


ANNUAL AND SUSTAINABILITY REPORT 2024



A photograph of a male patient lying in a hospital bed, wearing a blue surgical cap and an oxygen mask. A nurse in blue scrubs and a cap is standing by the bedside, with her hand resting on the patient's shoulder. The background shows medical equipment, including a monitor and various outlets. The text is overlaid on the upper left portion of the image.

Our mission is to safeguard  
every patient's journey,  
from anesthesia to recovery.





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# This is Senzime

Senzime is a global medical device technology company, developing algorithm-driven patient monitoring solutions. The company has a product portfolio of solutions, focusing on commercializing the TetraGraph system to anesthesia providers.

TetraGraph is a unique system supporting clinicians to ensure that patients get the right doses of neuromuscular blocking and reversal drugs, as well as indicate when it is safe to allow patients to breathe on their own again after surgery.

The technology is built on extensive research and strong collaborations with leading academic institutions. Our systems align with the latest clinical guidelines in the US, Europe, and many other countries.

With commercial operations spanning over 40 markets, we have subsidiaries in the US and Germany, along with strategic licensing and distribution partnerships worldwide.

Senzime is one of the fastest-growing medical technology companies on the Nasdaq Main Market Stockholm, backed by long-term institutional investors.



## HIGHLIGHTS 2024

**65%**

Sales growth

**101%**

Sales growth for disposable sensors

**>3 000**

TetraGraph systems delivered since start

**>500**

hospitals as customers around the world

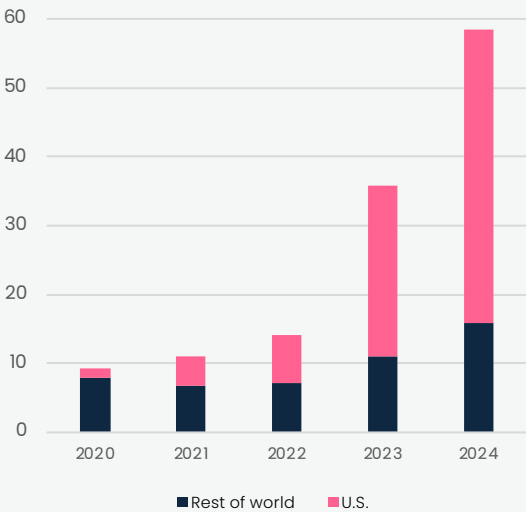
**235 000**

Disposable sensors delivered

**58**

employees and presence in over 40 markets

## FULL-YEAR NET SALES (SEK M)



**>500 000**

Disposable sensors delivered since start

## SEK 000

	2024	2023	2022	2021	2020
Net sales	58,477	35,754	14,034	10,980	9,337
Profit (loss) after financial items	-122,780	-137,360	-134,358	-84,289	-48,991
Earnings per share (SEK)	-0.97	-1.45	-1.99	-1.31	-0.84
Bruttomarginal exkl. avskrivningar (%)	64.4	69.8	62.0	54.3	40.9
Equity/assets ratio (%)	81.5	86.6	81.4	86.3	89.4

For definitions of key performance indicators, see supplementary disclosures, notes 16 and 17.

# The year in brief

Sales in 2024 increased to SEK 58.5 million, representing a growth rate of 65 percent. The growth was driven by new orders and recurring sales of disposable sensors, as well as new clinical guidelines supporting Senszime's products. Single-use sensors accounted for the major increase with sales more than doubling in 2024. More than two-thirds of our sales in 2024 were related to single-use sensors. We delivered 900 TetraGraph systems during the year to leading hospitals worldwide, and the adoption rate is continuously increasing. Senszime's technology is rapidly establishing itself as de facto standard in operating rooms and our systems are now used in over 500 hospitals globally. Despite a significant expansion of our commercial operations in the US, we have kept our total operating costs flat as compared to the year before.

The product portfolio includes FDA- och CE-cleared products to support the entire patient journey for both children and adults. During the year, Senszime received SEK 86 million through a directed share issue to support continuous growth initiatives.

## Key events during the year



- Senszime secures its largest US deal to date from leading Houston-based university hospital system with deliveries of more than 300 TetraGraph systems.
- Senszime's licensee Fukuda Denshi launches the first integrated TetraGraph module on the Japanese market.
- Expansion of the commercial sales organization in the US, recruitment of a Vice President Global Marketing based in the US headquarters are moved from Boston to St. Louis, to better meet increased demands in the market.



- Senszime secures contracts with several leading US hospitals in robotic surgery and monitoring of children undergoing anesthesia.
- Senszime wins another major public procurement from Veterans Health in the USA.
- Senszime signs its first GPO agreement in the US and becomes so-called. sole source supplier to one of the largest healthcare players in the USA.
- Clinical study published in the leading scientific journal Anesthesiology confirming the leading accuracy and precision of Senszime's EMG-based TetraGraph system.
- Senszime receives a new European patent for the TetraGraph system. Senszime wins contract with the most prestigious and highest-rated children's hospital in the United States.



- Senszime signs a new contract with a top 10-ranked health care system (IDN) in Southeastern US that expands use of the TetraGraph system and is expected to quadruple.
- Senszime updates on market prospects and higher growth ambitions.
- Senszime secures a first purchase contract with a hospital within one of the five largest Integrated Delivery Networks (IDN) in the U.S. with a strong presence on the East Coast.
- Senszime carries out a directed share issue of approximately SEK 86 million at market price to existing and long-term shareholders such as the Crafoord family, Segulah Medical Acceleration, Fjärde AP-fonden, Carnegie Fonder, Swedbank Robur Fonder, Fredrik Rapp and Professor Sorin J. Brull, as well as several new Swedish and international institutional investors.



- Launch of the next-generation TetraGraph at the ANESTHESIOLOGY 2024 congress in Philadelphia, USA.
- New research study published confirms the TetraGraph system's market-leading accuracy and validates it all levels of neuromuscular block.
- Senszime secures first order for next-generation TetraGraph from a leading Swiss hospital. The initial order consists of 20 monitors scheduled for delivery in the first quarter of 2025.
- The company announces that all shares within Trach 1 of the directed issue announced during the third quarter were subscribed for.

# We are building the new world leader in patient monitoring

## **2024 was a year of high growth, successful product launches, publication of favorable clinical studies, and continued commercial expansion.**

Revenue increased by 65 percent to 58.5 million SEK. The sales increase was driven by new large deals and recurring sensor sales. The significant growth came from single-use sensors, which more than doubled during 2024, a strong confirmation of our business model.

## **In total, we delivered approximately 900 TetraGraph systems during the year**

to leading hospitals around the world, and the usage rate increased steadily. Our technology has quickly established itself as the de facto standard in many operating rooms, and our systems are now used in over 500 hospitals globally. Despite significant expansion of our commercial organization, especially in the U.S. market, we kept our total operating costs unchanged compared to the previous year.

## **We started 2024 by further expanding our commercial team in the U.S.**

With a larger sales force and increased market investments, we were able to secure significant hospital deals and strengthen our market share. We won many large competitive evaluations by offering the most clinically relevant, user-friendly, and long-term sustainable solutions. Likewise, our complete product offering, our team, and our commitment to increased patient safety are highly valued. Senzime is seen as the reliable and long-term

supplier capable of effectively implementing large-scale installations. Major deals won in the U.S. included several of the top 25 ranked hospital systems, both for adult and pediatric monitoring. We signed and delivered our first GPO contract in the U.S.

**Sales in Asia gained significant momentum during 2024** as our licensee in Japan, Fukuda Denshi, successfully launched the first integrated patient monitoring module based on TetraGraph technology. Sales in South Korea grew with the support of increased reimbursement, and the 300+ installed base of TetraGraph saw increased utilization.

**Growth during the year was further fueled by the new U.S. and European clinical guidelines** published in early 2023. These benefit over 100 million patients per year and are the result of over 40 years of research and a consensus that patients receiving muscle relaxants during anesthesia should be monitored with the type of technology that Senzime is world-leading in. This involves quantitative and algorithm-based monitoring of neuromuscular function in operating rooms.

**We are conducting active innovation work to secure our leading position in the ongoing technological shift** in our market. In the fourth quarter, we launched the next generation of the TetraGraph system at the annual American ANESTHESIOLOGY 2024 conference.

The new TetraGraph system is a game-changer in our industry, designed with unique intelligence to help clinicians better follow the new clinical guidelines recommending neuromuscular monitoring. I am confident that our new TetraGraph system will make a significant impact on patient safety in operating rooms around the world.

**I am proud to report exceptionally positive feedback** from our market and great interest in clinical evaluations. The launch slowed down procurement processes in the fourth quarter while awaiting deliveries of the new system, particularly in the U.S. market. We delivered the first units in December 2024 and quickly secured orders for a hundred systems during the winter.

**Early in 2025, we secured several hospital contracts** for the new TetraGraph system. These include orders from a large university hospital system in the southeastern U.S., additional leading hospitals in the U.S., and several orders from hospitals in Europe.

**The gross margin was temporarily impacted by the rapid growth in the U.S.** with volume deals that had slightly lower instrument prices but are expected to drive recurring sales of single-use sensors with higher margins. Through new products, negotiations with suppliers, and a more stabilized pricing structure, I expect a gradual strengthening of the gross margin in 2025.



**We continue to lead in research and innovation.** Our solutions are supported by the most comprehensive scientific and clinical validation data. An important U.S. research study published in October 2024 confirmed that our TetraGraph system has higher clinical precision than any other commercially available and validated neuromuscular monitoring system. This was also the first study of its kind to clinically validate a portable EMG-only system for deep muscle blockade, which is particularly important for robotic surgery and laparoscopy.

**Industrial partnerships have strengthened our market positioning.** Our relationships and business development initiatives have resulted in the broadest portfolio of data and integration options, important drivers for use and compliance with clinical protocols. TetraGraph now offers seamless integration with monitors from Philips Healthcare, Masimo, GE Healthcare, and Fukuda Denshi, with further integration into electronic patient records.

**We are currently the only manufacturer in our market niche** that is ISO 14001 environmentally certified and connected to the UN Global Compact. Through this, we are committed to conducting business in line with the UN's ten principles, which include labor rights, human rights, anti-corruption, and the environment. The demand for sustainable and ethically sound solutions is becoming increasingly clear in healthcare, and Senszime is at the forefront of this transition. To meet the growing demand, we scaled up production in Uppsala and moved into new sustainable and scalable facilities.

**During the year, we secured additional long-term financing** and raised 86 million SEK in capital. We did this through a directed issue at market price, which attracted long-term investors such as the Crafoord family and the Crafoord Foundation, Carnegie Fonder, Swedbank Robur, AP4, and Segulah Medical Acceleration. The capital gives us continued strength to grow toward profitability.

**Senzime's focus is very clear – we are building the undisputed market leader** in EMG-based neuromuscular monitoring. We are targeting a multi-billion-dollar market, aiming to make a significant impact on patient safety and eliminate postoperative complications related to paralytic drugs. Senszime is being built for profitable growth through high utilization of our systems, offering the most user-friendly and innovative solutions, and scaling up with the support of smart, industrial partnerships.

**We are in the midst of a fast-moving digital and clinical shift** taking place in operating rooms worldwide, where precision-based monitoring is being standardized. The science and evidence are there, and our technology is at the forefront with the support of a portfolio of over 100 patents and unique algorithms.

**In 2024, Senszime celebrated its 25th anniversary.** A journey that started in biotechnology and blood sugar analysis and gradually evolved toward medical technology solutions for the early detection of surgical complications. In 2019, we fully focused on precision-based monitoring of patients under anesthesia. As a milestone along the way, we updated our profile and logo during the year. A symbol of



*We are in the midst of a fast-moving digital and clinical shift taking place in operating rooms worldwide.*

our world-leading technology and our commitment to ensuring that every patient receives the right individual dose of neuromuscular blocking drugs and can safely breathe again after surgery. Now, we just need to get our technology into every operating room in the world.

I would like to extend a big thank you to all employees, customers, partners, and shareholders, and look forward to a very exciting 2025!

Uppsala, April 2025

Philip Siberg, CEO



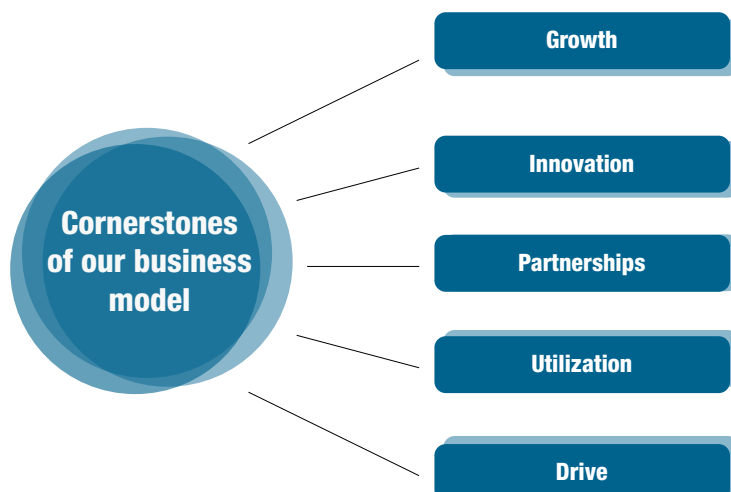
# Business environment and strategy

**Senzime's objective is to be market leader in neuromuscular and respiratory-related patient monitoring. This market consists of over 100 million patients treated each year in operating rooms, post-operative and intensive care units.**

Clinically driven innovation has always been a fundamental driver for Senzime and the patient monitoring systems we develop are based on leading-edge technology that helps improve clinical precision and streamlines the management of healthcare, while preventing complications and enabling shorter hospitalizations, and thus reduced healthcare costs.

Senzime markets two different patient monitoring systems; TetraGraph for monitoring neuromuscular function peri-operatively, and ExSpiron 2Xi for monitoring respiratory volume, typically post-operatively. The systems are both non-invasive, consisting of a monitor and disposable sensors. Value is created by securing recurring sales of disposable sensors on a global market.

Senzime operates globally through direct sales as well as through selected distributors and collaborative partners, in patient monitoring. Its primary customer base is university hospitals, plus smaller hospitals and clinics. Collaborations with partners and joint product development resulting in more patients being monitored, thus reducing the proportion of complications, are central to our success.





## Senzime's five strategic focus areas

Senzime's five strategic foundations are designed to create long-term value for our stakeholders.

### Growth

We're striving to achieve a strong presence on key markets with the objective of driving short and long-term growth, leadership in the markets segments where we operate, and generating healthy returns for our shareholders.

- Direct sales organizations in the USA and Germany, operating scalable business models that enable a high growth rate.
- Licensing partnerships in selected markets with local leaders with in-depth expertise and high market shares.
- Distribution partnerships with strong local players on other markets offering clear potential.
- A digital and effective market strategy to drive demand, awareness, education, customer satisfaction and customer lifecycles towards market leadership.

