough and last step toward exit

In 2024, Chordate Medical Holding passed several significant milestones. We had a breakthrough in orders for our migraine treatment in both Germany and Saudi Arabia at the same time as Switzerland became a new focus market, and we also received our first order there. However, the largest event of the year was the initiation of the last step in our exit strategy through the appointment of Partner International Switzerland GmbH as an advisor to find an international buyer.

In January 2025, after the end of the period, the Company achieved yet another significant goal when the scientific article on the PM007 migraine study was published in the scientific journal ***Neurology****. The publication confirms that the medical efficacy of the Ozilia treatment is on par with conventional drug-based alternatives for the preventive treatment of chronic migraine. We also conducted a successful rights issue through which the Company received approximately SEK 17.7 million before costs, which will be used in continued work to achieve an exit.

Switzerland new focus market, first order received

In mid-June, Chordate added Switzerland to its focus markets for the Ozilia treatment and signed an agreement with Neurolite AG to be the Company's distributor and regulatory representative in Switzerland and Liechtenstein. At the end of June, a first order was received with a value of approximately SEK 370,000.

We have been noting considerable interest in Ozilia in Switzerland for some time, and we have been engaged in discussions with a number of interested parties. This, combined with Switzerland's manageable decision-making processes, which entail a comparatively manageable process for realizing insurance remuneration, makes Switzerland a very suitable focus market for the Company.

Breakthrough for the migraine treatment in Saudi Arabia and Germany

At the beginning of January, Chordate trained clinic staff and assisted in the initiation of treatment for the first three patients in Germany. At the end of January, we also signed an agreement with a second clinic in Germany. The Company's ambition for the German market is to eventually also establish individual insurance compensation for the treatment. This is a key step for being able to further scale up sales.

At the end of September, we received the first order for two Ozilia systems for migraine from Saudi Arabia. Several weeks later, the Saudi Food and Drug Authority also approved our application for market authorization for the migraine indication with the product system Ozilia®Migraine.

Anders Weilandt, CEO

Joint-venture agreement in Shanghai terminated

The Company's joint-venture agreement from 2018 with a partner in Shanghai automatically ended in December 2024 since product registration in China was not successfully achieved. Chordate has only contributed information to the partner's registration process and has not invested own funds in the joint-venture company. For Chordate, the project was an explorative attempt to create value on the market based on the Chinese patents that continue to remain in our possession.

Swiss advisor appointed to initiate exit process

In mid-October, the Company announced the Board of Director's resolution to appoint Partner International Switzerland GmbH as an advisor to find an international buyer for the business. This marked the initiation of the final step in the Company's strategy. Partner International is a group with offices in Switzerland, Canada, USA and Australia that over 24 years has built a strong reputation as an advisor in numerous international deals in licensing, partnerships, and corporate sales, focusing on the life sciences sector.

We have made significant progress in establishing clear market validation in our focus markets, and this work will continue at the same rate in parallel to Partner International working to find the best buyer for the business.

Strengthened cash after rights issue

The rights issue conducted in February 2025 was subscribed to approximately 80 percent and raised approximately SEK 17.7 million for the Company before deduction of issue costs. With the improved cash flow, we can now both pursue the ongoing exit process toward the desired outcome and finance the activities and measures we believe are necessary to achieve this. We are very pleased that the Company has continued to receive support from its owners on the way to the exit, and I would like to thank all of our shareholders for this and for the confidence they have shown in us.

Focus in 2025

- Pursue a successful exit process
- Increase the number of installations in the focus markets
- Implement the ongoing clinical studies according to plan

Kista, March 2025
Anders Weilandt, CEO

* *Kinetic Oscillation Stimulation for the Preventive Treatment of Chronic Migraine, Hoffmann et. al., Neurology® 2025;104:e210220. doi:10.1212/WNL.0000000000210220*

Preventive treatment for chronic migraine

CATHETER
Single-use product

CONTROL UNIT
Controls treatment
Ensures that valid treatment codes are used

HEADBAND
Holder for comfortable catheter application

OZILIA® – CHORDATE'S PRODUCT

Since it was founded, Chordate has developed Chordate System, which originally was a product for the treatment of rhinitis.

The system consists of a catheter that is connected to a control unit. A balloon is mounted on the catheter, which is placed in the patient's nasal cavity and inflated with air. Using the control unit, a kinetic oscillating stimulation is then generated for ten minutes in each naval cavity. The system has a user-friendly design, and treatment takes about 20 minutes and can be performed by either a doctor or a nurse.

During the initial clinical studies with Chordate System for the treatment of rhinitis, some patients who also suffered from migraines noted that the number of migraine episodes and headache days decreased. Chordate thereafter started studies of patients with migraines, and in 2015 a pilot study of migraine patients was completed at four clinics in Sweden and showed promising clinical results. Additional clinical studies were thereafter conducted at the same time as the system was further developed and adapted specifically to the treatment of migraine. Today, Chordate has two product systems, Chordate System S120 for rhinitis and S220 for migraine. The systems are basically the same, but the air pressure, amplitude and frequency differ between them. Since 2023, the brand Ozilia® has been used for both systems.

For patients' comfort, and in order to hold the catheter in the proper position throughout the entire treatment, patients usually wear a fixture on their head. The treatment can be perceived as slightly uncomfortable at the start of the first treatment, but it is basically painless. For the patients who respond to the treatment, full effect is achieved within a few days after the initial treatment period for each indication. In addition to differences in the vibration frequency and air pressure, the treatment regimens for each indication differ.

