

ProstaLund®



ProstaLund AB

Interim report January - September 2023

27.5 percent sales growth in the quarter

– Sixth consecutive quarter of growth

1 July-30 September

- Net sales reached SEK 4,8 (3,8) million
- Loss after taxes SEK -6,2 (-2,1) million
- Earnings per share were SEK -0,08 (-0,04)
- Cash and equivalents were 22,9 (15,9) million

Significant events during the period

- The company decided to withdraw the 510(k) application in the USA for the Schelin Catheter®
- The company decided to instead apply for approval in the USA via the De Novo process for the Schelin Catheter®
- Patent was approved in China
- Sales started in Austria
- Agreement with sales agent in France was signed
- The CEO and management team resigned at their own request
- Board member Mats Alyhr resigned at his own request
- Executives reported the chairman of the board Lars Johansson and resigning board member Mats Alyhr to the police
- The board dismissed the outgoing CEO and appointed Micael Karlsson, Advokatfirman Delphi as interim CEO

1 January-30 September

- Net sales reached SEK 15,8 (11,9) million
- Loss after taxes SEK -13,6 (-8,0) million
- Earnings per share were SEK -0,21 (-0,15)

Significant events after the period

- Extraordinary general meeting – New election of Per Langö, Tomas Eriksson, Paul de Potocki and Tom Rönnlund as regular board members and re-election of Marianne Östlund and Annette Colin as regular board members
- Per Langö elected as chairman of the board
- Anders Kristensson appointed as new CEO

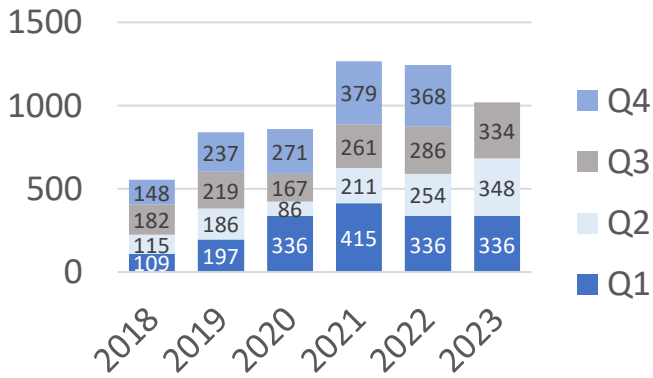
(SEK MILLION)	Jan-Sep 2023	Jan-Sep 2022	Jan-Sep 2021
Net sales	15,8	11,9	12,1
Gross margin, %	69,3	76,7	85,4
Operating profit/loss	-13,6	-7,7	-5,6
Cash flow from operating activities	-18,2	-13,0	-6,3
Average number of employees	9	7	7

“With world-class products, we aim to improve the everyday life and future of men with prostate problems”.

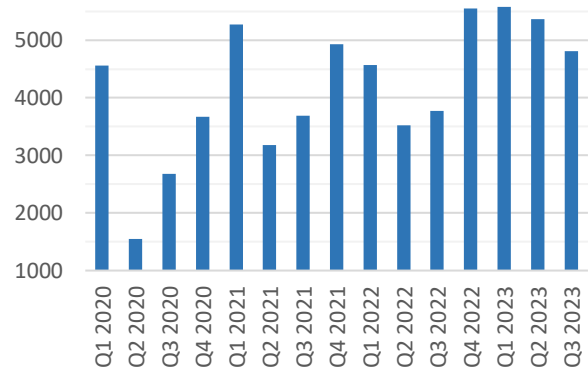
Anders Kristensson
CEO, ProstaLund AB (publ)