### Innovation

We're striving towards leadership in innovation by making long-term sustainable investments in research, development and clinical studies, with the consistent goal of improving patient safety.

- Developing and launching products with leading-edge performance used in tandem with patient-friendly disposable sensors that help eliminate post-operative complications.
- Pursuing an active IP strategy, driving development towards precision and algorithm-powered patient monitoring with the objective of providing better decision-support data for healthcare providers and the potential to reduce the usage and costs of pharmaceuticals.
- Launching products and services that complement our core offering, with synergies to leverage the returns on our sales initiatives.

### Partnerships

We're striving to manage smart commercial and industry partnerships to accelerate our market breakthrough and enable connectivity to critical patient monitoring systems.

- Partnerships with leading industry players, enabling integration of Senzime's technology in centralized patient monitoring systems and electronic patient journals.
- Development and licensing partnerships with the objective of generating still more clinical decision-support data to care providers to optimize treatment processes peri- and post-operatively, with the ultimate aim of increasing patient safety.
- Clinical research partnerships designed to generate new insights, validate approaches and generate data enabling the launch of more products.

### Utilization

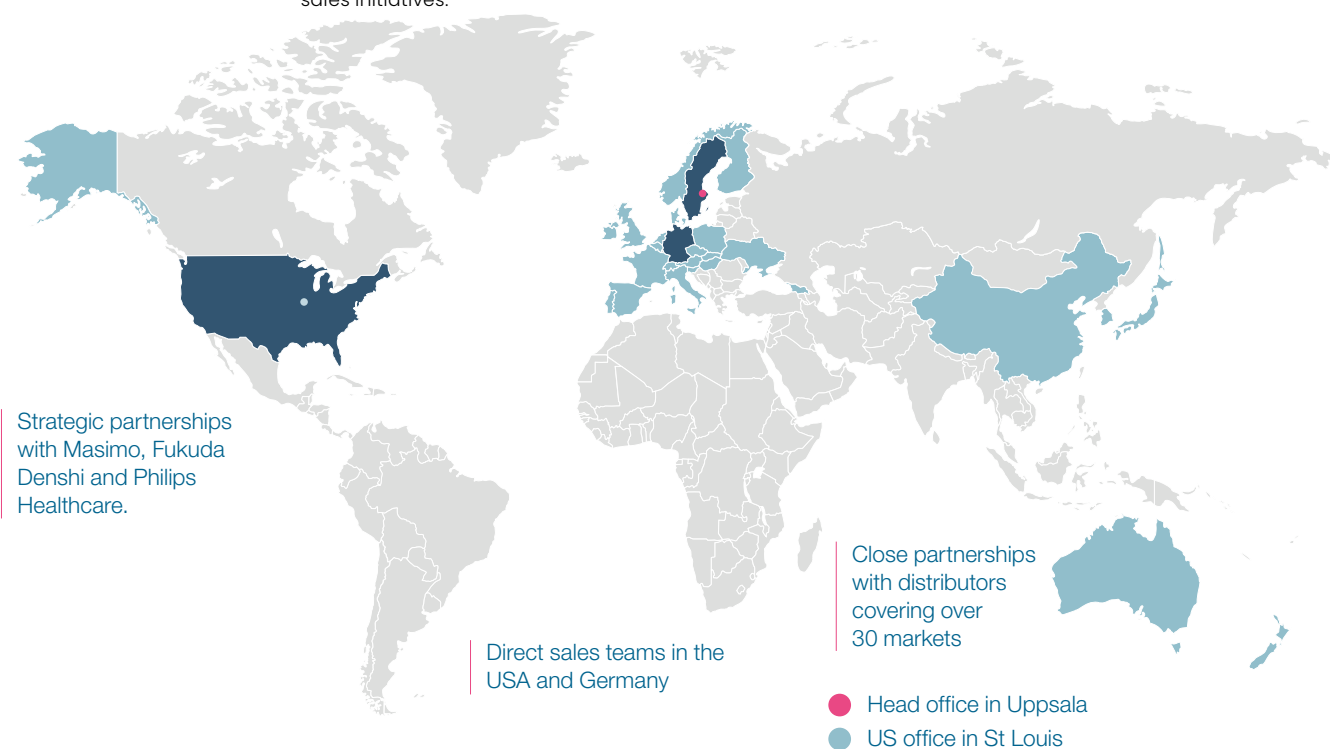
We're striving to support hospitals with in-depth expertise in the standardization of monitoring, thereby helping eliminate complications and reduce hospital costs.

- Support care providers with clinical expertise, procedures and user-friendly solutions that ensure broad-based implementation and high utilization of Senzime's patient monitoring systems.
- Deliver smart training modules that support care providers in effectively, increasing utilization, and thus eliminate post-operative complications.
- Partner with key opinion leaders to drive awareness of complications and the benefit of objective monitoring, standardization and the production of clinical protocols.

### Drive

We're striving to develop the market's most effective and sustainable business, with the consistent support of a passionate and driven team making this all possible.

- Managing efficient in-house production facilities, resources that support high delivery accuracy, margins, customer-focused service, product management, continuous improvement and optimal working capital tie-up.
- Be a leader in sustainable processes and be at the forefront of the market's migration to environmental solutions developed, manufactured and sold with good compliance to medical device regulations and administrative support.
- Maintain very good health and safety, inspirational professionals and competitiveness to attract the market's most skilled and driven people.



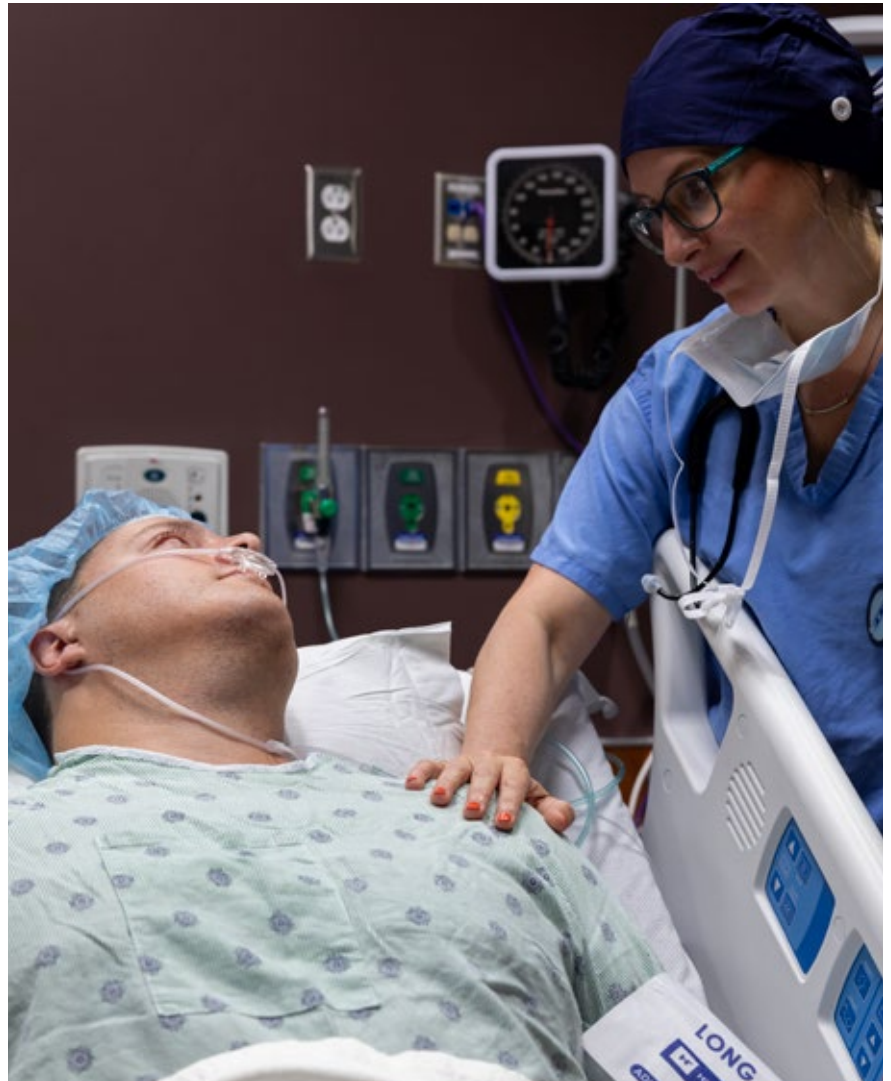
# On a global mission for 100 million patients

Senzime's mission is to safeguard every patient's journey, from anesthesia to recovery, to eliminate postoperative complications. We do this by developing innovative algorithm-driven systems that meet the ongoing clinical and digital paradigm shift in hospitals. This transition occurs in both neuromuscular and respiratory-related patient monitoring during surgery.

During anesthesia, it is particularly important to monitor the patient correctly in order to avoid complications and high healthcare costs. Research indicates that up to 40 percent of patients under anesthesia receive neuromuscular blocking agents (NMBAs) are at risk of postoperative complications if the correct patient monitoring is absent. The use of muscle relaxants in connection with general anesthesia has also increased in recent years, leading to more patients being exposed to a higher risk of postoperative complications, which places greater demands on patient monitoring.

Our target market consists of over 100 million patients undergoing anesthesia and postoperative care each year. We operate globally with direct sales forces in the USA in Germany, and through licensing and distribution partnerships in over 30 countries. Globally, four main technologies are used to monitor neuromuscular function during anesthesia:

- Clinical assessment by a physician
- Manual nerve stimulation using PNS, common in the USA
- TOF measurement based on Acceleromyography (AMG), which measures the level of muscular blockade by assessing thumb movements during muscle contraction, common in Europe
- TOF measurement based on Electromyography (EMG), a digital and algorithm-based technology with significantly more accuracy, which TetraGraph is based on



Generally, the legacy technologies are unreliable and not always appropriate for new surgical techniques, such as endosurgery and robotic surgery. Certain legacy technologies can also imply increased risks for patients being over and/or underdosed with drugs, kept intubated and remaining in surgery too long, or extubated prematurely with the risk of serious complications caused by residual muscular blockade. This is where electromyography (EMG) enters the picture: EMG is the very latest technology, and the

## Why neuromuscular blocking agents?

NMBAs, muscle relaxant drugs, cause neuromuscular blockade in the musculature and are used to facilitate safe surgery. This is especially important in procedures where patients need to remain completely still, such as robotic surgery.

most reliable, because it is accurate, giving precise measurements, and applicable to all types of procedure, on children and adults. Senzime's TetraGraph system is based on EMG.

### Why customers choose Senzime

Senzime's main markets are the USA and Germany, where we have our own direct sales organizations. The major European countries are other key markets, where we are represented by distributors. Most hospitals in Europe are government financed, with equipment usually procured through tendering processes. In the USA, hospitals are often large with more operating rooms than in Europe.

During 2024, we have continued to secure important large hospital contracts in the USA. In addition to the strong technology as the backbone, customers choose us because we are recognized as a reliable, long-term provider capable of executing large-scale implementations effectively. It

The TetraGraph has been a game-changer for our anesthesia department. The monitors have improved our patient safety and increased our operational efficiency.

Steve Hultgren,  
Anesthesia Technician  
Supervisor at CHI Health.

Our team initially resisted the change due to negative experiences with previous quantitative monitors. To address this, we relied on support from Senzime.

Erik Wroblewski, Anesthesia  
Manager at Froedtert & the Medical  
College of Wisconsin

can be challenging for hospitals to buy new innovative technology and get the staff to use it. For most, it is all about educating the clinicians, and Senzime is there to support all the way.

### TetraGraph's strengthened by clinical research and guidelines

TetraGraph's EMG technology is now widely recognized as the new standard in neuromuscular monitoring due to its precision and ease of use.

### Several new studies confirm the market-leading precision and accuracy of TetraGraph October 2024

The study "Train-of-Four Ratio, Counts and Post Tetanic Counts with the TetraGraph Electromyograph in Comparison to Mechanomyography" was performed at the Medical College of Wisconsin, USA, under the lead of anesthesiologist Prof. Thomas Ebert.

The study confirms the industry leading performance of TetraGraph. The study compared the EMG-based TetraGraph system to the benchmark mechanomyography (MMG) technology. This was the first study to clinically validate a portable EMG-only system at all levels of neuromuscular block. The results confirmed the overall accuracy of the TetraGraph system and provided evidence that it is superior in accuracy to other commercially available and validated neuromuscular monitoring systems.

### May 2024

The study, "Accuracy and Precision of Three Acceleromyographs, Three Electromyographs and a Mechanomyograph Measuring the Train-of-Four Ratio in the Absence of Neuromuscular Blocking Drugs" by Wedemeyer Z et al. was designed to compare three

commercially available AMG monitors and three EMG-based monitors, to a laboratory gold-standard mechanomyograph (MMG).

The study confirms the leading accuracy and precision of Senzime's EMG-based TetraGraph system, with results in line with referencing techniques and that the AMG-based monitors produced overshoot of measurements and had substantial variability in the data that could be clinically significant.

### Clinical guidelines drive demand

Anesthesia societies worldwide have published guidelines in recent years on quantitative monitoring when a muscle relaxant is used. At the end of 2022, guidelines for neuromuscular blockade management were adopted in both the US and Europe, advocating for the use of new technology that objectively measures neuromuscular blockade. In 2023, these guidelines were published and have driven demand for products that offer quantitative monitoring. The new guidelines confirm that the evidence is solid, the need for quantitative neuromuscular monitoring is significant, and the demand for precise patient monitoring has now increased.

In addition to Senzime, there are currently a few companies offering EMG-based neuromuscular monitoring. Senzime's TetraGraph is currently the only system offering a complete product portfolio for all types of patients, from small children to adults, and even for patients with delicate, sensitive skin.



# Innovative patient monitoring products

Senzime delivers a portfolio of innovative patient monitoring systems used during and after surgery. The goal is to eliminate postoperative complications and improve patient safety at hospitals worldwide. Our products are driven by clinical innovation and powered by unique algorithms from actual clinical use and many years of research at leading hospitals.

## **TetraGraph: Reliable monitoring during anesthesia**

Each year, millions of patients are impacted by postoperative complications. This can be prevented with accurate monitoring. By monitoring the effect of NMBAs, physicians can ensure that drugs are used correctly. Physicians also gain guidance on when it is safe to wake the patient again. Accordingly, complications such as residual paralysis and respiratory

complications can be minimized. The TetraGraph system is based on electromyography (EMG), the latest and most sophisticated technology in this segment. The technology is the result of over 40 years of scientific research and clinical practice at the Mayo Clinic and Yale in the USA, and through partnerships with prominent international research groups.

TetraGraph enables reliable and precise monitoring of neuromuscular blockade peri-operatively. The system is user friendly, helps physicians make decisions on the level of neuromuscular function, and indicates when it is safe to wake the patient. The system comprises a portable monitor and disposable sensors. The sensors have flexible use because they can be located on different muscles. Sensors are offered in different versions to adapt to varying patient needs.