For rhinitis, there are two initial treatments one month apart followed by annual follow-up treatments. For migraine, there are usually six initial weekly treatments followed by individually adapted follow-up treatments. Overall, a migraine patient requires 3–6 times more Ozilia treatments per year than a rhinitis patient.

Benefits of the Ozilia® treatment

- Medication-free treatment.
- Few unexpected side effects—the treatment takes place locally without the side effect profile usually associated with corresponding drug treatments.
- Possible to repeat as necessary—as no unexpected side effects have been reported, the treatment can be given on several occasions.
- Simple and cost-effective treatment method—since the treatment can be performed by a nurse after a routine medical examination.

STRATEGY

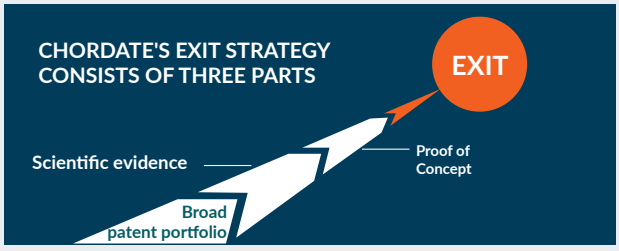
Chordate makes the assessment that there is a significant commercial potential for Ozilia within preventive treatment of migraine since it is a medication-free treatment with limited and passing side effects. Furthermore, migraine is a commonly occurring illness where there is a need for additional treatment methods that can supplement existing methods that in many cases only work for a small percentage of the patients or where the effect wears off over time.

Chordate has initiated the commercialization of Ozilia within migraine, and today the system is used in a limited number of clinics in Sweden, Germany, Italy, Saudi Arabia, and Switzerland. The Company makes the assessment that there is a clear interest in Ozilia and thus good opportunities for a wider launch of the product in Europe and on other international markets. As a company, Chordate has limited resources, and wider commercialization requires a larger organization and an increased international presence, which in turn requires access to financing. This is challenging given the current conditions on the stock market, the Company's market value, and the ownership profile.

The commercialization of Ozilia is most suitable for a larger company with established products and market channels. Chordate makes the assessment that there is a clear trend within the medtech industry where larger companies focus on marketing and sales and to a lesser extent dedicate resources to product development. This decrease in investment in product development has resulted in many companies in the industry relying on acquisitions of smaller companies to gain access to new products and strengthen their growth conditions. This trend has been described over the years in a series of industry analyses, e.g., from Deloitte[1].

As a product, Ozilia is fully developed, has regulatory approval and is at the start of its commercial validation, which leads Chordate to make the assessment that the product should an attractive opportunity for larger actors with business within migraine, neurostimulation or related areas. As a result, Chordate is pursuing a strategy with a focus on selling Ozilia and related activities to a larger actor.

It has been Chordate's goal for a long time to sell Ozilia. During the second half of 2024, the Company made the assessment that Ozilia had achieved sufficient maturity to initiate an active sale process, and in October 2024, Partner International Switzerland GmbH was retained to find an international buyer for the business



[1] *https://www2.deloitte.com/content/dam/Deloitte/us/Documents/life-sciences-health- care/us-lshc-medtech-innovation.pdf*

MARKET OVERVIEW

Migraine market

Migraine is a neurological illness which, according to the WHO, is the third most common and seventh most disabling health condition in the world.[2] From the scientific literature, the Company estimates that 6–8 percent of men and 15–18 percent of women in Europe and America are diagnosed with migraines annually.[3] A distinction is normally drawn between episodic migraine, which occurs occasionally, and chronic migraine. Individuals who experience headaches more than fifteen days a month, and migraines more than eight of these days, are defined as chronic migraine patients.[4] The scientific literature estimates that between 1–2 percent of the world's population suffer from chronic migraine.[7]

Migraine across the world

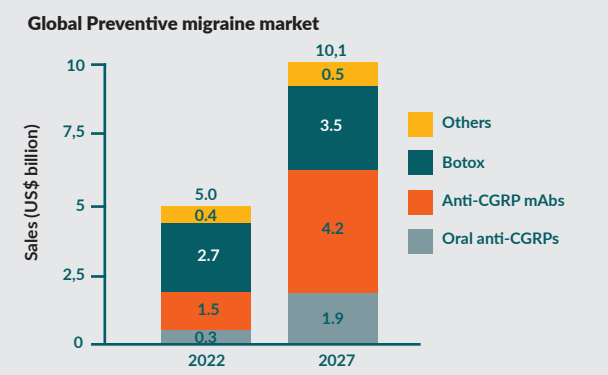
The under-diagnosis of migraine patients is significant as it is estimated that approximately 50 per cent of episodic migraine and 60 per cent of chronic migraine are not correctly diagnosed.[5]

Current treatment strategies are often regarded as being insufficiently effective and having considerable side effects. There is therefore a large need for new treatment methods in order to better fulfill the therapeutic need in patients who suffer from migraines. There is a growing interest in neuromodulation as a treatment for migraine. That the autonomic nervous system (ANS) is involved in migraines is regarded as likely given the symptoms commonly associated with attacks: nausea, teariness, nasal congestion, runny nose, etc. ANS plays an important role when the causes of migraines are described in medical literature.

Social cost of migraines

It is estimated that Europe is losing around 400,000 days from work or school each year to migraines alone, and the estimated total cost of headache disorders exceeds EUR 100 billion per year in Europe, including the cost of care and the loss of production.[6]

Market size



Chronic migraine is primarily treated with medication but also with Botox injections. Medication for migraines is broken down into acute use during a migraine episode and preventive medication that has a longer effect and long-term decrease in difficulty levels from headache and migraine episodes.