Overview of the company's development

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



Sales development per quarter, 2020-2023



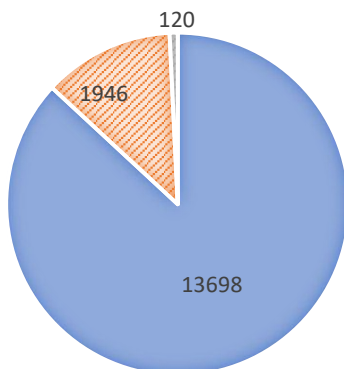
Quarterly financial performance

All amounts in SEK thousand

	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
Net sales	4 812	5 368	5 584	5 550	3 773	3 520
Gross profit/loss	3 522	3 605	3 795	3 902	2 791	2 469
Gross margin in %	73%	67%	68%	70%	74%	70%
Overhead costs	-9 598	-7 311	-6 970	-7 334	-4 687	-5 932
Operating profit/loss	-6 245	-4 070	-3 175	-3 144	-1 987	-3 625
Profit/loss for the period	-6 284	-4 124	-3 216	-3 133	-2 117	-3 707
Cash flow	10 605	28 041	-5 926	-3 666	11 568	-3 540

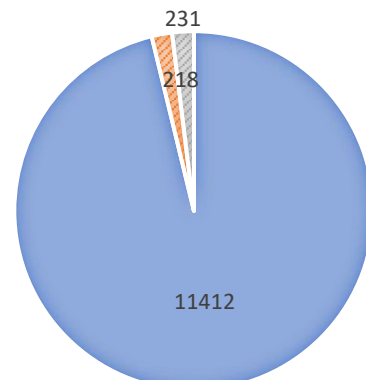
SALES DISTRIBUTED BY CATEGORY JAN-JUN, 2023

■ CoreTherm ■ Stand Alone ■ Övrigt



SALES DISTRIBUTED BY CATEGORY JAN-JUN, 2022

■ CoreTherm ■ Stand Alone ■ Övrigt



CEO update

Dear Shareholders,

It has been an eventful quarter during which ProstaLund has continued to deliver on the company's strategy and achieved good growth for the sixth consecutive quarter. As newly appointed CEO since just over a week, I want to share my view of the company and the way forward.



ProstaLund has world-class products that meet significant medical needs. Virtually all patients with benign prostate enlargement who are eligible for a curative treatment are suitable for a CoreTherm® Concept treatment, which in itself is unique. Regardless of whether the prostate is relatively small or large, or whether the patient is considered too fragile for a surgical procedure, the patient can be treated with CoreTherm®. In recent years, ProstaLund has begun to reap the benefits in Sweden and in the last year also in Denmark. The fact that about every fifth patient who undergoes some form of curative treatment for BPE in Sweden receives a CoreTherm® Concept treatment is also a strong indication that the treatment lives up to what the company promises. With our new platform CoreTherm® Eagle, we get the opportunity to scale up.

For patients with prostates that exceed approximately 100 g, as well as for those patients who are too old or fragile to undergo surgery, CoreTherm® is outstanding. For all these patients, CoreTherm® means that they can undergo an almost painless curative treatment under local anesthesia, after which they can go home after about one hour in a regular outpatient clinic. Absolutely fantastic in relation to the options available.

The above advantages are also something that urologists outside the Nordics have noticed in the past year. In many European countries, there are also significant challenges in overcoming the waiting time for "benign surgery" which was further extended during the pandemic. Here, CoreTherm® also has a unique advantage with only a maximum of 15 minutes of treatment, which means that potentially more patients can be helped with fewer resources and also outside the operating theatres.

Just over a year ago, Schelin Catheter® and CoreFlow® Soft Stent were launched as stand-alone products in Europe. Both are essential parts of the CoreTherm® Concept, but can also be used with advantage in connection with other treatments. The initial strategy was to use these products as entry level products in order to create relationships with urologists outside the Nordics prior to the launch of CoreTherm® Eagle. At the same time, the possibility of additional sales was seen and this strategy has to a large extent contributed to the fact that we now can report sales growth for the sixth consecutive quarter.

The interest in the Schelin Catheter® in particular is high. ProstaLund has seen that this product meets a major need when it comes to moving steam treatment of benign prostate enlargement from operating rooms, where the procedure was carried out under general anesthesia, to a regular reception room. Here the catheter can be used to provide local anesthesia in a simple, safe and standardized way, which is completely unique. After initial trials with steam treatment, urologists have seen that the catheter can be used in other contexts and the Schelin Catheter® has subsequently, just this year, in different ways and with different drug mixtures had successful premieres in connection with virtually all types of procedures for benign prostate enlargement.