- TetraSens—for adult patients
- TetraSens Pediatric—soft and pliable, for children
- TetraSensitive—for patients with delicate and sensitive skin

With its compact size, extensive functionality and flexible sensors, TetraGraph can be used in all types of surgery and patient, enabling increased patient safety.

## **Integration with other patient systems**

Senzime has developed a range of functionality for transmitting data easily from TetraGraph to patient systems from other vendors to facilitate flows in hospitals.





### ***Patient monitoring systems from Philips***

The TetraGraph Philips Interface enables the transfer of TetraGraph data to Philips patient monitors, which are in widespread use in operating rooms worldwide. Transmission in real time and parameters displayed on the Philips IntelliVue monitor. The data from TetraGraph is processed in the same way as other Phillips data, as well as being transmitted and saved automatically in hospital patient journal systems.

### ***Connectivity with patient journals***

The TetraGraph Xcom solution enables TetraGraph to communicate with an array of patient journal systems, such as the Phillips Capsule Medical Device Information Platform (MDIP), Masimo Hospital Automation platform and GE

Centricity High Acuity Platform.

### ***Exporting patient data***

The TetraConnect cloud service makes it easy for physicians and healthcare staff to view and export data from TetraGraph in pdf or Excel format. This cloud service offers the user access to extensive data for clinical use, or for research.

### ***ExSpiron: A unique system for monitoring respiratory function***

ExSpiron was added to Senzime's product portfolio from the acquisition of Respiratory Motion in 2022. ExSpiron is the first and only non-invasive system for continuous monitoring of minute ventilation (the volume a person breathes in a minute) to detect any changes in breathing patterns at an early stage post-operatively and in intensive care.

The ExSpiron system is the outcome of extensive scientific and clinical sci-

entific research. Studies have demonstrated that ExSpiron can detect changes in breathing significantly earlier than pulse oximetry technology for example. The ExSpiron system consists of a monitor and disposable sensors. ExSpiron's disposable sensors come in two different sizes to match different types of need. These sensors are attached to the chest, which means monitoring is completely non-invasive, unlike many other systems that measure respiratory function.

### ***Additional products***

Senzime's development portfolio also includes innovative, patient-oriented solutions that enable automated and continuous measurement of biological compounds like glucose and lactate in the blood and tissues—CliniSenz Analyzer and OnZurf Probe.



## Product news during 2024!

Senzime launched the next-generation TetraGraph at the largest anesthesia congress, the annual American congress ANESTHESIOLOGY 2024 organized by ASA.

### Next-generation TetraGraph

The next-generation TetraGraph enables precision-based neuromuscular monitoring of patients during anesthesia. The new system is launched with unique functionality and a new design to make advanced neuromuscular monitoring smarter, simpler, and more accessible to a broader hospital market.

#### New features include:

- TetraGraph Adaptive Intelligence™ including a suite of smart algorithms enabling true precision-based monitoring and automated workflows throughout the perioperative journey.
- New user interface with the TetraGraph Level-of-Block Gauge™ making complex neuromuscular monitoring understandable to help accelerate alignment to new clinical guidelines.

- Sensime's 6th generation EMG algorithm for unprecedented clinical accuracy at all levels of neuromuscular block, designed based on extensive patient data from previous TetraGraph generations.

The next-generation TetraGraph is the first in its space to be engineered using sustainable materials and manufactured in an environmentally friendly ISO 14001-certified process in Sensime's new manufacturing facilities in Uppsala.

"Our next-generation TetraGraph system is truly an industry game changer and the result of years of extensive research, collaborations with leading anesthesiologists across the globe and extraordinary work by the Sensime team"

Philip Siberg, CEO at Sensime



# Product partnerships and licensing agreements for future growth

## Fukuda Denshi

For several years, Sensime has an exclusive license agreement with Japanese company Fukuda Denshi Co. Ltd., active in-patient monitoring. This agreement involves Fukuda licensing Sensime's TetraGraph technology to exclusively commercialize products under its branding on the Japanese market. In the next phase, Fukuda also has exclusive rights in Japan to fund the integration of TetraGraph technology into Fukuda's major monitoring systems.

## Philips Healthcare

Since many years, Sensime has a close partnership with Philips Healthcare. Integrations to both patient monitoring systems and patient data management systems are part of this partnership.

## Masimo

Since 2022, Sensime has had a strategic connectivity and licensing agreement with US company Masimo. This agreement grants Sensime the rights to use some of Masimo's intellectual property with the purpose of developing, manufacturing, marketing and distributing products that can connect to Masimo's patient monitoring system.

## GE

Since 2024, Sensime has a partnership with GE for connectivity to their patient monitoring systems, which enables patient data transfer between the systems.

## CoreSpiron

In 2023, Sensime entered an exclusive license agreement with Chinese company CoreSpiron (Henan) Co Ltd., giving CoreSpiron up to ten years' manufacturing and sales rights for the ExSpiron system on the Chinese market.



# Innovation for secured competitiveness

Continuous innovation ensures competitiveness, rapid growth, and enables investments in both the existing product portfolio and development projects. Senzime has a complete portfolio of products available in several markets and included in the customer offering. Additional products and solutions are under development.

Innovation and further development are crucial for continuously improving patient safety and health,

and all product development is carried out in close collaboration with our customers. This way, we ensure that our products meet the needs present in the market. An agile approach also allows us to quickly adapt to the changing demands of the market.

Developing collaborations and partnerships with both larger and smaller companies in the medical technology industry is one of our strategic focus areas.

Both TetraGraph and ExSpirom are based on clinical operations and solid evidence in research. This is also how we work to find new innovations—close to clinical operations and research—while keeping track of trends in both the clinical and technical fields. Since we produce TetraGraph at our headquarters in Uppsala, we have strong collaboration between different departments, which is a key prerequisite for success, especially during the development of the next-generation TetraGraph in 2024. Working closely together, both internally and with external partners, including customers, enables us to be quick in launching and making products available on the market.

## Patents and brands

Senzime protects its business with an active IP strategy. Intellectual property is an important part of Senzime's operations, and the company works continuously on patent and brand registration.

Patent applications are filed for strategic results including processes, products, and applications. Apart from patent filings, the company registers intellectual property in the form of pattern protection and brands. We monitor third-party IP to ensure firstly that the company does not infringe on other parties' rights, and secondly others do not infringe on the company's IP. During 2024, twelve new patents were granted and two new patents filings were made in the year. In total, Senzime now has 105 patents.







# Committed to patient safety with minimal environmental impact

For over 20 years, Sensime has developed patient monitoring solutions to help improve clinical care and patient safety. With headquarters in Sweden, products installed across the globe and solid funding, Sensime is a truly global company with a strong commitment to a safe, sustainable world for everyone.

Today, Sensime is a leading global medical device company, providing innovative algorithm-powered monitoring solutions to increase patient safety during and after surgery. Through these solutions, we are driving a technology paradigm shift in the industry.

Our mission is to safeguard every patient's journey, from anesthesia to recovery. By succeeding with this, we can help reduce healthcare costs and help contribute to better well-being for patients, ultimately leading to a more sustainable society.

Environmental sustainability is part of our strategy and day-to-day operations. Through our code of conduct, we ensure we have partners who share our high standards regarding environment, social and governance.

## To our Stakeholders

Through our stringent code of conduct, we engage partners who echo our high standards for environmental, social, and governance (ESG) excellence.

As the sole stand-alone neuromuscular monitor provider aligned with the United Nations Global Compact and with headquarter operations environmental management system certified to ISO 14001, Sensime is redefining industry norms and setting new benchmarks for corporate responsibility.

Sensime requires that our Partners respect human rights, establish good labor conditions, ensure ethical business practices, continuously improve environmental and health & safety performance and respect proprietary information and data privacy. All Partners are expected to adhere to Sensime's values and to follow the Partner Code of Conduct. The Code is based on applicable law and internationally recognized principles for how companies should conduct business responsibly such as the UN Global Compact, the UN International Bill of Human Rights, the UN Guiding Principles on Business and Human Rights, the International Labor Organization's (ILO's) Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises, and is guided by the UN Sustainable Development Goals.

## General

Sensime is a medical device manufacturing company with approximately 50 employees and is listed on the stock exchange Nasdaq Stockholm Main Market.

The accounting and reporting scope for this sustainability statement is developed to introduce the sustainability statement and give an overview of the technical details and accounting policies.

Sensime has close and good relations with key suppliers. This is performed by regular visits, audits and meetings with key suppliers.

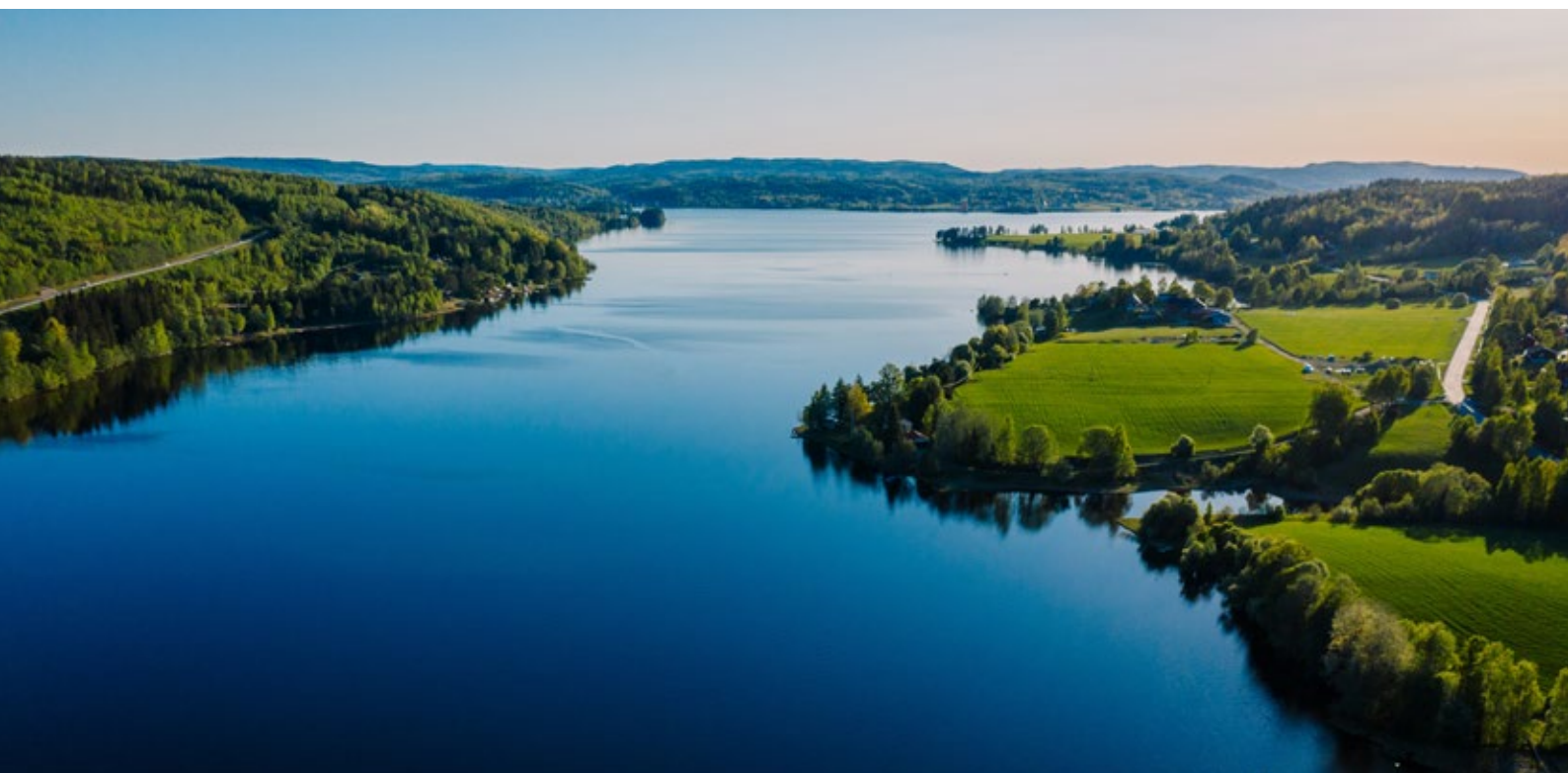
Products and services offered are the TetraGraph products family, including various sensors, and the Expiron products family.

The main markets for Sensime products are U.S, Europe, Japan and South Korea.

The main customer groups are large hospitals in U.S and medical device distributors in Japan, South Korea, U.K, Switzerland and the Nordics.

## WE SUPPORT





## Business model and strategy

Senzime is a manufacturing medical device company. The key features of the value chain can be briefly described as:

Value chain item	Description
<b>Upstreams</b>	<p>Supply of material from suppliers (sensors, components for manufacturing of instruments, other related components for service purpose and accessories and spare parts to the system)</p> <p>Transport of materials to Senzime</p> <p>Consulting services for design and development, IT, infrastructure, regulatory business and auditing</p> <p>Financing activities from investors</p>
<b>Own operations</b>	<p>Design and development of products and services</p> <p>Manufacturing of instruments</p> <p>Quality control of products</p> <p>Handling of facilities and equipment</p>
<b>Downstream</b>	<p>Transport of goods to distributors and customers</p> <p>Use of products at hospitals</p> <p>Disposal of material at end users</p>

The key suppliers are included in the following categories:

Supplied material/ service	Description (examples)
<b>Components, material</b>	Sensors, components for manufacturing of instruments, other related components for service purpose and accessories and spare parts to the system
<b>Logistics</b>	Transport of materials to Senzime
<b>Consulting service</b>	Consulting services for design and development, IT, infrastructure, regulatory business and auditing
<b>Financial investors</b>	Financing activities from investors

**Sustainability related targets for 2024 in terms of products and services, customer groups, geographic areas or stakeholders:**

Plan	Objectives	Status/ Result
1 Shipping of goods to US	Shipping out fewer times to warehouse. Evaluate recycling of packing material. Ship shorter distances/ less shipments between storage areas	Considerations made to ship out few times but still in line with customers demand. Shipment made to office in U.S and from that to customer. Recycled material used when possible.
2 Travelling	Update policy – Review each trip and assess the greenest alternative. Update personal handbook with sugges-tions. Investigate company car policy for electric cars	Mapping of process is initiated and policy to be updated once completed.
3 Product development	During product development add steps for envi-ronmental considerations on products and processes.	Processes updated to include sustainability consid-erations. Requirements for sustainability included in development of newly released TetraGraph product.
4 Requirement from banks/ investors/owners to have ISO 14001	Keep ISO 14001 certification Report to UN Global Compact	Successful audit result from ISO 14001 audit and after move to new facilities. No non-conformances. Reporting performed to UN Global Compact
5 Facility	Prepare for fire emergencies – New address	Fire drill exercise has been held. Emergency exits properly marked up.
6 Scope of business	Reduce complications, improve health care and save lives.	Sales targets achieved to reasonable level.
7 Human resources	Employee should thrive	40-60% gender diversity Long term > 20% born outside Sweden <20% Employee turnover <2% sick leave <2% work related accidents Employee surveil performed with good result
8 Business ethics Governance / ethical business	Update and remind employee. Confirm stakeholders	Townhall meetings held quarterly All employees trained at CoC. Materiality assessment performed to ensure adherence to stakeholders' interests.