Global Botox sales in 2022 totaled USD 2.7 billion and are expected to increase to USD 3.5 billion in 2027. The same compilation states that the total global net sales for preventive migraine medication is estimated to be USD 5 billion in 2022 and is expected to grow to USD 10.1 billion in 2027.[7]

Botox treatment and the global net sales are directly comparable with Ozilia's potential since the treatments are performed at a clinic, take approximately 30 minutes, and need to be repeated on average once a quarter. The major advantages for Ozilia are that it has a much better side-effect profile, costs less, and eliminates the need for more than 30 injections to the face and head.

Chordate makes the assessment that an effective preventive migraine treatment with few unexpected side effects and that is not based on medication should have significant value in the segment.

[2] *Steiner TJ et al. Migraine: The Seventh Disabler, Journal of Headache and Pain: January 14, 2013.*
[3] *Katsarava, Zaza et al. "Defining the differences between episodic migraine and chronic migraine." Current pain and headache reports vol. 16,1 (2012): 86–92. doi:10.1007/s11916-011-0233-z.*
[4] *https://viss.nu/kunskapsstod/vardprogram/migran-hos-vuxna.*
[7] *Burch RC, Buse DC, Lipton RB. Migraine: Epidemiology, Burden, and Comorbidity. Neurol Clin. 2019 Nov;37(4):631–649. doi: 10.1016/j.ncl.2019.06.001. Epub 2019 Aug 27. PMID: 31563224.*
[5] *Khan, S. Schoenen, J. Ashina, M, Caphalalgia 2015, Vol.34(5) 382–91.*
[6] *Value of Treatment 2017, European Brain Council (EBC) "The Economic Cost of Brain Disorders in EU".*
[7] *Chaudhari, Kritika, Syed, Basharut A, "The pipeline and market for migraine drugs. Nature Reviews Drug Discovery, vol. 23, (2024) 246-247. doi: 10.1038/d41573-023-00182-x*

Treatment alternatives

Migraine is treated primarily with medication, and there is a clear treatment ladder from lighter to heavier medications. But there also other treatments that do not require medication. A big problem with migraine medication is that no treatment works for all patients, and some medications can become less effective over time. Chordate is the sole provider of Ozilia treatment for migraine.

Treatment alternatives	Description	Advantages	Disadvantages
Over-the-counter painkillers	Come in many variants, based on acetylsalicylic acid, paracetamol or ibuprofen as the active ingredient. Several recognized brands, including Treo, Alvedon and Ipren.	Generic. Relatively safe use Acute for migraine	Only alleviation Risk of medication-induced headaches from overuse
Anti-inflammatory medication	Reduces the formation of harmful prostaglandins that arise in inflammations and can be used for short-term treatment. The active substances include naproxen, diclofenac or ketoprofen and are available under the brands Naproxen, Voltaren (over the counter) or Orudis (prescription).	Generic Acute for migraine	May irritate the gastric mucosa Can cause gastric catarrh/ulcer
Triptans	A group of medication substances that work by triggering a contraction of the blood vessels in the head. An expansion in the blood vessels in the head region is often associated with the start of migraine attacks. Triptans are for acute use at the start of or during a migraine attack. There are number of different substances in the triptan group, including sumatriptan, which is also available in a generic form.	Generic Acute for migraine	Risk of medication-induced headaches from overuse
Beta blockers	Primarily known as a heart medicine, but also prescribed for migraine since they block receptors from stress hormones that are secreted following a signal from the sympathetic nervous system. Reducing sensitivity to stress lowers the heartbeat and blood pressure, which can lead to reduced migraine symptoms.	Used as preventive treatment	Low blood pressure Dizziness Cold hands/feet Depression Fatigue
CGRP medications	A relatively new group of medications that have been developed specially for migraine. CGRP stands for Calcitonin Gene-Related Peptide and is a substance that is released during migraine attacks. The medication works by blocking the CGRP receptor, thus blocking the pain signals to the brain. They are used prophylactically as an injection every month or quarter. The cost of the medication for one year of treatment amounts in some markets to around USD 6,000–7,000 per year.	Used as preventive treatment	Expensive Skin reaction at injection location
Botox	Botox is a muscle-relaxant. It is administered by injecting the medication just under the skin at 31–39 specific places on the head and neck. The treatment normally takes approximately half an hour and is performed every three months. The price of treatment amounts in some markets to approximately USD 3,000. According to public reporting, global net sales of Botox for migraine treatment amounted to USD 2.7 billion in 2022.	Used as preventive treatment	Expensive. Treatment must only be performed by specialist doctors
Ozilia®	Chordate is the sole provider of Ozilia treatment for migraine through Ozilia® Migraine. The action mechanism for the treatment is to influence the autonomous nervous system by stimulating nerve cells in the nostril.	Few unexpected side effects Used as preventive treatment Cost-effective	Treatment may only be performed by a doctor or nurse after a medical examination

Source: The Company

RHINITIS MARKET

Chronic nasal congestion (rhinitis) is a condition where a person can exhibit cold symptoms despite not having a cold, an allergy or an infection. Rhinitis is considered to be a common complaint that has a negative effect on the quality of life in the form of breathing difficulties, which can contribute to further problems such as a dry mouth, snoring and impaired speech ability.[8]

The condition is called, among other things, non-allergic rhinitis. The prevalence of non-allergic rhinitis, and thus also the size of the market, is not particularly well mapped, in part since there is no international consensus on diagnostic criteria. An academic compilation has still made the assessment that more than 200 million people around the world suffer from non-allergic rhinitis.[9] This further implies that idiopathic rhinitis, which means rhinitis *without other explanation* and is the one Chordate primarily targets, can constitute around half of these.