This means that the potential for the Schelin Catheter®, as a stand-alone product, is greater than what we have previously understood. Millions of procedures are performed annually worldwide and the Schelin Catheter® can potentially be used in the majority of these. Either to give only local anesthesia and move surgeries from

operating theaters to standard rooms, or to administer local anesthesia and avoid the risks of spinal anesthesia, or to administer adrenaline to reduce bleeding during surgery. The possibilities are many and once in the hands of the urologists, they will find new ways to administer drugs to the prostate with the help of our tool.

WAY FORWARD

It is my conviction that ProstaLund has good opportunities for continued good growth and geographic expansion in both the short and long term. The time for a urologist to incorporate Schelin Catheter® and CoreFlow® Soft Stent into his or her existing practice is short, which is of great value for our continued expansion in a selected number of larger European markets where I see the biggest potential. The company will consider various registration options for the Schelin Catheter® in the United States over the next few months.

For CoreTherm®Concept, I also see great opportunities, but the process is longer, both in terms of financing and training once we have got customers to accept our method. National reimbursement systems as well as funding at the clinics need to be in place, and there is more work related both to education/training and getting the organization around the procedure in place. In the slightly longer term, however, the CoreTherm® Concept with our new CoreTherm® Eagle has a given place in the treatment arsenal far beyond the Nordics.

ProstaLund's new board has solid experience from successful international company building and value creation, which will come in handy in the company's continued development. ProstaLund will evaluate the company's overall strategy, consider various commercialization options and prioritize geographic markets based on reimbursement levels and competing treatment options.

I look forward to an exciting development and would like to thank our owners and our team after a turbulent period for your support and commitment on our journey forward.

Anders Kristensson
CEO

Financial information

Company information

ProstaLund AB (publ), corporate identity 556745-3245, with its registered head office in Lund is the parent company of the ProstaLund Group. The address of the head office is Scheelevägen 19, 223 70 Lund. Wholly owned subsidiaries are Nordisk Medicin & Teknik AB and CoreTherm®Medical Inc (USA).

Shares

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

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

Scope of the report

This interim report covers the period from 1 January 2023 to 30 September 2023. The comparative information in the report refers to the corresponding period in 2022, unless otherwise stated. All information in the report refers to the ProstaLund Group, unless it is explicitly stated that the information refers to the parent company ProstaLund AB (publ).

Sales and earnings – third quarter

Net sales amounted to SEK 4,812 (3,773) thousand, which was a 27,5 percent increase compared with the same period last year. The increase is mainly due to a 20 percent increase in sales for treatment catheters and some sales of the stand-alone products. The operating loss was SEK -6,245 (-1,987) thousand.

The deterioration in earnings is partly due to a deterioration in the gross margin, which is mainly due to the negative currency effect of the USD, and partly due to external costs for marketing. The company has also had larger one-off costs for an external interim CEO, which amounts to six months' salaries. Loss after tax came in at SEK -6,284 (-2,117) thousand.

Sales and earnings

Net sales amounted to 15,764 (11,861) thousand, which was an increase of 33 percent compared to the previous year. The change is, among other things, due to new agreements with clinics in Sweden, growth in Denmark and sales of stand-alone products outside

the Nordic region. The operating profit amounted to – 13,489 (-7,749) thousand.

The deterioration in earnings is partly due to a deterioration in the gross margin, which is mainly due to the negative currency effect of the USD, partly due to external costs for marketing and regulatory costs in connection with the transition to the medical technology regulatory framework MDR for Europe. The company has also had a larger one-off costs for an external interim CEO, which amounts to six months' salaries. Loss after tax amounted to – 13,623 (-7,965) thousand.

Investments – third quarter

Investments in property, plant & equipment amounted to SEK 45 (1) thousand. Investments in intangible assets amounted to SEK 847 (322) thousand, which mainly relate to the company's new platform and patents.