We are analyzing stakeholders' inter-ests and views by having close con-tact with main suppliers, distributors, auditors, investors, owners and other parties. This is made by meetings, e-mail, phone calls, webinars depend-ing on the content of the information that shall be exchanged. The employ-ees and consultants are important stakeholders.

Senzime provides sustainability information to employees, discusses relevant information and methods for obtaining and verifying sustainabili-ty information, and ensures that the views of the employee are communi-

cated to management. This is per-formed via annual employee surveys with follow-up analysis and discus-sions.

Communications with employ-ees are defined in the management system as well as informal department meetings, town hall meetings, e-mail, project meetings and one-to-one meetings to ensure welfare and target alignment for each employee.

Input from customers and users is gathered via complaints, market feed-back from exhibitions, questionnaires and information from direct sales team and distributors. The informa-

tion is summarized in the Post Market Surveillance process that is manda-tory for medical device companies under medical device regulation in Europe. The input from the post market process provides important informa-tion for improvements of design for Senzime's products.

**The key stakeholders for Senzime are:**

- Employees and other workers
- Suppliers
- Customers
- Investors
- Regulatory bodies
- Partners (other)



Input from stakeholders has led to the following amendments of the company's business model and company strategy:

- Introduction of the next-generation TetraGraph with user-friendly interface developed in alignment with guidance for EMG monitoring
- Introduction of easy-to-use click cable connector

Rights for stakeholders are ensured by adherence to the company Code of Conduct which details how employees at Senzime are committed to conduct business in a responsible manner and upholding high standards of ethics in all our business interactions. This means that we require our employees to comply with and respect human & labour rights, ethical business practices, environmental compliance and proprietary information and data privacy.

### Material sustainability matters

The process for identifying the material impacts, risks and opportunities for Senzime is performed to cover the aspects of ISO 14001 requirements and is now being reviewed to also cover the requirements in the ESRS. Procedures are in place to ensure governance as required for a listed company. The process is integrated in the overall risk management process.

There are differences between subsidiaries related to material sustainability matters; Manufacturing is solely performed by the Swedish site. Service is performed by the site in Sweden and the site in U.S. Transport of material is made from and to all sites, even though the main flow of material goes from and to the Swedish site.

Methods, use of assumptions, quantitative and qualitative criteria, internal controls

The method for defining sustainability matters is detailed in processes within the quality management system (including in the business risk assessment system) and being maintained as such. Quantitative and qualitative specific objectives are defined on an annual basis and are described in the quality and environmental objectives. Internal controls such as monitoring of supplier and distributor performance are in place and followed up every quarter. Assumptions may be used to allow for extrapolation of greenhouse gas emissions caused by travels and shipping.

### Outcome of the double materiality assessment

We have conducted a materiality assessment in the Environment, Social and Governance (ESG) to identify sustainability risk and opportunities



end to end in our value chain. It enabled Senzime to set key priorities for its sustainability agenda, identifying the fundamental improvements and opportunities for our stakeholders, our commitment to the UN Global Compact, and our environmental impact.

A more detailed double materiality assessment is ongoing to define where in value chain impacts, risks and opportunities are. The outcome of the analysis will be revealed during 2025, and will give a better view of how impacts affect people or environment and how the company is affected (business and financial).

Sustainability governance

Sustainability management is integrated in the day-to-day business activities at Senzime. Head of QA/RA/S (member of management team who direct reports to CEO) has responsibility for sustainability management.

The sustainability management progress is being monitored by external parties. ISO 14001 certification is performed by BSI. Senzime also reports to UN Global Compact for making progress in sustainability work transparent for external parties. Financial reporting and governance is audited by PwC.

Senzime has a clear policy on working towards an equal composition and diversity amongst the employees, management positions and in the Board of Directors.

The headcount at Senzime by geography is (own staff, excluding consultants):

Country	Headcount
Sweden	27
U.S	23
Germany	4

The Head of QA/RA/S is responsible for the method for sustainability handling at Senzime. The CEO is responsible for working with the Board of Directors. The Board of Directors are responsible for the information in the sustainability report.

Current composition:

Gender	Senzime employees	Management Team	Board of Directors
Men	28	6	5
Women	26	2	1
Other	-	-	-

The management team are all trained on Stock Market Education. The Financial and Quality team has improved the knowledge during the past year by attending training held by PwC, UN Global Compact and kick-off training for performing the double materiality assessment.

Currently, there are no incentive plans or bonus plans for board members or the CEO related to long-term sustainability targets.

Environmental information

Climate change and pollution

The most relevant areas for Senzime to work within for environmental impact currently are:

- Climate change mitigation
- The prevention and control of environmental pollution

For the newly developed TetraGraph product with improved design sustainability was taken into consideration.

- Lifetime of at least 7 years
- Low battery weight (<100g)
- Online training available
- Improved usability
- The remaining volume in the transportation box, is less than 40% of the box's initial volume
- Plastic material consists of 30% recycled plastic
- All packaging materials are recyclable, and materials of different types easily separable
- Packaging material made from 100% pure virgin fiber from responsibly managed forests, with full traceability

Social information

People are Senzime's most valuable resource, and the company endeavors to attract the right skills by being an attractive workplace. Its starting point

is that all employees must be treated equally and have the same opportunities for personal development, regardless of their background or individual differences.

Senzime has zero tolerance of human rights violations and expects its employees and business partners to uphold the same high standards by complying with our Code of Conduct, Partner Code of Conduct and local legislation.

Own workforce

Each year Senzime conducts an employee satisfaction survey to monitor and evaluate the company's working environment and identify areas of improvement. The result from the employee survey this year was 8.3 (8.6). Although the results are strong and validate Senzime's efforts, it is important that our people play an active role in our corporate development. Accordingly, actions are defined to address the issues raised in the survey.

After analyzing the results from the survey it was decided that during 2025 the following areas for improvement will be targeted:

- Product development priorities, issues and related stress
- Getting things done easier, more efficient and work smarter
- Improve team culture and recognition – One Senzime

Governance information

Senzime is committed to conducting business responsibly and ethically. Its Code of Conduct and Partner Code of Conduct set a framework for how Senzime does business that its partners are expected to comply with. Senzime has in-house sales organizations in Germany and the US, but partners with distributors on other key markets.



Senzime expects its employees and partners, including suppliers, distributors, and other business partners, to uphold the same high standards, and as an absolute minimum, comply with local legislation on human rights, anti-corruption, labor law and the environment.

To ensure Senzime's business partners share the values stated in the Partner Code of Conduct, Senzime has implemented a process to screen and evaluate partners from a sustainability perspective. To ensure compliance, and that partners share the same values as Senzime, all business partners are expected to sign its Partner Code of Conduct.

## Business conduct

### *Relationships with suppliers*

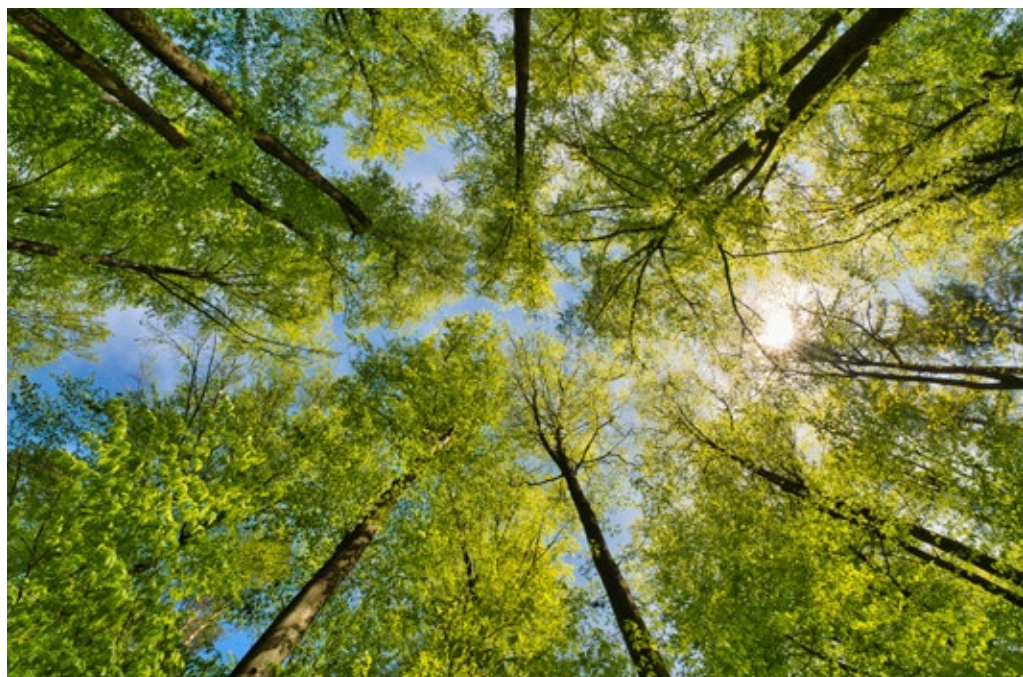
Procedures for supplier management are in place. Environmental requirements for components, products and services are included in the requirements for new products.

For components used in manufacturing Senzime requires the following (as applicable):

- The component, including packaging, shall not include substances listed in current European directive (REACH compliance - (EG) nr 1907/2006, ROHS 2-EU directive 2011/65/EU, ROHS3 - EU Directive 2015/863 or CMR-ED substances).
- In addition to this a Partner Code of Conduct shall be signed by the supplier.
- The component specifications for custom made products are provided to the suppliers as part of the purchasing process.
- If there are particular environmental requirements for a component that is specified in the component specification

### *Handling of bribery and corruption:*

Senzime has included a description about corruption and bribery in the Code of Conduct and Ethics. Senzime



has zero tolerance for corruption, in which its employees must not engage in or tolerate any form of bribes, corruption, extortion, or embezzlement. Senzime nor any of its employees may, directly or indirectly, promise, offer, pay, solicit, or accept bribes or kickbacks of any kind, including money, benefits, services or anything of value. Such payments and favors may be considered bribery, which violates local legislation and internationally recognized principles for combating corruption and bribery. This is followed up regularly by management.

During 2024, zero reports for bribery and corruption were made to Senzime.

### *Protection of whistleblowers*

Senzime informs staff about its whistleblowing channel(s) at employment and regular training.

Internal reporting channels are provided for employees, interns, sub-contractors, entrepreneurs, members of the board and shareholders – via direct manager or safety officer or management team.

Employees have the possibility to report wrongdoing in written and oral form. Whistleblowing is made available for any parties by e-mailing to [hotline@senzime.com](mailto:hotline@senzime.com) and can also be done to external authorities.

### *Training on business conduct*

All members of the management team (7 persons) have attended the Stock Market Education for the Board of Directors and Senior Management.

The training was made to provide basic knowledge of stock market rules and the rules that have special meaning for companies listed on Nasdaq Stockholm and Nasdaq First North. The training provides the skills on the stock exchange rules required by the stock exchange for board members, and senior executives in listed companies. The training included an introduction to the securities market and an overview of current regulations for listed companies, listing requirements, information rules, flagging rules, insider rules, the closed window rule, list of PDMR, insider lists and notification obligations to the Swedish FSA.



# The share

**Senzime's share has been listed on Nasdaq Stockholm's Main Market since June 30, 2021, and trades with the ticker "SEZI". Since October 2023, Senzime's share can be traded on the OTCQX market in the USA during local trading-hours, with price quotation in USD and the ticker SNZZF. Senzime endeavors to provide the capital markets with open, reliable and accurate information on the company's operations and financial performance.**

## Share price

The closing price of Senzime's share on December 31, 2024, was SEK 5.50, equating to market capitalization of approx. SEK 732 m. Total turnover in the year was 38,599,482 (40,319,617) shares, with a value of approximately SEK 791.0 m (232.0). The share price decreased by 26 percent in the year. The share price high in 2024 was SEK 9.03 (August 21), and the low was SEK 5.50 (December 31). The OMX rose by 3.6 percent in 2024.

## Share capital

According to Senzime AB's Articles of Association, share capital will be a minimum of SEK 4.5 m and a maximum of SEK 18.0 m. The share capital as of December 31, 2024 was SEK 16.6 m. The quotient value is SEK 0.125 per share. There is a total of 133,174,523 shares end of December. There is only one share class. All shares are entitled to an equal share of the company's assets. Each share carries one vote at Annual General Meetings (AGMs) and any Extraordinary General Meetings (EGMs), and there are no limitations in the matter of how many votes each shareholder may cast at AGMs/EGMs. Nor do the Articles of Association have any provisions limiting rights to transfer shares.

## Shareholders

The number of shareholders of Senzime as of December 31, 2024, was 3,070 (3,056) according to Euroclear data. Accordingly, Senzime's ten largest shareholders had holdings corresponding to 62.2 percent (63.5) of the votes and equity of the company. The largest shareholders are the Crafoord family and Crafoord Foundation with 17.0 percent (16.9) of the number of shares and votes.

## Dividend policy

Because Senzime will be in continued development in the coming years, any capital surplus will be invested in operations. Consequently, and because the company has not previously paid any dividend to shareholders, the Board of Directors does not intend to propose any dividend for the current year, or commit to a predetermined dividend payout ratio. If Senzime's cash flow from operating activities subsequently increases above the company's need for capital, the Board of Directors intends to propose that the AGM resolves to pay dividends. All share information is as of December 31, 2024.