All in all, this means that millions of people suffer unnecessarily, unaware of their diagnosis and of Chordate's simple and effective treatment that can increase well-being in the long term. At the same time, the costs to society associated with other types of treatment, reduced work capacity and sick leave could be significantly reduced.[10]

Treatment alternatives

Treatment of chronic nasal congestion consist primarily of nose sprays or surgery. The major problem with both of these alternatives is that they have a limited impact and adverse side effects.

Chordate is the sole provider of a neuromodulating treatment like Ozilia for rhinitis.

Treatment alternatives	Description	Advantages	Disadvantages
Mucosal decongestant nose sprays	Often the first treatment rhinitis patients use. Contains cortisone, which can reduce the swelling in the mucous membrane and a runny nose.	Fast reduction in symptoms in the short term Readily available	Poor/short-term effect High risk for medically induced rhinitis
Capsaicin	The substance that gives rise to perceived heat in food plants, for example chili, used as an ingredient in some nasal sprays. The substance has proven to be effective for some patients with idiopathic rhinitis who do not respond to other medications. The effect can last for several months.	Inexpensive Few side effects Potential long-term effect (months)	Does not work for everyone
Surgery	Surgery is the treatment for rhinitis that has the longest impact. The lower nasal concha plays a major role in nasal congestion, and this is where patients with idiopathic rhinitis commonly have swelling. Surgical procedures aim to increase the volume in the airway by reducing the thickness of the mucous membrane. There are different types of surgery; some use radio frequencies and others use different methods of cutting or burning. The procedure is done under local anesthesia and can be performed relatively quickly.	Long-term effect Effective	The effect wears off after a few years Risk of losing sense of smell Limited number of treatments
Ozilia®	Kinetic oscillation stimulation is based on neuromodulation that in simple terms is a low-frequency vibrating nose catheter. It has been shown to stimulate the autonomous nervous system. The effect is an improved air passage in the nose with a long-term effect.	Few unexpected side effects	Treatment may only be performed by a doctor or nurse after a medical examination

Source: The Company

[8] *Hellings P.W., et al., Non-allergic rhinitis: Position paper of the European Academy of Allergy and Clinical Immunology. Allergy European Journal of Allergy and Clinical Immunology, May 2017.*
[9] *Nationalencyklopedin, Malmquist. J. Isacsson. S-O, Folksjukdomar.*
[10] *Hellgren. J. Cervin. A. Nordling. S. Bergman. A. Cardell. L.O, Allergic rhinitis and the common cold high cost to society, European Journal of Allergy and Clinical Immunology, November 2009.*

The Company

Mission statement

Chordate's mission statement is twofold: to help people who suffer from chronic migraine to prevent severe headaches, and also to help people with chronic rhinitis/nasal congestion to breathe, sleep and speak better. Chordate offers a simple preventive treatment alternative without the side effect profile normally associated with medicinal treatments for migraines.

Business and revenue model

Chordate's business model is based on direct sales in Sweden and sales via distribution partners in select international markets. The earnings model is based on two components: a system sale and a one-time payment per treatment, including the catheter, which is a disposable item.

The sale per treatment is protected by an electronically coded pay-per-treatment model that is incorporated into the treatment unit. Each system installed is loaded electronically with the number of treatments requested and can be refilled after these treatments have been used. New treatments are loaded using a QR code that the customer scans into the system. The system will not work without the code.

Products

The Company's product range is based on the CE-marked treatment units Chordate System S120 for rhinitis and S220 for migraine that are registered for the indications preventive treatment of chronic rhinitis and chronic migraine and use by patients who are aged 18 years or older. The treatment unit, so-called controller, contains advanced technology and software and is made by a supplier in Sweden that is certified in accordance with the medical device standard for quality management and production, ISO 13485.

The catheter that is used in the treatment is identical for both the rhinitis and the migraine indication and is classified as a non-sterile single-use product. A new catheter is provided for each treatment. The catheters are manufactured in a controlled environment/clean room and are also made by suppliers in Sweden.

Through audits prescribed in the Company's quality management system, Chordate monitors both the final manufacturing subcontractor and certain suppliers of critical components. All further development and product modifications are managed and monitored by Chordate before they are introduced into production.

The share and ownership structure

Chordate Medical Holding AB (publ) is listed on NASDAQ First North Growth Market (ticker: CMH). On Tuesday, December 31, 2024, the total number of issued shares was 1,108,476 (232,416,507). During the year, a 500:1 consolidation of the Company's shares was completed.

The company has two classes of shares. Each common share carries equal rights to share in the Company's assets and earnings. Quota value of the share (share capital divided by the number of shares) was SEK 10.0 at year-end. At the beginning of 2025, the quota value was lowered to SEK 4.0. Related With a new share issue in early 2025, the company has introduced one additional share class, preference shares. Each preference share has 1/10 voting power and can give a maximum dividend of SEK 12 with priority over common shares and thereafter does not entitle to any further dividends.