Investments

Investments in property, plant & equipment amounted to SEK 146 (51) thousand. Investments in intangible assets amounted to SEK 1,558 (4,324) thousand.

Financial position and financing – third quarter

Cash flow from current operations amounted to - 12,107 (-3,468) thousand.

A rights issue was carried out during the month of June and provided the company with approximately SEK 32 million in new capital after deduction for issue costs.

Cash and cash equivalents at the end of the period amounted to SEK 22,880 (15,941) thousand.

Financial position and financing

Cash flow from operating activities during the first half of the year amounted to -18,198 (-13,015) thousand. The cash flow has mainly been affected by the negative result and increased capital tied up in the form of increased inventory. Lead times on components increased significantly and to ensure being able to deliver to customers, a decision was made on a buffer stock.

The company took out a short-term loan of SEK 1 million in May, without collateral, from the owners, Mats Alyhr and Sonny Schelin. Market interest charged the quarter with SEK 11,000. The short-term loan of SEK 1 million was repaid on 30 June.



Equity amounted to SEK 58,696 (45,197) thousand and the equity ratio amounted to 85 (86) percent. Cash and cash equivalents at the end of the period amounted to SEK 22,880 (15,941) thousand.

Organisation

The number of people employed was 10 (7) at the end of the period. The employees included 6 (4) women and 4 (3) men. The average number of employees was 8. The number of consultants was 5.

Research and development

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

Insurance

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

Disputes

ProstaLund is not a party in any legal disputes or arbitrations. The Board of Directors is not aware of any circumstances that could lead to any such legal processes being imminent.

Risk factors

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

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

Prerequisites for continued operation

This financial information has been prepared based on the assumption of continued operations. The company has historically reported losses. In preparing the report, management has based its assumptions on existing

cash and cash equivalents, increased sales and the possibility of other financing.

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

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

Transactions with related parties

Agreement with board members

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

Royalty agreement

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

Valuation of intangible assets

The reported capitalized expenses for development work are subject to management's impairment test. The most critical assumption, evaluated by management, relates to whether the intangible asset is expected to generate future economic benefits, which at least correspond to the carrying amount of the intangible asset. Management's assessment is that the



expected future cash flows are sufficient to justify the carrying amount of the intangible asset, which is why no write-down has been made. However, the valuation is based on and dependent on the conditions for continued operation.

Remuneration policy

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

Annual report

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

Annual General Meeting

The Annual General Meeting for 2022 was held on May 4th 2023 in Lund.

Upcoming financial information

- 2024-02-16 Year-end report 2023

Accounting policies

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

Audit

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

ProstaLund AB (publ)
Lund 7 november 2023

The board of ProstaLund

ASSURANCE

The signees assure that the interim report provides a fair overview of the company's operations, position and results and describes significant risks and uncertainty factors faced by the parent company and the companies that are part of the group.

Lund, 7th November 2023

Per Langö, Tomas Eriksson, Paul de Potocki, Tom Rönnlund, Marianne Östlund, Annette Colin and Anders Kristensson

FOR QUESTIONS ABOUT THIS REPORT, PLEASE CONTACT:

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PUBLICATION

This information is information that ProstaLund AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 08:15 a.m. CET November 7th 2023

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

Certified Advisor is Västra Hamnen Corporate Finance AB.

Every care has been taken in the translation of this Financial Report. In the event of discrepancies, the Swedish original will supersede the English translation