## Share capital history

Year	Event	Change in no. of shares	Change in share capital, SEK	Total no. of shares	Total share capital, SEK	Quotient value per share, SEK
2024	Directed share issue	13,469,000	1,683,625.00	133,174,523	16,646,815.375	0.125
2023	Offset issue RMI tranche 3	1,582,909	197,863.625	119,705,523	14,963,190.375	0.125
2023	Directed share issue	18,000,000	2,250,000.000	118,122,614	14,765,326.750	0.125
2023	Directed share issue	12,500,000	1,562,500.000	100,122,614	12,515,326.750	0.125
2023	Offset issue tranche 2	5,055,954	631,994.250	87,622,614	10,952,826.750	0.125
2023	Rights issue	12,682,675	1,585,334.375	82,566,660	10,320,832.500	0.125
2022	Offset issue	2,127,537	265,942.125	69,883,985	8,735,498.125	0.125
2022	New share issue	5,263,158	657,894.750	67,756,448	8,469,556.000	0.125
2020	New share issue	4,545,000	568,125.000	62,493,290	7,811,661.250	0.125
2020	Exercise of stock options	600,000	75,000.000	57,948,290	7,243,536.250	0.125
2020	New share issue	4,900,000	612,500.000	57,348,290	7,168,536.250	0.125
2019	New share issue	3,370,787	421,348.375	52,448,290	6,556,036.250	0.125

## Ten largest shareholders as of December 31, 2024

Shareholder	No. of shares	Share of capital (%)
Crafoord family and Crafoordska Foundation	22,644,051	17.0
Segulah Venture AB, Segulah AB, Segulah Medical Acceleration AB	14,820,271	11.1
Fourth AP (Swedish National Pension Insurance) Fund	8,748,559	6.6
Fredrik Rapp	8,416,946	6.3
Handelsbanken Fonder	6,191,299	4.6
Swedbank Robur Microcap	4,777,131	3.6
Carnegie Small Cap Fund	4,712,461	3.5
TIN Ny teknik	4,516,917	3.4
IBKR Financial Services	4,164,043	3.1
Pershing LLC.	3,840,490	2.9
Other	50,342,355	37.8
<b>Total</b>	<b>133,174,523</b>	<b>100.0</b>

## Senzime's share price (SEK)



# Statutory Administration Report

**The Board of Directors and Chief Executive Officer of Senszime AB, with corporate identity number 556565–5734, hereby present the annual accounts and consolidated accounts for the financial year 2024. Unless otherwise stated, all amounts are in thousands of Swedish kronor (SEK 000), and are for the group. Figures in brackets are for the financial year 2023, unless otherwise stated.**

## Operations

Senzime is a global medical device company driving a technological paradigm shift with innovative patient monitoring systems targeting a market of over 100 million patients each year in the USA and Europe.

Our vision is a world without post-operative complications, and our mission is to develop high-technology, innovative solutions that save lives, optimize patient health, reduce complications and healthcare costs.

Our business model is based on sales of monitors and associated disposable sensors to hospitals and clinics, which generate recurring revenue. Senszime has direct sales resources in the USA and Germany, and collaborates with distributors and licensees on its other main markets.

In 2023, new clinical guidelines were published in Europe and the USA that support Senszime's technology, which will drive change further towards our vision.

Our portfolio consists of innovative systems for patient monitoring of neuromuscular function and breathing, typically during and after surgery, and for the intensive care sector.

TetraGraph is a system based on EMG technology for neuromuscular monitoring during surgical procedures. This system is sold with disposable sensors.

ExSpirom 2Xi is a non-invasive monitoring system of respiratory volume and minute ventilation used for in and out patient care. This system is also sold with disposable sensors.

## Business highlights in the financial year

### Q1

Senzime secures its largest US deal to date from a leading Houston university hospital involving the shipment of over 300 TetraGraph systems.

Senzime's licensee Fukuda Denshi launches the first integrated TetraGraph module on the Japanese market.

Expansion of Senszime's US commercial sales organization, with a Vice President of Global Marketing appointed, and the US head office relocates from Boston to St. Louis to address market demand more effectively.

### Q2

Senzime secures contracts with several leading US hospitals in robotic surgery and monitoring children under anesthetic.

Senzime wins another major public tender from Veterans Health in the USA.

Senzime signs its first GPO deal in the USA, becoming sole source supplier to one of the largest US healthcare players.

Clinical study published in keynote scientific periodical Anesthesiology confirming the industry-leading accuracy and rigor of Senszime's EMG-based TetraGraph system.

Senzime secures a new European patent on the TetraGraph system.

Senzime wins a contract with the most prestigious and top-ranked children's hospital in the USA.

### Q3

Senzime signs a new contract with a top 10-ranked IDN (integrated delivery network) in southeastern USA that expands usage of the TetraGraph system, an expected fourfold increase.

Senzime updates its market prospects and upgrades its growth ambitions.

Senzime secures its first procurement contract from a hospital in one of the five largest IDNs in the USA with a strong presence on the East Coast.

Senzime executes a directed share issue worth some SEK 86 million at market price. This issue is for current and existing shareholders such as the Crafoord family, Segulah Medical Acceleration, the Fourth AP (Swedish National Pension Insurance) Fund, Carnegie Fonder, Swedbank Robur Fonder, Fredrik Rapp and Professor Sorin J. Brull, as well as a number of new Swedish and international institutional investors. The funds were transferred to the company during October.

### Q4

Launch of the next-generation TetraGraph at ANESTHESIOLOGY 2024 in Philadelphia.

New research study published underscoring the TetraGraph system's industry-leading precision at all levels of neuromuscular blockade.

Senzime secures the first order for next-gen TetraGraph systems from a leading Swiss hospital. The initial order is for 20 monitors, and planned for shipment during the first quarter of 2025.

The company reports that all shares in tranche 1 of its directed share issue announced in the third quarter were subscribed.



### Business highlights after the end of the year

Senzime achieves the second milestone in its partnership with Masimo through the integration with Masimo Iris® Gateway. This new solution enables automated data transfer between the TetraGraph system and external patient journal systems.

Senzime reports that the company has secured several new hospital contracts for next-gen TetraGraph, and that shipments to customers commenced as planned.

### Significant risk factors

A number of risk factors may have a negative impact on Senzime's operations. Accordingly, it is very important to consider relevant risks in addition to Senzime's growth potential. A number of risk factors, which are not arranged in order of importance, and make no claims as to completeness, follow.

### Key individuals

Senzime is a small and knowledge-intensive business enterprise and is dependent on a number of key individuals to achieve success. If one or several key individuals leaves Senzime, this may have negative consequences for operations, and results of operations.

### Distributors, suppliers and other collaborative partners

Senzime bases its strategy on activities including development and sale direct or jointly with distributors, licensees and other collaborative partners. If it is not possible to create existing or future partnerships, they are not achievable or do not function as intended, Senzime's commercialization potential would be negatively impacted. Senzime also has partnerships with suppliers. If one or several of these parties decided to discontinue a partnership, this might negatively impact operations.

### Technology and product development

Senzime's products are in a commercialization phase. Even if substantial efforts are made to assure the technology is utilized, the possibility that complementary or alternative technological solutions will be necessary cannot be ruled out. This means that development work in addition to that already planned would be necessary.

### Patents and intellectual property matters

To some extent, Senzime's value is dependent on its capability to secure and defend patents and other intellectual property. Patent protection may be uncertain and involve complex legal and technical issues. There is a risk that patents are not granted on patent-pending inventions, that granted patents do not offer sufficient protection, or granted patents are circumvented or invalidated.

Usually, previously granted patents are associated with substantial costs to conduct processes to protect validity, and where boundaries to potential infringement on Senzime's part or against competing companies' patents or for

any infringement from external parties against Senzime's patents. With access to greater financial resources, competitors may be in a better position than Senzime to meet such expenses.

If Senzime is unsuccessful in obtaining or defending patent protection of its inventions, competitors may be able to use Senzime's technology freely, which would negatively impact its capability to commercialize operations.

### Confidentiality and commercial secrets

Senzime is dependent on commercial secrets not covered by patents, patent filings or other intellectual property. Such commercial secrets include information on discoveries where patents have not yet been filed. Even if employees and collaborative partners are normally covered by non-disclosure agreements with Senzime, there is a risk that a party with access to confidential business information reveals or otherwise uses it in a manner that damages Senzime, which may negatively impact its operations, financial position and results of operations.

### Financial risks

Senzime's accounts receivable are associated with credit risk, where there is a risk of payment being delayed or of payment default. Senzime operates internationally, and a high share of sales are in currencies other than Swedish kronor, primarily EUR and USD. If a customer does not pay or exchange rates are unfavorable for Senzime, this may negatively impact its financial position and results of operations.

The acquisition of Acacia Designs B.V. means the group has substantial intangible assets denominated in EUR, and through the acquisition of Respiratory Motion Inc, the group also has significant intangible assets denominated in USD. Changes in the relationship between the SEK, USD and EUR may impact the group's consolidated net equity negatively.

Senzime currently has no interest-bearing assets or liabilities.

### Geopolitics

Senzime has no operations in Russia, the Ukraine, Israel or Palestine. The company is closely monitoring progress around the new US government's intention to introduce tariffs on imported goods. The company's US office, located in St. Louis, has the potential to expand into manufacture, which may mitigate all or parts of this financial risk.

### Need for finance and working capital

Senzime is in a start-up phase, where expected revenues do not cover planned expenses. There is a risk that in future, the company may also need to raise further capital.

Access to further finance is affected by a number of factors such as market conditions, the general supply of credit, Senzime's credit rating and credit capacity. Disruptions and uncertainty on the capital and credit markets may also limit access to the capital necessary to conduct operations. If, in future, Senzime is unsuccessful in raising the necessary

capital for the company on reasonable terms, its operations, financial position and results of operations could be negatively impacted.

To the extent Senzime raises further finance through issuing shares or share-based instruments, Senzime's shareholders will be affected by dilution to the extent such new issues are conducted waiving shareholders' preferential rights.

At year-end 2024, the group's cash and cash equivalents were SEK 100.9 million. The Board is engaged in continuous efforts to secure the company's long-term finance to safeguard operations assuming investments and initiatives.

The company's growth plans are continuously balanced against the financial resources available from time to time. The opinion of the Board of Directors and the company is that going concern status is assured for a period extending beyond 12 months.

## Comments on financial information

### Revenues and earnings for the full year 2024

Consolidated net sales for the period January–December 2024 were TSEK 58,477 (35,754), an increase of 64 percent on the previous year. Adjusted for currency fluctuations, sales rose by 65 percent.

Growth was mainly driven by increased sales in the USA and Asia. In the USA, total underlying sales adjusted for currency effects were up by 74 percent, and Asia grew by 171 percent, adjusted for currency effects. Adjusted for one-off license revenue for ExSpiron in China in the previous year, total sales in Asia grew by 319 percent. In Europe, the volume growth of TetraGraph monitors was negative compared to the previous year, driven by longer sales processes for capital goods. However, sensor sales in Europe rose 43 percent. Sensor sales on the US market increased by 91 percent, and in Asia, by 575 percent.

Sales of monitors and accessories rose by 29 percent adjusted for currency fluctuations, driven by several new US deals secured, and new monitor shipments to Senzime's licensing partner Fukuda in Japan. Total sales of disposable sensors increased by 101 percent adjusted for currency fluctuations.

The gross margin before amortization for the period was 64.4 percent, compared to 69.8 percent in the previous year, a reduction sourced from the product and customer mix, as well as temporary one-off adjustments to older consumables. The US market features volume deals with lower pricing of instruments expected to drive repeat sales of disposable sensors with higher margins.

For the full year 2024, the group's total operating expenses were TSEK 144,178 (145,699). Of this total, direct operating expenses were TSEK 152,696 (142,152) and other operating expenses, consisting of currency-related revaluations of balance sheet items, were TSEK -8,518 (3,547). The increase in direct operating expenses mainly relates to the expansion of the US commercial organization and a SEK 4.2 million one-off expense related to impairment of a right-of-use asset on leased premises in the USA, and the previous operations of RMI in Boston. Costs were also positively impacted by other operating income and operating expenses related



to currency effects, and compared to the previous year.

Earnings before interest and taxes (EBIT) for the period January–December were TSEK -124,054, compared to TSEK -137,360 in the previous year. The loss after financial items was TSEK -122,780 compared to TSEK -137,159 in the previous year. In total, losses narrowed by SEK 14.3 million year on year.

### Cash flow and investments

Cash flow from operating activities including changes in working capital for the period January–December 2024 was TSEK -105,938 (-113,908). The negative cash flow is mostly due to losses generated and a minor negative change in working capital, mostly reflected in an increase in trade receivables due to higher sales and higher inventory to satisfy increased demand for the company's products. Partly, the negative impact of trade receivables and inventory is positively offset by an increase in trade payables.

Cash flow from investing activities for the period January–December 2024 was TSEK -20,342 (-7,821) and largely relates to capitalization of development projects, consisting of most next-generation TetraGraph development projects. Cash flow from financing activities for the period January–December 2024 was TSEK 75,857 (246,511) mostly related to pay-outs for payments made for lease charges and the directed share issue executed in the fourth quarter. The previous year's positive cash flow from financing activities

relates to a rights issue and two directed share issues that Senszime conducted in March, September and October 2023 respectively.

### Financial position and Balance Sheet

Senzime is generating robust sales growth combined with a stable cost level. At the end of the period, the company's cash and cash equivalents were TSEK 100,941 (151,009), consolidated equity was TSEK 345,857 (375,477) and the equity/assets ratio was 81.5 percent (86.7).

The Board is engaged in continuous efforts to secure the company's long-term finance to safeguard operations assuming investments and initiatives. The company's growth plans are continuously balanced against the financial resources available from time to time. In September, the company conducted a directed share issue in two separate tranches. In total, both tranches, one in October and the second in December, raised SEK 83.5 million for the company before issue expenses. The remaining SEK 2.5 million of tranche 2 is scheduled for payment in Q1 2025. The delay is due to regulations and administration related to US-domiciled investors. The opinion of the Board of Directors and the company is that going concern status is assured for a period extending beyond 12 months.

### Stock options

#### Employee stock options

The group has four employee stock option programs totaling 3,840,450 options, of which 505,450 hedge options. For more information, see note 10, Long-term incentive programs.

### Dilution

Based on the current number of shares and outstanding employee stock options, dilution from the programs, assuming all options (including those not yet granted) are exercised for subscription of shares, has been computed at a maximum of 2.55 percent. The corresponding number excluding hedge options is 2.19 percent.

### Parent company and subsidiaries

Most of the group's operating activities are conducted in the parent company. For comments on the parent company's results of operations, please refer to the comments for the group.

US company Respiratory Motion Inc. ("RMI") was acquired in the third quarter of 2022 and is a 100 percent wholly owned subsidiary of Senszime AB (publ.) US subsidiary Senszime Inc. started its operating activities in 2020. Sales in the USA are direct. The subsidiary Senszime GmbH started operations in the first quarter of 2021. The group's two other subsidiaries exclusively hold certain rights that have been licensed to the parent company against royalty payments.

### Share capital and ownership

Senzime's share capital was SEK 16,646,815 as of December 31, 2024, divided between 133,174,523 shares, with a quotient value per share of SEK 0.125. The total number of outstanding shares as of December 31, 2024 was 133,174,523, each with one vote.

On December 31, 2024, the Crafoord family was Senszime's single largest shareholder, with a total of 22,644,051 shares, equivalent to 17.0 percent of the votes and capital.

### Sustainability

Senzime's operations help improve global health and patient safety by reducing anesthesia- and respiratory-related complications, as well as cutting healthcare costs of surgical procedures and emergency treatment. Senszime's sustainability work supports its commitment to patients, and endeavors to achieve sustainable development based on responsible action that is consistent with core values. Senszime signed an agreement with the UN Global Compact in 2023, implying the company undertaking to manage its operations pursuant to the ten principles on labor, human rights, anti-corruption and the environment. The company's environmental management systems were re-certified for ISO 14001 in 2024.