LARGEST SHAREHOLDERS AS AT DECEMBER 31, 2024	31/12 2024	Share of votes & capital
Sifonen AB	156 711	14,1%
HAWOC Investment AB	106 100	9,6%
Tommy Hedberg	100 999	9,1%
Isac Brandberg AB and related parties	99 670	9,0%
Bevaclean	46 538	4,2%
David Nyman	26 400	2,4%
Carsten Johansen	24 000	2,2%
Nordnet Pensionsförsäkring AB *	21 747	2,0%
Anders Weilandt	14 600	1,3%
Conny Holmström	13 330	1,2%
Other	498 381	45,0%
Total	**1 108 476**	**100,0%**

Ozilia®

Your Migraine Relief

Convertibles and warrants

There are no convertible loans, or similar, but the Extraordinary General Meeting on October 5, 2021, resolved on a directed issue of a maximum of 5,500,000 warrants with the aim of being used for a long-term incentive program. In 2023, an additional 5,500,000 warrants were issued to be used in an incentive program. In 2023, an additional 5,500,000 warrants were issued in two series, one with 4,000,000 and one with 1,500,000. These warrants were also issued with the intent of using them in an incentive program.

Warrants - outstanding	Number	Exercise price	Subscription period	Capital infusion*	Share capital**
Group & Parent Company					
TO Series 2021:1	5 500 000	1 239,86	1 - 30 nov 2025	17 262 563,61	139 230,00
TO Series 2023/25:1	4 000 000	124,48	1 - 30 nov 2025	2 685 241,86	215 710,00
TO Series 2023/25:2	1 500 000	124,48	1 - 30 nov 2025	1 006 950,14	80 890,00
Total	**11 000 000**			**20 954 755,61**	**2 992 540,00**

* Capital, before issue expenses, raised for the Company if all warrants are exercised

** Increase in share capital if all warrants are exercised

Financial information

Net sales
Net sales January–December 2024 amounted to SEK 664,687 compared to SEK 976,281 during the corresponding period last year. Net sales were distributed geographically with 57% in the EU, 8% in the rest of Europe, and 35% in the rest of the EMEA.

Change in inventories
The recorded value of inventories on Tuesday, December 31, 2024, was SEK 1,765,487 (1,770,921). Since the start of 2024, the carrying amount of inventory increased by SEK 5,434.

Profit/loss
Profit/loss after tax for January–December 2024 amounted to SEK -27,253,583 (-29,186,675) for the Group and SEK -26,861,638 (-26,646,741) for the Parent Company. Consolidated profit/loss includes depreciation/amortization and write-downs of tangible and intangible assets of SEK -2,218,957 (-2,453,243). The Parent Company's profit/loss for January–December contains an impairment loss on shares in subsidiaries of SEK 23,500,000 (24,000,000). This impairment loss does not affect consolidated profit/loss because it relates to impairment losses on shareholder contributions to cover losses in the subsidiary that are already included in consolidated profit/loss.

Cash and bank balances
Cash flow from operating activities in 2024 was SEK -24,407,728 (-27,263,296)

As at Tuesday, December 31, 2024, consolidated total cash and bank balances amounted to 2,529,506 (8,455,210).

Group structure
Chordate Medical Holding AB (Publ.) is the Parent Company of the wholly owned and consolidated subsidiary Chordate Medical AB. The majority of the operations occur in the subsidiary, with the exception of the part of the operations that derive from the Parent Company's listing status as well as Group-wide activities and advisory and legal expenses.

Financing
The rights issue conducted in January 2024 was subscribed to approximately 55 percent and raised approximately SEK 23 million for the Company before issue costs. Warrant series TO 8 in November 2024 raised SEK 3.1 million before issue costs. The Board of Directors continuously assesses the financing needs for the business within the planning horizon. When such a need arises, the Board of Directors is continuously prepared to raise additional financing. In February 2025, a rights issue was completed that raised the Company SEK 17.7 million before issue costs.

Earnings per share
Earnings per share during the period January–December amounted to SEK -27.96, calculated on a weighted average of 974,680 shares. The number of shares at the end of the period amounted to 1,108,476 (232,416,507). The number of shares has decreased due to the 500:1 share consolidation that was completed during the period.

Organization
The Company had 3 employees (3) as at Tuesday, December 31, 2024, and the average number of employees during the period was 3 (3). The Company's employees are its President/CEO, CTO and CSO. The CFO and other positions are hired consultants.

Risks and uncertainty factors

For a more detailed description of the Company's risks and uncertainty factors, please refer to the information memorandum presented on January 31, 2025, in conjunction with the new share issue at the end of 2024 and the 2023 Annual Report.

FINANCIAL RISKS

In the longer term, Chordate may need to seek financing for the continued development of the business
The Company has historically had limited revenue that has been lower than the Company's costs. The Company has therefore financed its operations through external capital procurement. Chordate is building up the value in the business via (i) an extensive patent portfolio, (ii) stable scientific evidence from clinical studies, and (iii) successful sales in a number of select markets with the aim of successfully selling the Company to an international actor in the medtech or pharma industries or to another acquirer. The company has through a right issue after the new year secured working capital to be able to continue operations next 12 months. Should the company's expected forecasts not be realized or the company could not be sold, then the Company may need to raise additional financing in the longer term. Such financing may in that case come from a third party or existing shareholders in public or private financing initiatives. There is a risk that it will not be possible to raise new capital should such a need arise, that new capital cannot be raised on satisfactory terms, or that the capital raised is insufficient to finance operations in accordance with the established development plans and targets. This risks forcing the Company to limit its operations or, ultimately, shut down its operations completely.