Consolidated Income Statement in Summary

All amounts in SEK thousand	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Operating income					
Net sales	4 812	3 773	15 764	11 861	17 411
Cost of goods sold	-1 290	-982	-4 842	-2 890	-4 538
Gross profit	3 522	2 791	10 922	8 971	12 873
Sales & Marketing expenses	-5 900	-2 447	-14 430	-9 981	-14 288
Administrative expenses	-2 641	-1 471	-5 955	-3 865	-5 513
Research and development costs	-1 057	-769	-3 494	-2 621	-4 000
Other operating income	20	-	20	-	393
Capitalized development expenditure	-189	-91	-552	-253	-358
Operating profit/loss	-6 245	-1 987	-13 489	-7 749	-10 893
Profit/loss from financial items					
Interest income and similar profit/loss items	-	-	-	-	2
Interest expenses and similar profit/loss items	-39	-130	-134	-216	-207
Profit/loss after financial items	-6 284	-2 117	-13 623	-7 965	-11 098
Tax expenses	-	-	-	-	-
Profit/loss for the period	-6 284	-2 117	-13 623	-7 965	-11 098
Share attributable to parent company shareholders	-6 284	-2 117	-13 623	-7 965	-11 098
Per share data	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Earnings per share, SEK (basic and diluted)	-0,08	-0,04	-0,21	-0,15	-0,21
Equity per share, SEK	0,77	0,79	0,83	0,49	0,73
Equity-asset ratio, %	85%	86%	85%	86%	82%
Number of outstanding shares	76 588 737	57 193 154	76 588 737	57 193 154	57 193 154
Average number of outstanding shares	76 588 737	53 414 628	65 732 570	52 155 119	53 886 944

Definitions of financial ratios

Equity-asset ratio. Equity divided by total assets.

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

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

Quarterly financial performance

All amounts in SEK thousand	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
Net sales	4 812	5 368	5 584	5 550	3 773	3 520
Gross profit/loss	3 522	3 605	3 795	3 902	2 791	2 469
Gross margin in %	73%	67%	68%	70%	74%	70%
Overhead costs	-9 598	-7 311	-6 970	-7 334	-4 687	-5 932
Operating profit/loss	-6 245	-4 070	-3 175	-3 144	-1 987	-3 625
Profit/loss for the period	-6 284	-4 124	-3 216	-3 133	-2 117	-3 707
Cash flow	10 605	28 041	-5 926	-3 666	11 568	-3 540

Consolidated Balance Sheet in Summary

All amounts in SEK thousand	2023-09-30	2022-09-30	2023-06-30	2022-12-31
Assets				
Intangible assets	26 422	24 688	25 915	24 934
Property, plant & equipment	431	366	445	419
Inventories	14 672	7 844	13 748	9 187
Trade receivables	2 734	2 653	1 527	2 816
Other receivables	1 577	780	1 986	1 412
Cash and cash equivalents	22 880	15 941	34 390	12 275
Total assets	68 716	52 272	78 011	51 043
Equity and liabilities				
Equity	58 696	45 197	63 890	41 686
Interest-bearing liabilities, longterm	1 033	1 433	1 133	1 333
Current interest-bearing liabilities	400	400	400	400
Trade payables	5 538	4 023	10 859	6 298
Other liabilities	3 049	1 219	1 729	1 326
Total equity and liabilities	68 716	52 272	78 011	51 043

Consolidated statement of changes in equity

All amounts in SEK thousand	2023-09-30	2022-09-30	2023-06-30	2022-12-31
Opening balance	41 686	35 456	41 686	35 456
New share issues	33 942	19 837	32 669	19 837
Costs of new share issues	-3 135	-1 378	-3 135	-1 378
Profit/loss for the period	-13 623	-7 965	-7 339	-11 098
Other comprehensive income for the period	-174	-753	9	-1 131
Closing balance	58 696	45 197	63 890	41 686

Cash Flow Analysis in Summary

All amounts in SEK thousand	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Profit/loss after financial items	-6 284	-2 117	-13 623	-7 965	-11 098
Adjustments for non-cash items	-101	1 105	30	-612	-910
Tax paid	-	-	-	-	-
Cash flow from operating activities before changes in working capital	-6 385	-1 012	-13 593	-8 577	-12 008
Changes in working capital	-5 722	-2 456	-4 605	-4 438	-4 194
Cash flow from operating activities	-12 107	-3 468	-18 198	-13 015	-16 202
Capitalization of development expenditure	-551	-322	-1 558	-4 324	-4 607
Acquisition/disposal of property, plant & equipmen	-25	-1	-146	-51	-147
Förvärv/Avyttring av finansiella anläggningstillgång	-	-	-	-	-
Cash flow from investing activities	-576	-323	-1 704	-4 375	-4 754
New share issue	1 273	19 837	33 942	19 837	19 837
Transaction costs attributable to new share issue	0	-1 378	-3 135	-1 378	-1 378
Change in bank overdraft facilities	0	0	1 000	5 000	5 000
Change in bank overdraft facilities	-100	-3 100	-1 300	-3 367	-3 467
Cash flow from financing activities	1 173	15 359	30 507	20 092	19 992
Total cash flow for the period	-11 510	11 568	10 605	2 702	-964
Cash and cash equivalents at start of period	34 390	4 373	12 275	13 239	13 239
Cash and cash equivalents at end of period	22 880	15 941	22 880	15 941	12 275