### Future prospects

Senzime's positioning on the market consolidated significantly in 2024. Senszime expects the high growth to continue in 2025, driven by the launch of its new next-gen TetraGraph platform, its commercial strategy and supported by clinical guidelines. Senszime's technology is validated, and there is a very substantial need for these systems in healthcare. Senszime expects this substantial market need, and continued investments in innovation to create value, to generate sales of SEK 250-350 million by year-end 2026.

### Dividend

The Board of Directors is proposing to the AGM that no dividend is paid for the financial year.

### Proposed appropriation of profits

The following funds are at the disposal of the Annual General Meeting (SEK):

Share premium reserve	910,955,012
Accumulated profit or loss	-596,842,678
Profit or loss for the year	-136,102,449
<b>Total</b>	<b>178,009,885</b>

The Board of Directors proposes that these funds are appropriated as follows (SEK):

Dividends to shareholders of SEK 0 per share, total 0 SEK	
Carried forward	178,009,885
<b>Total</b>	<b>178,009,885</b>



# Corporate Governance Report

**Senzime AB is a Swedish public limited company with its registered office in Uppsala. The company's share is listed on Nasdaq Stockholm's Main Market (Small Cap) with the ticker SEZI.**

**Corporate governance in Senzime is based on applicable laws, regulations and recommendations. This Corporate Governance Report is being presented in accordance with the Swedish Annual Accounts Act, and the Swedish Corporate Governance Code, and reviews the company's corporate governance in the financial year 2024.**

## Organization and governance

The purpose of Senzime's corporate governance is to create clear segregation of duties and responsibilities between owners, the Board of Directors and management. Internal governance, controls and risk management over financial reporting are fundamental to Senzime's operational governance.

Senzime's decision-making bodies are its shareholders' meetings, Board of Directors, President and auditors, and based on Swedish law, internal regulations and provisions, the Articles of Association, and are compliant with Nasdaq OMX's (Small Cap) Rulebook for Issuers.

## Shareholders

On June 30, 2021, Senzime AB was listed on Nasdaq Main Market. The company was previously listed on Nasdaq First North Growth Market.

At year-end, the total number of shares was 133,714,523 (119,705,523) divided between 3,070 (3,065) shareholders. Senzime's ten largest shareholders had holdings corresponding to

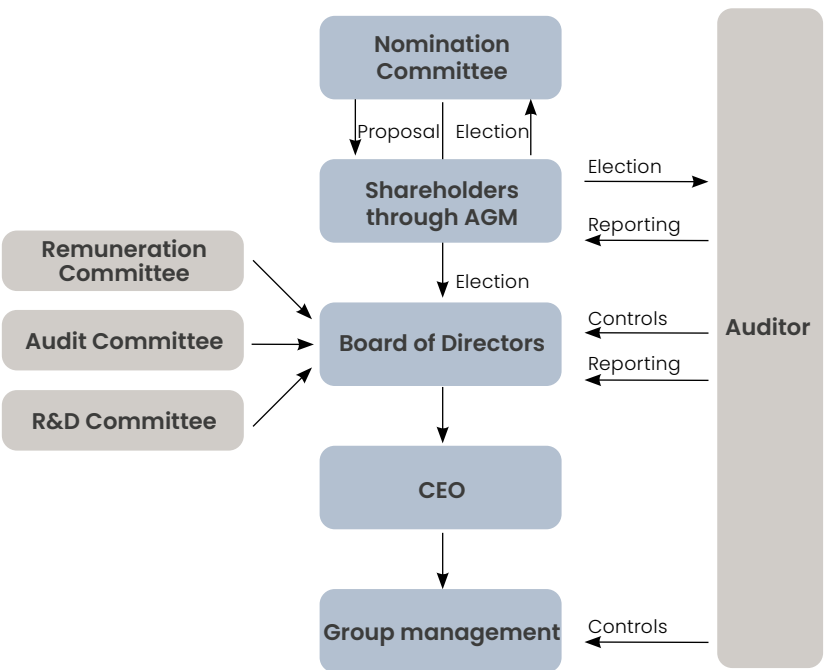
62.2 percent (65.8) of the votes and equity of the company. The largest shareholder is the Crafoord family with 17.0

percent (16.9) of the number of shares and votes. Each share carries one vote at the AGM and any EGMs, and there are no limitations in terms of how many votes each shareholder can cast at AGMs/EGMs. There are no provisions in the Articles of Association limiting the transferability of shares.

## Annual General Meeting

Senzime's chief decision-making body is the AGM, where shareholders are also entitled to participate and have a matter considered. The company's Board of Directors is elected, and Directors' fees approved, at AGMs. The AGM's other permanent business includes adopting the company's Balance Sheet and Income Statement, approving the appropriation of earnings from operations, adopting guidelines for remunerating senior managers, and deciding on discharging the Directors and President from liability. The AGM also elects the company's auditors and approves audit fees.

The Annual General Meeting (AGM) is held yearly within six months of the end of the financial year. The invitation to the AGM and Extraordinary General Meetings (EGMs) where amendments of the Articles of Association are to be considered must be issued at the earliest six, and the latest four, weeks prior to such Meeting.



### Examples of external regulation affecting Senzime's corporate governance:

- Swedish Companies Act
- Accounting legislation including Book-keeping Act and Annual Accounts Act
- Nasdaq's Rules for Issuers
- Swedish Code of Corporate Governance

### Examples of internal regulation significant to corporate governance:

- Senzime's Articles of Association
- Board of Directors' rules of procedure
- Instructions for the CEO
- Guidelines for remunerating senior management
- Finance Policy
- Corporate Communication Policy
- IT Policy
- Accounting Handbook

Invitations to other EGMs must be issued at the earliest six, and the latest two, weeks prior to such Meeting.

Invitations to shareholders' meetings are through announcements in the Swedish Official Gazette, and by making the invitation available on the company's website. Simultaneous with the invitation, the company must report that an invitation has been issued through an announcement in Swedish daily newspaper Svenska Dagbladet.

### Annual General Meeting 2024

The AGM 2024 considered the company's Income Statement and Balance Sheet, election of its Board of Directors, election of the auditor, Directors' fees, other statutory matters and a resolution on a Nomination Committee. The AGM also approved a general authorization on new share issues for the Board of Directors.

The general authorization on share issues approved by the AGM entitles the Board of Directors to take decisions to increase the share capital by a maximum of 20 percent (20) of the company's registered share capital at any time through the new issue of shares, share warrants and/or raising convertible loans with or without waiving shareholders' preferential rights and/or with provisions on payment in kind or set-off, on one or more occasions until the AGM 2025.

Complete information on the AGM 2024 and its resolutions is at the company's website, [www.senzime.com](http://www.senzime.com).

### Remuneration of the Board of Directors

The AGM 2024 approved Directors' fees of SEK 450,000 to the Chairman, SEK 350,000 to the Deputy Chairman and SEK 210,000 for each of the other members of the Board. The AGM also resolved that no Directors' fees would be payable to Directors that had received compensation for consulting from the company during the financial year 2024 exceeding an aggregate total of twice the Directors' fee. The Meeting also resolved that there would be no special compensation for participation on special committees.

### Extraordinary General Meetings 2024

An EGM on October 23, 2024, resolved on a new share issue with preferential rights for existing shareholders.

### Annual General Meeting 2025

The shareholders of Senzime AB are invited to the AGM on Monday, May 19, 2025 in Uppsala, Sweden. To have a matter considered at the Meeting, the company must have received such request from the shareholder by no later than March 28, 2025.

### Nomination Committee

The Nomination Committee represents the company's shareholders. Its duty is to create the best possible information to support shareholders' meeting resolutions on election of the Board of Directors, Directors' fees, and to submit proposals for resolution on matters including the election of auditors and their reimbursement.

The Nomination Committee for the AGM 2025 has consisted of the three largest shareholders in terms of the vote, which as of December 31, 2024 are Adam Dahlberg and family, AB Segulah and the Fourth AP (Swedish National Pension Insurance) Fund. Each of these parties appointed a member to constitute Senzime's Nomination Committee, with the Chairman of the Board.

The members are Adam Dahlberg (Crafoord family), Gabriel Urwitz (AB Segulah) and Fredrik Rapp. The members of the Nomination Committee appointed Gabriel Urwitz Chairman of the Nomination Committee. The Nomination Committee will be presenting its proposals in the notice convening the AGM on May 19. No fees were paid to members of the Nomination Committee.

### Articles of Association

The Articles of Association are approved by the AGM and include obligatory information of a fundamental nature to the company. The Articles of Association were approved by the AGM on May 11, 2021, and are available at the company's website, [www.senzime.com](http://www.senzime.com).

### Board of Directors' attendance and independence in 2024

Board member	Funktion	Elected	Left	Attendance, Board meetings	Attendance, Audit Committee	Attendance, Remuneration Committee	Attendance, R&D Committee	Independent of company	Independent of major shareholder
Per Wold-Olsen	Chairman	Nov 2023	-	15/15	1/6	2/2		Yes	Yes
Adam Dahlberg	Deputy Chairman	2000	-	14/15	6/6	2/2		Yes	No
Sorin J. Brull	Board member	2016	-	14/15			1/1	No	Yes
Eva Walde	Board member	2021	-	12/15		1/2	1/1	Yes	Yes
Lars Axelson	Board member	Nov 2023	-	15/15	6/6			Yes	No
Göran Brorsson	Board member	May 2023	-	15/15	6/6			Yes	Yes
Wolfgang Reim	Senior Advisor	May 2024		6/15				Yes	Yes

## Board of Directors and work of the Board of Directors

Each year, the Board of Directors should hold a Board meeting following election after the AGM. The Board of Directors should also meet at least five times per year. The Board meeting following election should consider matters including appointing a Chairman of the Board where the AGM has not appointed the Chairman, appointing the company's signatories, and reviewing and approving the rules of procedure for the Board of Directors.

Normally, scheduled Board meetings consider the company's financial situation and advances in negotiations with collaborative partners, distributors, customers and suppliers. The company's development activities are discussed as required. The company's auditor reports as required, although at least once yearly, directly to the Board of Directors, at one Board meeting.

The Board of Directors is quorate when at least half of the Directors are in attendance. At present, the company does not have any deputies appointed by shareholders' meetings. The CEO should attend board meetings and consult and report on those matters stated in the meeting agenda.

The rules of procedure also stipulate the permanent matters that must be decided by the Board of Directors of the company, for example, publication of the company's annual accounts and quarterly reports, yearly budget of the company, entering agreements of material significance to the company such as long-term leases or collaborative agreements, decision on appointing a Chief Executive Officer. At present, Senzime's Board of Directors has six members, presented in more detail in the "Board of Directors" section on pages 36–37. Remuneration of the Board of Directors is stated under supplementary disclosures in note 9.

In 2024, the Board of Directors held a total of 15 (18) meetings, of which 11 (9) were scheduled and extraordinary, and 4 (9) per capsulam or telephone conferences. The CEO and CFO attended all Board meetings.

## BOARD COMMITTEES

### Audit Committee

The Audit Committee consults on matters for decision by the Board of Directors. This Committee must consider matters including monitoring the company's financial position, supervising the effectiveness of the company's internal controls and risk management, stay informed on the audit of the annual accounts and consolidated accounts, and review and monitor auditor impartiality and independence. The Audit Committee should also support the Nomination Committee on proposals for election and remuneration of the company's auditors, and meet with the company's auditors regularly.

Members are appointed by the Board of Directors for each financial year, and for 2024, the members were Lars Axelson (Chairman), Adam Dahlberg and Göran Brorsson. The company's CFO participated and reported at all Audit Committee meetings. The company's auditor attends two to three Audit Committee meetings each year. The Audit Committee met on 6 (4) occasions in 2024. The Auditor attended 4 (3) Committee meetings.

## Remuneration Committee

The Remuneration Committee reviews and consults on issues affecting the salary, other employment terms, pension benefits and bonus of the CEO and members of Management that report directly to the CEO, and other central compensation issues. The Remuneration Committee should also continuously monitor and evaluate programs for variable compensation to management decided in the year, as well as monitor and evaluate application of the guidelines for remunerating executive management as resolved by the AGM. The Remuneration Committee met on 2 (2) occasions in 2024.

Members are appointed by the Board of Directors for each financial year, and for 2024, the members were Per-Wold Olsen (Chairman), Adam Dahlberg and Eva Walde

## R&D Committee

The duty of the R&D Committee is to supervise the company's research and development plans at an overarching level. This Committee should also ensure that the company's research activities are consistent with its long-term strategic corporate goals.

Members are appointed by the Board of Directors for each financial year, and for 2024, the members were Sorin J. Brull (Chairman) and Eva Walde.

## Evaluation of the work of the Board of Directors

The company's evaluation of the Board of Directors was held in November 2024, and presented to the Board of Directors in December 2024. The evaluation was conducted as a survey covering three main segments that all Directors and the CEO responded to. The Chairman of the Board did not respond to any questions concerning himself. The evaluation reviewed Directors' perceptions of how the work of the Board is conducted, and if measures need to be taken to improve this process. The outcomes of this evaluation are also important support for the work of the Nomination Committee for the forthcoming AGM. The outcome was reported to the Board of Directors and Nomination Committee.

## Chief Executive Officer

Senzime's Chief Executive Officer is responsible for the company's ongoing administration in accordance with the provisions of the Swedish Companies Act. The Board of Directors prepares instructions for the Chief Executive Officer containing a review of the segregation of duties and reporting instructions. These instructions stipulate that the Chief Executive Officer is responsible for the company's accounting records being completed in accordance with applicable legislation, and the company's funds are administered satisfactorily. The Chief Executive Officer should also prepare delegation instructions for various officers of the company, as well as hiring, dismissing and setting the terms & conditions for the company's staff.

For a detailed presentation of the CEO, see senior managers on page 38–39 of this Annual Report.



## Group management

The group's management team has eight (8) members including the CEO. See pages 38–39 for more information on each member of management. Management meets regularly, mainly to deal with the group's financial performance, current projects and other strategic issues.

## Remuneration guidelines for the CEO and other senior managers

Remuneration issues are considered by the Board of Directors' Remuneration Committee, and approved by the Board of Directors. The Board of Directors presents proposed guidelines for remunerating senior managers, which the AGM then resolves on. The AGM 2024 adopted the following guidelines for remunerating the CEO and other senior managers. The Board of Directors intends to propose the same guidelines to the AGM 2025.

## Scope and applicability of the guidelines

These guidelines cover the company's CEO and the individuals that are members of Sensime's Management from time to time. To the extent Directors of the company render service to the company in addition to their directorships, these guidelines should also apply to any compensation paid to a Director for such service.

The guidelines should be applied to compensation that is agreed, and to amendments to previously agreed compensation, subsequent to adoption of the guidelines at the AGM 2025. Compensation includes the transfer of securities, and of rights to acquire securities from the company in future.

The guidelines do not cover compensation resolved by shareholders' meetings, such as share-based incentive programs.

Executives that serve as a Director or Deputy Director on the Boards of group companies should not receive special compensation for this service.