The conditions for available financing can in such a situation have a negative impact on the Company's operations and shareholders' rights. If the Company in the longer term chooses to raise additional financing by issuing shares or share-related securities, shareholders who choose not to participate will suffer due to dilution effects. Any debt-based financing, if available to the Company, could also contain conditions that risk limiting the Company's flexibility, which could have a significantly negative impact on its operations, financial position and result. The Company's future actual capital needs can also differ from the Board of Directors' initial calculations.

There is a risk that incorrect estimates of Chordate's future capital needs will have a negative impact on the Company's operations, financial position and earning.

RISKS RELATED TO BUSINESS ACTIVITY AND INDUSTRY

To some extent Chordate is dependent on the treatment being subsidized by public and private healthcare compensation systems in different countries. The absence of any such subsidy may adversely affect the future income of the Company

Chordate's future income is to some extent dependent on its products being subsidized via public and private healthcare compensation systems. Chordate's future revenue therefore could be affected by the design of such public and private healthcare compensation systems in different countries. The Company actively evaluates markets based on whether the Company's products can be expected to receive a subsidy. However, there is always a risk that the Company's products and its clinical evidence will not meet the requirements on subsidies via public and private healthcare compensation systems in different countries, which may result in lower or no subsidies for the Company's products. The rules for subsidies via public and private healthcare compensation systems can look different in different countries, and different requirements may be imposed on the Company's studies and products in order for them to be eligible for subsidies. For example, some countries may request more than one study as a basis for granting subsidies. Furthermore, there is a risk that an application for subsidies could be delayed because the reviewing authority or insurance company have different opinions about how different study results are perceived and compared. The outcome of these risks may delay or adversely impact the Company's future sales due to the Company's products becoming more expensive for the Company's end customers. This may result in lower revenue and profitability, which may adversely impact the Company's operations, financial position and earnings.

Transactions with related parties

The holdings of the Board of Directors and senior executives in the Company are presented in the following table. 500 warrants are entitled to subscription of one share.

Ownership of the Board of Directors and senior executives in Chordate 12/31/2024

Board of Directors	Shares	Warrants
Otto Skolling, chair	0	350 000
Tommy Hedberg, (and through related parties)	100 999	225 000
Gunilla Lundmark	0	350 000
Caroline Lundgren Brandberg, (and through related parties)	99 670	225 000
Henrik Rammer	13 300	350 000
Senior executives		
Anders Weilandt, CEO	14 600	4 500 000
Jan Hermansson, CSO	6 600	1 500 000
Jan Lindberg, CTO	397	1 500 000
Niklas Lindecrantz, CFO	1 743	500 000

Review by auditors

The interim report has not been reviewed by the Company's auditors.

Principles for the preparation of the interim report

The report has been prepared in accordance with the Annual Accounts Act and BFNAR 2012:1 Annual Report and Consolidated Accounts (K3).

For a comprehensive overview of the accounting principles, refer to Chordate Medical Holding AB (publ)'s 2023 Annual Report. The same accounting and valuation principles are applied in the Parent Company and the Group, other than that set out in the paragraph Notes regarding accounting and valuation principles specifically for the consolidated accounts.

Forthcoming financial statements

2025

Annual Report	April 11
Annual General Meeting	May 21
Interim Report Q1	May 23
Interim Report Q2	August 29
Interim Report Q3	November 21

The annual report and the interim reports will not be distributed to shareholders via email; after publication they can be downloaded from the website, www.chordate.com, or ordered via info@chordate.com.

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The Board of Directors and the CEO certify that the interim report provides an accurate overview of the Group's and the Parent Company's operations, position and earnings and describes the significant risks and uncertainty factors facing the Company. All forward-looking statements in this report are based on the Company's best assessment on the date of the report. Like for all forecasts about the future, such statements contain risks and uncertainties that can result in the actual outcome varying from the forecast.

Kista, March 28, 2025

Chordate Medical Holding AB (publ)
Board of Directors and CEO

CHORDATE MEDICAL

Condensed Consolidated Income Statement

	2024-10-01 - 2024-12-31	2023-10-01 - 2023-12-31	2024-01-01 - 2024-12-31	2023-01-01 - 2023-12-31
Operating income				
Net turnover	86 076	481 597	664 687	976 281
Work performed by the Company for its own use and capitalized	0	169 455	1 778 287	770 598
Other operating income	1 849	23 188	31 797	177 445
	87 925	**674 240**	**2 474 770**	**1 924 324**
Operating expenses				
Raw materials and consumables	-40 185	-344 361	-454 416	-437 696
Other external expenses	-6 300 806	-6 684 008	-21 043 388	-21 096 351
Personnel expenses	-1 772 283	-3 018 368	-6 114 985	-7 389 915
Depreciation/amortization and write-downs of tangible and intangible assets	-554 739	-612 767	-2 218 957	-2 453 243
Other operating expenses	-15 005	-21 576	-88 222	-118 692
	-8 683 018	**-10 681 080**	**-29 919 968**	**-31 495 897**
Net operating profit/loss	**-8 595 093**	**-10 006 840**	**-27 445 197**	**-29 571 573**
Profit/loss from financial investments				
Interest income and similar profit/loss items	65 263	163 928	191 615	384 898
	65 263	**163 928**	**191 615**	**384 898**
Net profit/loss after financial items	**-8 529 829**	**-9 842 912**	**-27 253 583**	**-29 186 675**
NET PROFIT/LOSS FOR THE PERIOD	**-8 529 829**	**-9 842 912**	**-27 253 583**	**-29 186 675**