Income Statement - Parent Company

All amounts in SEK thousand	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Operating income					
Net sales	4 791	3 747	15 644	11 629	17 179
Cost of goods sold	-1 284	-965	-4 772	-2 782	-4 430
Gross profit	3 507	2 782	10 872	8 847	12 749
Sales & Marketing expenses	-5 872	-2 422	-14 287	-9 876	-14 253
Administrative expenses	-2 641	-1 470	-5 955	-3 865	-5 513
Research and development costs	-1 057	-769	-3 494	-2 621	-4 000
Other operating income	20	-	20	-	433
Capitalized development expenditure	-188	-90	-552	-253	-358
Operating profit/loss	-6 231	-1 969	-13 396	-7 768	-10 942
Profit/loss from financial items					
Interest income and similar profit/loss items	2	-	3	-	2
Interest expenses and similar profit/loss items	-41	-82	-134	-168	-1 562
Profit/loss after financial items	-6 270	-2 051	-13 527	-7 936	-12 502
Tax expenses	-	-	-	-	-
Profit/loss for the period	-6 270	-2 051	-13 527	-7 936	-12 502

Balance Sheet - Parent Company

All amounts in SEK thousand	2023-09-30	2022-09-30	2023-06-30	2022-12-31
Assets				
Intangible assets	26 422	24 688	25 915	24 934
Property, plant & equipment	431	366	445	419
Financial assets	464	464	464	464
Inventories	14 607	7 828	13 676	9 170
Trade receivables	2 722	2 653	1 517	2 816
Receivables from group companies	-	902	-	-
Other receivables	1 613	777	1 879	1 408
Cash and bank balances	22 546	15 612	34 062	11 862
Total assets	68 805	53 290	77 958	51 073
Equity and liabilities				
Equity	58 778	46 250	64 269	41 684
Interest-bearing liabilities, longterm	1 033	1 433	1 133	1 333
Current interest-bearing liabilities	400	400	400	400
Liabilities to group companies	-	-	-	64
Trade payables	5 535	4 014	10 440	6 295
Other liabilities	3 059	1 193	1 716	1 297
Total equity and liabilities	68 805	53 290	77 958	51 073

Business overview

The Company in brief

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

Introduction to the Company's operations

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

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

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

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

At the same time, the Company has two independent products, Schelin Catheter® and CoreFlow® Soft Stent, which were launched in Europe in September 2022, with very good results. These two products have shown rapid growth and corresponded to approximately 12 percent of sales during the fourth quarter of 2022 as well as approximately 18 percent during the first quarter of 2023, 10 percent in the second quarter of 2023 and 12 percent in the third quarter of 2023. It is the Company's opinion that the products are unique because there are no similar products on the market as a result of the Company holding patents for both products in the markets in which the Company operates.

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

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

CoreTherm® Concept – Treatment concept

CoreTherm® Concept is a patented and individually adapted treatment concept of BPH/BPE through heat. CoreTherm® Concept is used today primarily in public hospitals and private clinics in the Nordics. In 2021, the Company had approximately 20 percent market share of the treatments performed in Sweden. The treatment is evidence-based and has the same end result as surgery¹. The concept has a number of advantages:

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

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

Schelin Catheter® - Injection tool

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

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

CoreFlow® Soft Stent – Aftercare product

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

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

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

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