## How the guidelines promote the company's business strategy, long-term interests and sustainability

Senzime is a global medical device company driving a technology paradigm shift, with innovative patient monitoring systems targeting a market of over SEK 100 million patients in the US operating theaters worldwide.

Senzime's vision is a world without anesthesia related and respiratory complications, and our mission is to develop high-technology, innovative solutions that save lives, optimize patient health, reduce complications and health-care costs.

Senzime delivers innovative products for patient monitoring of neuromuscular function and breathing, typically under and after surgery, and for intensive care. TetraGraph is a system based on EMG technology used in neuromuscular monitoring during surgical procedures.

ExSpiro 2Xi is the only non-invasive monitoring system for respiratory volume and minute ventilation for in and out patient care.

Successful implementation of the company's strategy and protecting the company's long-term interests require

the company to hire and retain Management with good skills and capability of achieving designated targets. This requires the company to offer competitive compensation. These guidelines contribute to the company's business strategy, long-term interests and sustainability by providing the company with the opportunity to offer senior executives competitive compensation.

## Forms of compensation

The company's compensation system should be on market terms and competitive. Compensation may be paid in the form of basic salary, variable compensation, pension and other benefits.

Basic salary should be individualized for each manager and based on the position, responsibilities, skills, experience and performance of the manager. The senior manager may be offered the opportunity to rebalance between basic salary and pension, as well as other benefits, providing this is cost neutral for the company.

Variable compensation should relate to the outcome of the company's targets and strategies and should be based on predetermined and measurable criteria designed to promote long-term value creation. It should be possible to alter the share of total compensation that is variable depending on position. Variable compensation should not be pensionable, to the extent this does not otherwise ensue from mandatory collective bargaining provisions. The Board of Directors should be able to wholly or partly reclaim variable compensation paid erroneously pursuant to law or contract, subject to the ensuing limitations.

Pension benefits should be defined contribution, to the extent the manager is not covered by defined benefit pension pursuant to mandatory collective-bargaining provisions. The pension premiums for defined contribution pensions may be a maximum of 40 percent of the senior manager's yearly basic salary.

Other benefits may include company cars, corporate health care, life and health care insurance, as well as other similar benefits. Other benefits should represent a minor portion of total compensation and may be a maximum of 10 percent of the senior manager's yearly basic salary.

Consulting fees should be on market terms. Where consulting services are rendered by Directors of the company, the relevant Director is not entitled to participate in the Board of Directors' (or Remuneration Committee's) consultation on matters relating to compensation for the relevant consulting services.

## Criteria for payment of variable compensation

The criteria that serve as the basis for paying variable compensation should be determined by the Board of Directors each year with the aim of ensuring that these criteria are consistent with Sensime's current business strategy and earnings targets. The criteria may be individualized or collective, financial or non-financial, and should be designed so that they promote the company's business strategy, sustainability strategy and long-term interests. For example, such criteria may be linked to the company achieving specific business-related goals, relating to sales and permits, for example. The criteria may also be associated to

the individual employee, such as the individual serving the company for a specified period.

The period that is the basis for assessing whether the criteria have been satisfied should be at least one year. The assessment as to the extent the criteria have been satisfied should be made when the measurement period has concluded. Assessments of whether the financial criteria have been satisfied should be based on the company's most recently published financial information. The Board of Directors decides on the payment of any variable compensation after consultation by the Remuneration Committee.

### Salary and employment terms of employees

With the aim of assessing the reasonableness of the guidelines, when consulting on the proposal for these guidelines, the Board of Directors has considered the salary and employment terms of the company's employees. This included the Board of Directors receiving information on employees' total compensation, the types of compensation, how the level of compensation has changed over time, and at what rate.

### Notice period and severance pay

For the CEO, the notice period on termination by the company should be a maximum of 12 months, while the notice period on termination by the CEO should be a maximum of six months.

For other senior managers than the CEO, the notice period on termination by the company should be a minimum of three months, and a maximum of 12 months, while the notice period on termination by the senior manager should be a minimum of three months and a maximum of six months, unless otherwise ensuing from legislation.

Severance pay may be due to senior managers on termination by the company. Basic salary during the notice period and severance pay should not exceed a combined total corresponding to one year's basic salary.

Compensation may be due for non-competition undertakings. Such remuneration should compensate for potential loss of income, and should only be payable to the extent the former senior manager is not entitled to severance pay. Such compensation may be a maximum of 60 percent of the senior manager's basic salary at the date of notice, unless otherwise ensuing from mandatory collective bargaining provisions. Such compensation may be due for a period that the non-competition undertaking applies, which may be a maximum of 12 months after terminating employment, with the option of deduction against other income from employment or consulting agreements.

### Decision-making process for determining, reviewing and executing the guidelines

The Board of Directors has established a Remuneration Committee whose duty is to consult on the Board of Directors decisions in the matter of remuneration principles, remuneration and other employment terms for Management, as well as monitoring and evaluating variable compensation for Management that is current, and decided during the year, as well as monitoring and evaluating application of the guidelines for remunerating executive management that the AGM may adopt, and applicable remuneration

structures and remuneration levels in the company. The Remuneration Committee's duties also include consulting on Board of Directors decisions on proposed guidelines for remunerating executive management.

### Departure from the guidelines

The Board of Directors may decide to temporarily depart from the guidelines, if there are special reasons for this in an individual case, and a departure is necessary to protect Sensime's long-term interests and sustainability, or to ensure the company's economic viability.

For example, such special reasons maybe that a departure is considered necessary to hire or retain key individuals, or in extraordinary circumstances where the company achieves a specific desired outcome ahead of plan, that the company succeeds in entering a specific agreement earlier, or on better terms, than expected, or the company's value increases, or it increase its sales or earnings more than forecast.

### Auditors

The company's auditors review Sensime's annual accounts and accounting records, and administration by the Board of Directors and CEO. After each financial year, the auditor should present an audit report and consolidated audit report at the AGM. Since the AGM 2016, Sensime's auditor has been registered public audit firm Öhrlings PricewaterhouseCoopers AB, with Lars Kylberg, who is an Authorized Public Accountant and member of FAR, the Institute for the Accounting Profession in Sweden, being key audit partner, whose address is Vaksalagatan 6, 753 20 Uppsala, Sweden.

### Internal controls over financial reporting

Sensime's Board of Directors is responsible for the company's internal controls. Internal controls should ensure:

- Reliable financial reporting and information on operations
- Compliance with applicable law, directives, guidelines, etc.
- Expedient and cost-efficient operations.

### Control environment

To ensure that Sensime complies with applicable law, and the company's values and working methods apply organization wide, Sensime has conducted a mapping process, and developed a number of policies and procedures from this.

Pursuant to the Swedish Companies Act, the Board of Directors is accountable for internal controls and governance of the company. The CEO is responsible for presenting a yearly report on policy compliance to the Board of Directors each year. The CFO reports any non-compliance with the group's policy portfolio immediately. The company's CFO attends and reports to Audit Committee meetings.

### Insider policy

Sensime has adopted an Insider Policy to supplement current insider legislation (MAR). This Insider Policy stipulates matters including the individuals covered by the policy and the periods when trading in the company's financial instruments is prohibited. This Policy also stipulates guidelines for decisions on processes associated with delayed publi-

cation of news, and the definition of persons discharging managerial responsibilities (PDMRs).

### Risk assessment

Risks associated with the company's targets are evaluated and documented by the company's management. The risk assessment is conducted when the targets have been communicated (yearly), but are reviewed if they change or if new information that may impact the assessment becomes available. The risk assessment is conducted by management in September each year, and is reviewed by the Audit Committee at its November meeting.

### Control activities

On the basis of the risk assessment and judgements conducted, internal controls should be designed and executed to cover risks, where appropriate. Internal control should be formulated as standards to define the minimum level of action necessary to create an effective internal control environment for each business process.

These processes play a key role in operations, and by identifying potential threats, and specifying mitigating action in an internal control environment, help prevent, or give advance warning of, disruptions. Risk assessments link risks to those activities that conduct business operations, and accumulate resistance through the organization.

### Information and communication

The Chief Executive Officer is accountable for managing the company's daily business and its operational decision-making. The Chief Executive Officer should keep the Board of Directors updated on all relevant issues at all Board meetings, and between these meetings as required.

The composition of management is decided by the CEO, and in consultation with the Board of Directors.

The finance team consists of the CFO and other skills for the relevant accounting, consolidation and financial reporting. It is mandatory for all members of the financial team to have taken training in dealing with the stock market.

### Follow-up

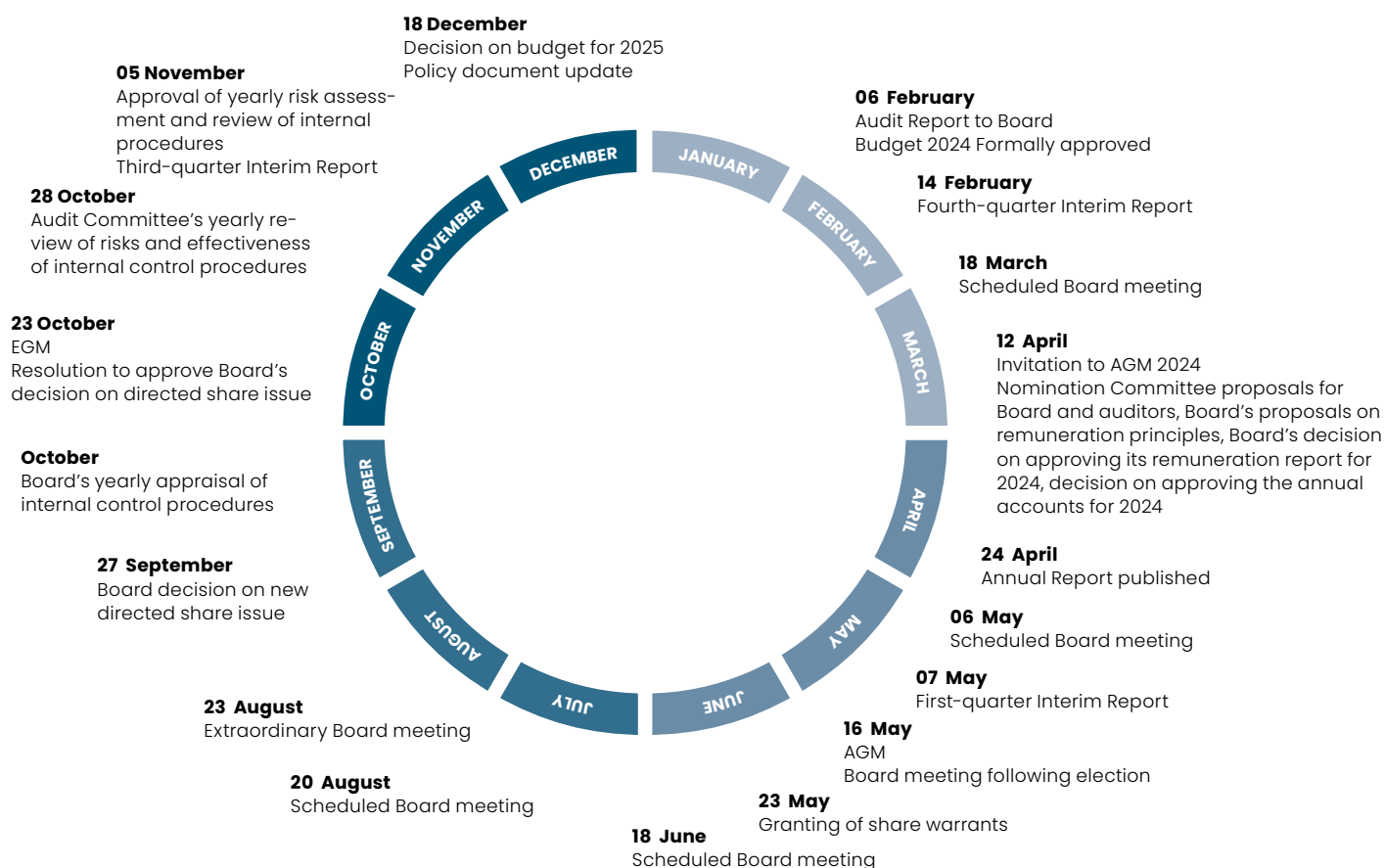
To ensure suitable action has been taken to reduce operational risks, each October, management should conduct a follow-up including a review of critical processes and systems, especially for finance and IT.

In this context, the framework of internal control should also be reviewed and updated. The outcome of conducted and documented tests, with conclusions on the effectiveness of risk management and internal controls, should be presented to the Audit Committee at its November meeting.

### Internal audit

The company does not have an internal audit function. The Board of Directors' opinion is that the monitoring and review conducted internally, combined with the external audit, is sufficient to maintain effective internal controls over financial reporting.

## The Board's work in 2024



# Board of Directors



## Per Wold-Olsen

Chairman of the Board  
Board member since 2023

**Born:** 1947

**Nationality:** Norwegian

**Education:** MBA in Economics and Administration from Handelshøyskolen Oslo and an MBA in Management & Marketing from the University of Wisconsin.

**Main employment:** Board professional and advisor in the Life Science industry

**Other assignments:** Chairman of the board of Oncopeptides AB (publ.) and board member of Forefront Capital Partners.

Previous assignments: Extensive experience from the life science industry and has held many senior positions for 30 years within Merck & Co, of which the last 15 years were based in the USA and part of Merck's executive leadership team. Since 2006, Per has been a member of several boards within the life science sector, including Novo Holdings, Lundbeck, Gilead Sciences, Pharmaset, Royal Dutch Numico and GN Store Nord.

Per Wold-Olsen is independent of the company and its executive management and in relation to other major shareholders of the company.

**Shareholding in Sensime:** Per Wold-Olsen owns 716,344 shares in Sensime.



## Adam Dahlberg

Vice Chairman of the Board  
Board member since 2000

**Born:** 1973

**Nationality:** Swedish

**Education:** MSc, Stockholm School of Economics.

Main employment: Investor in Life Science, new materials, and software.

**Other assignments:** Chairman of the board of Acuvi AB and Corline Biomedical AB (publ.).

Previous assignments: Chairman of the board of Sensime AB (publ.).

Adam Dahlberg is independent of the company and its executive management but not in relation to other major shareholders of the company.

### Shareholding in Sensime:

Adam Dahlberg owns 6,987,664 shares of Sensime, privately and through companies. In addition, Margareta Nilsson owns 3,752,370 shares, Ebba Fischer owns 2,718,090 shares, Anna Manhusen 1,869,876 shares, AB Pethle 578,595 shares and Carl Rosenblad 487,855 shares in the company, all of which are related to Adam Dahlberg. In addition, the Crafoord Foundation owns 6,278,119 shares.



## Eva Walde

Board member  
Board member since 2020

**Born:** 1963

**Nationality:** Swedish

**Education:** MSc in Economics from the Gothenburg School of Economics.

**Main employment:** Board professional and advisor in the Life Science industry

**Other assignments:** Board member of Sedana Medical AB, FrostPharma AB, Epigenica AB, Life Science Invest Scale Up, Life Science Invest Epsilon. Chairman of the Board of Redsense Medical AB.