Consolidated Statement of Financial Position

	2024-12-31	2023-12-31
ASSETS		
Fixed assets		
Intangible fixed assets		
Capitalized development expenditure	4 677 316	4 115 275
Patents and trademarks	3 221 182	4 198 058
	7 898 499	**8 313 334**
Tangible fixed assets		
Equipment, tools, fixtures and fittings	1 869 616	793 554
	1 869 616	**793 554**
Financial fixed assets		
Rent deposits	90 740	90 740
	90 740	**90 740**
Total fixed assets	**9 858 854**	**9 197 628**
Current assets		
Inventories		
Raw materials and consumables	337 713	366 287
Finished goods and goods for resale	1 427 774	1 404 634
	1 765 487	**1 770 921**
Current receivables		
Accounts receivable	253 367	211 446
Other current receivables	1 046 736	1 439 708
Prepaid expenses and accrued income	2 076 424	880 564
	3 376 528	**2 531 718**
Cash and bank balances	**2 529 506**	**8 455 210**
Total current assets	**7 671 521**	**12 757 850**
TOTAL ASSETS	**17 530 375**	**21 955 478**
EQUITY AND LIABILITIES		
Equity		
Share capital	11 084 760	58 104 127
Other contributed capital	275 101 408	273 669 400
Other capital & net profit/loss for the year	-276 991 005	-316 686 988
	9 195 163	**15 086 539**
Total equity	**9 195 163**	**15 086 539**
Current liabilities		
Accounts payable	2 069 201	2 881 266
Other current liabilities	2 021 283	693 898
Accrued expenses and deferred income	4 244 727	3 293 775
	8 335 212	**6 868 939**
TOTAL EQUITY AND LIABILITIES	**17 530 375**	**21 955 478**

CHORDATE MEDICAL

Consolidated Statement of Changes in Equity

	Share capital	Other contributed capital	Other capital	Net profit/loss for the year	Total equity
Opening balance as at 1/1/2023	**39 428 095**	**259 144 975**	**-259 557 349**	**-27 942 965**	**11 072 757**
Comprehensive profit/loss for January–December 2023					
Net profit/loss for the period	0	0	0	-29 186 675	**-29 186 675**
Total reported loss for the period	**0**	**0**	**0**	**-29 186 675**	**-29 186 675**
Net profit/loss from previous year	0	0	-27 942 965	27 942 965	**0**
New share issues	18 676 032	14 524 425	0	0	**33 200 457**
Closing balance as at 12/31/2023	**58 104 127**	**273 669 400**	**-287 500 314**	**-29 186 675**	**15 086 539**
Opening balance as at 1/1/2024	**58 104 127**	**273 669 400**	**-287 500 314**	**-29 186 675**	**15 086 539**
Comprehensive profit/loss for January–December 2024					
Net profit/loss for the period	0	0	0	-27 253 583	**-27 253 583**
Total reported loss for the period	**0**	0	0	**-27 253 583**	**-27 253 583**
Net profit/loss from previous year	0	0	-29 186 675	29 186 675	**0**
Reduction of share capital	-71 352 792		71 352 792	0	**0**
New share issues	24 333 425	1 432 008	-4 403 226	0	**21 362 207**
Closing balance as at 12/31/2024	**11 084 760**	**275 101 408**	**-249 737 423**	**-27 253 583**	**9 195 163**

Consolidated Statement of Cash Flows

	2024-10-01 - 2024-12-31	2023-10-01 - 2023-12-31	2024-01-01 - 2024-12-31	2023-01-01 - 2023-12-31
Operating activities				
Net profit/loss after financial items	-8 529 829	-9 842 912	-27 253 583	-29 186 675
Adjustment for non-cash flow items	554 739	612 767	2 218 957	2 453 243
	-7 975 090	**-9 230 145**	**-25 034 626**	**-26 733 432**
Cash flow from change in working capital				
Change in inventories	-19 581	-28 858	5 434	-405 036
Change in current receivables	-1 657 175	-799 841	-844 809	574 136
Change in current liabilities	4 991 990	2 557 196	1 466 273	-698 964
Cash flow from operating activities	**-4 659 856**	**-7 501 648**	**-24 407 728**	**-27 263 296**
Investing activities:				
Investments in tangible fixed assets	0	-334 884	-1 101 896	-378 227
Investments in financial fixed assets	0	16 320	0	-9 140
Investments in intangible fixed assets	0	-169 455	-1 778 287	-770 598
Cash flow from investing activities	**0**	**-488 019**	**-2 880 183**	**-1 157 965**
Financing activities:				
New share issue	2 733 229	0	21 362 207	33 200 456
Cash flow from financing activities	**2 733 229**	**0**	**21 362 207**	**33 200 456**
Cash flow for the period	**-1 926 627**	**-7 989 667**	**-5 925 704**	**4 779 195**
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**4 456 133**	**16 444 878**	**8 455 210**	**3 676 015**
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**2 529 506**	**8 455 210**	**2 529 506**	**8 455 210**

CONSOLIDATED PLEDGED ASSETS AND CONTINGENT LIABILITIES

	2024-12-31	2023-12-31
Group, TSEK		
Pledged assets	None	None
Contingent liabilities	None	None

CHORDATE MEDICAL

Parent Company Income Statement

	2024-10-01 - 2024-12-31	2023-10-01 - 2023-12-31	2024-01-01 - 2023-12-31	2023-01-01 - 2023-12-31
Operating income				
Net turnover	150 000	150 000	600 000	600 000
Other operating income	0	0	0	0
	150 000	**150 000**	**600 000**	**600 000**
Operating expenses				
Other external expenses	-1 068 050	-823 561	-3 415 494	-2 856 346
Personnel expenses	-555 969	-798 036	-731 533	-781 568
	-1 624 019	**-1 621 597**	**-4 147 027**	**-3 637 914**
Net operating profit/loss	**-1 474 019**	**-1 471 598**	**-3 547 027**	**-3 037 914**
Profit/loss from financial investments				
Profit/loss from participations in Group companies	-4 000 000	-5 000 000	-23 500 000	-24 000 000
Interest income and similar profit/loss items	63 594	173 491	185 389	391 173
	-3 936 406	**-4 826 509**	**-23 314 611**	**-23 608 827**
Net profit/loss after financial items	**-5 410 425**	**-6 298 107**	**-26 861 638**	**-26 646 741**
Tax for the year	**0**	**0**	**0**	**0**
NET PROFIT/LOSS FOR THE PERIOD	**-5 410 425**	**-6 298 107**	**-26 861 638**	**-26 646 741**

Parent Company Balance Sheet

	2024-12-31	2023-12-31
ASSETS		
Fixed assets		
Financial fixed assets		
Participations in Group companies	52 247 911	52 247 911
	52 247 911	**52 247 911**
Total fixed assets	**52 247 911**	**52 247 911**
Current receivables		
Receivables from Group companies	7 912 512	7 162 512
Other current receivables	117 055	151 037
Prepaid expenses and accrued income	1 401 284	362 273
	9 430 851	**7 675 822**
Cash and bank balances	**1 254 440**	**7 570 034**
Total current assets	**10 685 291**	**15 245 856**
TOTAL ASSETS	**62 933 202**	**67 493 767**
EQUITY AND LIABILITIES		
Equity		
Restricted equity		
Share capital	11 084 760	58 104 127
	11 084 760	**58 104 127**
Non-restricted equity		
Share premium reserve	275 101 408	273 669 400
Accumulated profit/loss	-198 738 229	-239 041 054
Net profit/loss for the year	-26 861 638	-26 646 741
	49 501 541	**7 981 605**
Total equity	**60 586 301**	**66 085 732**
Current liabilities		
Accounts payable	361 838	213 730
Other current liabilities	1 379 000	5 615
Accrued expenses and deferred income	606 063	1 188 690
	2 346 901	**1 408 035**
TOTAL EQUITY AND LIABILITIES	**62 933 202**	**67 493 767**

CHORDATE MEDICAL

Parent Company Statement of Changes in Equity

	Restricted equity	Non-restricted equity	Non-restricted equity	Non-restricted equity	
	Share capital	Share premium reserve	Accumulated profit/loss	Net profit/loss for the year	Total equity
Opening balance as at 1/1/2023	**39 428 095**	**259 144 975**	**-214 822 858**	**-24 218 196**	**59 532 016**
Comprehensive profit/loss for January–December 2023					
Appropriation of profit/loss from previous year	0	0	-24 218 196	24 218 196	**0**
Net profit/loss for the period	0	0	0	-26 646 741	**-26 646 741**
New share issues	18 676 032	14 524 425	0	0	**33 200 457**
Closing balance as at 12/31/2023	**58 104 127**	**273 669 400**	**-239 041 054**	**-26 646 741**	**66 085 732**
Opening balance as at 1/1/2024	**58 104 127**	**273 669 400**	**-239 041 054**	**-26 646 741**	**66 085 732**
Comprehensive profit/loss for January–December 2024					
Appropriation of profit/loss from previous year	0	0	-26 646 741	26 646 741	**0**
Net profit/loss for the period	0	0	0	-26 861 638	**-26 861 638**
Reduction of share capital	-71 352 792		71 352 792	0	**0**
New share issues	24 333 425	1 432 008	-4 403 227	0	**21 362 206**
Closing balance as at 12/31/2024	**11 084 760**	**275 101 408**	**-198 738 230**	**-26 861 638**	**60 586 300**

PARENT COMPANY CASH FLOW STATEMENT

	2024-10-01 - 2024-12-31	2023-10-01 - 2023-12-31	2024-01-01 - 2024-12-31	2023-01-01 - 2023-12-31
Operating activities				
Net profit/loss after financial items	-5 410 425	-6 298 107	-26 861 638	-26 646 741
Adjustment for non-cash flow items	4 000 000	5 000 000	23 500 000	24 000 000
	-1 410 425	**-1 298 107**	**-3 361 638**	**-2 646 741**
Cash flow from change in working capital				
Change in current receivables	-1 512 622	-525 275	-1 755 029	358 176
Change in current liabilities	1 822 490	515 024	938 865	-1 473 110
Cash flow from operating activities	**-1 100 557**	**-1 308 358**	**-4 177 801**	**-3 761 674**
Financing activities:				
Shareholder contributions made	-4 000 000	-5 000 000	-23 500 000	-24 000 000
New share issue	2 733 229	0	21 362 207	33 200 456
Cash flow from financing activities	**-1 266 771**	**-5 000 000**	**-2 137 793**	**9 200 456**
Cash flow for the period	**-2 367 328**	**-6 308 358**	**-6 315 594**	**5 438 782**
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**3 621 768**	**13 878 392**	**7 570 034**	**2 131 252**
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**1 254 440**	**7 570 034**	**1 254 440**	**7 570 034**

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