**Previous assignments:** Over 30 years of experience in leading roles in companies such as Johnson & Johnson, Pfizer and Thermo Fisher.

Eva Walde is independent of the company and its executive management and in relation to other major shareholders of the company.

**Shareholding in Sensime:** 0

Shareholdings as of December 31, 2024.





### Göran Brorsson

Board Member

Board member since 2023

**Nationality:** Swedish

**Born:** 1952

**Education:** MBA from Gothenburg University, International Management Program at the International Management Institute, Geneva.

**Main employment:** Since 2015 as an independent advisor to medical technology and life science companies.

**Other assignments:** Chairman Suturion AB, chairman Stairway Medical, board member Albin Invest and partner Middle Branch Partner.

**Previous assignments:** More than 40 years of managerial experience in small and medium sized companies and big corporations in the Nordics, Europe, the US, and Asia. Göran held key leadership roles in operations, sales, manufacturing, and distribution of medical device products. Between the years 2000 and 2015, Göran Brorsson was CEO of Elos Medtech AB.

Göran Brorsson is independent of the company and its executive management and independent in relation to other major shareholders of the company.

**Shareholding in Sensime:** 101,500 shares



### Lars Axelson

Board Member

Board member since 2023.

**Born:** 1961

**Nationality:** Swedish

**Education:** Bachelor of Economics, Karlstad University

Main employment: CEO AB Segulah and at CFO Segulah Medical Acceleration AB

**Other assignments:** Chairman of the Board at Svenska Spol & Relining gruppen AB, Board Member HeSo Invest AB, Trientalis Investment AB and Segulah V Investment AB.

**Previous assignments:** 25 years of experience as CFO, in both listed and unlisted companies, often Private Equity-backed.

Lars Axelson is independent of the company and its executive management but not in relation to other major shareholders of the company.

**Shareholding in Sensime:** Lars Axelson owns 91,976 shares in Sensime. Lars also has indirect control of 2,027,271 shares held by AB Segulah, 3,076,000 shares held by Segulah Venture AB and 9,717,000 shares held by Segulah Medical Acceleration AB.



### Sorin J. Brull

Board member

Board member since 2016

**Born:** 1956

**Nationality:** American

**Education:** Medical School, WVU, Residency (Anesthesia), Yale University, Fellowship, Yale University.

**Main employment:** Consultant in anesthesiology and Professor Emeritus at the Mayo Clinic College of Medicine.

**Other assignments:** Board member of the Anesthesia Patient Safety Foundation (APSF) and consultant to the US Food and Drug Administration (FDA).

**Previous assignments:** Founder of Acacia Designs B.V., which was acquired by Sensime AB in 2016. Head of Department at the University of Arkansas for Medical Sciences (UAMS) and Section Chief of the Department of Anesthesiology at Yale School of Medicine, and member of the Anesthesia Patient Safety Foundation.

Sorin J. Brull is not independent of the company and its executive management but independent in relation to other major shareholders of the company.

**Shareholding in Sensime:** Sorin J. Brull owns a total of 3,770,309 shares in the company through the Pershing Trustee.

Shareholdings as of December 31, 2024.

# Executive management



## Philip Siberg

Chief Executive Officer

**Employed:** 2023

**Born:** 1973

**Education:** MSc, Swedish Royal Institute of Technology

**Background:** 20+ years of leading roles in life science industry. Chairman of the Board of Senzime 2016–2023. CEO and co-founder of Acacia Designs BV (acquired by Senzime in 2016), CEO and co-founder of Coala Life AB (publ.), and CEO of Stille AB (publ.).

**Other assignments:** Chairman of Acarix AB (publ) and Board Member of Paindrainer AB. Partner at Southbloom SBCF and CEO and deputy board member of Longmeadow Farm AB.

**Shareholding in Senzime:** Philip Siberg owns a total of 705,542 shares personally and via associated companies, as well as 75,000 stock options in program 2023/2026 and 95,000 stock options in program 2024/2028.



## Slavoljub Grujicic

Chief Financial Officer

**Employed:** 2022

**Born:** 1970

**Education:** BSc in Business Administration and Economics.

**Background:** Over 13 years of experience from medium-sized and big listed US companies within life science. Experience includes financial reporting, internal financial management and business development, change management and financial processes solutions as well as business controlling and analytics. Previous positions include roles as Nordic Finance Manager, Finance Business Partner and Senior Business Analyst.

**Other assignments:** -

**Own and related parties' shareholding in Senzime:** 24,919 shares. 100,000 stock options in program 2022/2026, 75,000 stock options in program 2023/2027 and 50,000 stock options in program 2024/2028



## Johanna Faris

Head of Q/RA/S

**Employed:** 2018

**Born:** 1975

**Education:** Bachelor of Science in Mechanical Engineering

**Background:** 20 years of experience working with medical technology products, such as product development and production development. Broad experience in the field of quality, regulatory and sustainability.

**Other assignments:** -

**Own and related parties' shareholding in Senzime:** 1,561 shares. 40,000 stock options in program 2022/2026, 75,000 stock options in program 2023/2027, and 35,000 stock options in program 2024/2028



## Anders Jacobson

Chief Scientific Officer

**Employed:** 2016

**Born:** 1967

**Education:** MSc engineering

**Background:** Broad experience in R&D. Senior positions in companies within life science and technical consulting. Previous positions include research and development, manufacturing, service, and technical sales in a global environment.

**Other assignments:** Board member of Klaria Pharma Holding AB and deputy board member of MD Biomedical AB.

**Own and related parties' shareholding in Senzime:** 16,000 shares. 35,000 stock options in program 2022/2026, 75,000 stock options in program 2023/2027, and 35,000 stock options in program 2024/2028

Shareholdings as of December 31, 2024.



### G.W. Hamilton

President, Senzime Inc.

**Employed:** 2020

**Born:** 1980

**Education:** Bachelor of Health Sciences in Respiratory Care, University of Missouri.

**Background:** Registered Respiratory Care Practitioner. 15+ years of US clinical sales and leadership roles with focus on anesthesia and respiratory solutions.

**Other assignments:** –



### Johanna Tulkki

Chief Operating Officer & Executive Vice President

**Employed:** 2020

**Born:** 1970

**Education:** Bachelor of Science in Mechanical Engineering

**Background:** 30 years' experience in working with medical device with production, supply chain and development. Previous position was as COO at Coala Life and before that senior positions at for example Cavid, St Jude Medical and Radi Medical systems AB.

**Other assignments:** –

**Own and related parties' shareholding in Senzime:** 50,000 stock options in program 2022/2026, 75,000 stock options in program 2023/2027, and 35 000 stock options in program 2024/2028.



### Michael Noble

Vice President Global Marketing

**Employed:** 2024

**Born:** 1988

**Education:** Bachelor of Business Administration (BBA), Marketing Southern Methodist University, Dallas, TX USA and Master of Business Administration (MBA) University of Colorado, Denver, CO, USA

**Background:** 15+ years of Senior Marketing roles within the patient monitoring division of Medtronic, US, and Cochlear Americas, a multi-billion dollar global market leader in innovative, Class III implantable hearing solutions.

**Other assignments:** Founding Board Member and President of the non-profit organization Joyful Life Cochlear Implant Fund (JLCIF)



### Sorin J. Brull

Chief Medical Officer

**Born:** 1956

**Education:** Medical School, WVU, Residency (Anesthesia), Yale University, Fellowship, Yale University.

**Main employment:** Consultant in anesthesiology and Professor Emeritus at the Mayo Clinic College of Medicine.

**Other assignments:** Board member of the Anesthesia Patient Safety Foundation (APSF) and consultant to the US Food and Drug Administration (FDA).

**Background:** Founder of Acacia Designs B.V., which was acquired by Senzime AB in 2016. Head of Department at the University of Arkansas for Medical Sciences (UAMS) and Section Chief of the Department of Anesthesiology at Yale School of Medicine, and member of the Anesthesia Patient Safety Foundation.

**Shareholding in Senzime:** Sorin J. Brull owns a total of 3,770,309 shares in the company through the Pershing Trustee.

Shareholdings as of December 31, 2024.

# Five-year summary

## Financial performance summary—group

INCOME STATEMENT	2024	2023	2022	2021	2020
<b>SEK 000</b>					
Net sales	58,477	35,754	14,034	10,980	9,337
Cost of goods sold	-38,353	-27,415	-18,429	-15,903	-17,236
<b>Gross profit (loss)</b>	<b>20,124</b>	<b>8,339</b>	<b>-4,395</b>	<b>-4,923</b>	<b>-7,899</b>
Total overheads	-152,696	-142,152	-133,848	-80,235	-39,331
Other operating income and other operating expenses	8,518	-3,547	4,338	967	-1,636
<b>Earnings before interest and taxes</b>	<b>-124,054</b>	<b>-137,360</b>	<b>-133,905</b>	<b>-84,191</b>	<b>-48,866</b>
Net financial income/expense	1,274	201	-453	-98	-125
<b>Profit (loss) after financial items</b>	<b>-122,780</b>	<b>-137,159</b>	<b>-134,358</b>	<b>-84,289</b>	<b>-48,991</b>
Income tax	4,053	3,010	1,658	2,146	1,547
<b>Profit (loss) for the year</b>	<b>-118,727</b>	<b>-134,149</b>	<b>-132,700</b>	<b>-82,143</b>	<b>-47,444</b>
<b>BALANCE SHEET</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
<b>SEK 000</b>					
Intangible assets	251,413	227,193	243,328	74,159	82,168
Property, plant and equipment	3,619	2,592	2,285	1,286	238
Right-of-use assets	18,404	11,931	13,781	1,884	2,632
Other financial assets	4,697	4,431	4,084	1,735	-
Inventories	27,966	20,340	21,652	8,834	3,950
Trade receivables	10,202	8,569	4,210	4,936	3,285
Other current assets	9,121	7,057	7,305	6,916	6,310
Cash and cash equivalents	100,941	151,009	26,035	74,872	160,310
<b>Total assets</b>	<b>426,363</b>	<b>433,122</b>	<b>322,680</b>	<b>174,622</b>	<b>258,893</b>
Equity	345,857	375,477	261,903	150,580	231,346
Non-current liabilities and provisions	42,074	34,095	38,753	12,064	13,106
Current liabilities	38,432	23,550	22,024	11,978	14,441
<b>Total equity and liabilities</b>	<b>426,363</b>	<b>433,122</b>	<b>322,680</b>	<b>174,622</b>	<b>258,893</b>
<b>CASH FLOW</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Cash flow from operating activities before change in working capital	-104,724	-115,168	-116,787	-71,655	-36,591
Cash flow from change in working capital	-1,214	1,260	-19,991	-9,673	-1,744
Cash flow from operating activities	-105,938	-113,908	-136,778	-81,328	-38,335
Cash flow from investing activities	-20,342	-7,821	-4,977	-2,974	-327
Cash flow from financing activities	75,857	246,511	92,364	-945	167,689
Cash flow for the year	-50,423	124,782	-49,391	-85,247	129,027
Cash and cash equivalents at end of year	100,941	151,009	26,035	74,872	160,310
<b>KEY PERFORMANCE INDICATORS</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Gross margin excl. amortization (%)	64.4	69.8	62.0	54.3	40.9
EBITDA	-97,829	-116,793	-118,353	-73,303	-37,148
Equity/assets ratio (%)	81.1	86.6	81.4	86.3	89.4
Weighted average number of shares, before dilution	122,320,070	92,269,497	66,627,234	62,493,290	56,199,776
Weighted average number of shares, after dilution	122,320,070	92,269,497	66,627,234	62,679,957	56,353,496
Earnings per share, basic, SEK	-0.97	-1.45	-1.99	-1.31	-0.84
Earnings per share, diluted, SEK	-0.97	-1.45	-1.99	-1.31	-0.84
Average number of employees	54	42	45	29	15



# Financial information

## Consolidated Statement of Comprehensive Income

SEK 000	Note	2024	2023
Net sales	5	58,477	35,754
Cost of goods sold	6, 19, 20	-38,353	-27,415
<b>Gross profit (loss)</b>		<b>20,124</b>	<b>8,339</b>
Development expenses	7, 9	-22,169	-19,363
Selling expenses	7, 9	-92,283	-77,682
Administrative expenses	7, 8, 9, 10	-38,244	-45,107
Other operating income	12, 15	33,690	15,290
Other operating expenses	11, 15	-25,172	-18,837
<b>Earnings before interest and taxes</b>		<b>-124,054</b>	<b>-137,360</b>
Financial income	13	2,302	999
Financial expenses	13	-1,028	-798
<b>Financial items</b>		<b>1,274</b>	<b>201</b>
<b>Profit (loss) after financial items</b>		<b>-122,780</b>	<b>-137,159</b>
Income tax	14	4,053	3,010
<b>Profit (loss) for the year</b>		<b>-118,727</b>	<b>-134,149</b>
<b>Other comprehensive income:</b>			
Items reclassifiable to profit or loss			
Exchange differences on translation of foreign operations		8,125	-3,325
<b>Other comprehensive income for the year</b>		<b>8,125</b>	<b>-3,325</b>
<b>Total comprehensive income for the year</b>		<b>-110,602</b>	<b>-137,474</b>

Profit (loss) for the year and total comprehensive income are wholly attributable to equity holders of the parent.

Earnings per share, based on net profit (loss) attributable to equity holders of the parent	Note	2024	2023
Weighted average number of shares - before dilution		122,320,070	92,269,497
Weighted average number of shares - after dilution		122,320,070	92,269,497
Earnings per share, basic and diluted, SEK	16	-0.97	-1.45

The notes on pages 51 to 75 are integral to the consolidated accounts.

## Consolidated Balance Sheet

SEK 000	Note	Dec. 31, 2024	Dec. 31, 2023
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Intangible assets	19	251,413	227,193
Property, plant and equipment	20	3,619	2,592
Right-of-use assets	21	18,404	11,931
Other financial assets	22, 23	4,697	4,431
<b>Total non-current assets</b>		<b>278,133</b>	<b>246,147</b>
<b>CURRENT ASSETS</b>			
Inventories	25	27,966	20,340
Trade receivables	24, 26	10,202	8,569
Tax asset		1,833	420
Other receivables	27	3,542	4,819
Prepaid expenses and accrued income	28	3,746	2,238
Cash and cash equivalents	24, 29	100,941	151,009
<b>Total current assets</b>		<b>148,230</b>	<b>187,395</b>
<b>TOTAL ASSETS</b>		<b>426,363</b>	<b>433,542</b>

The notes on pages 51 to 75 are integral to the consolidated accounts.

## Consolidated Balance Sheet, cont.

SEK 000	Note	Dec. 31, 2024	Dec. 31, 2023
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>	30		
Share capital		16,647	14,963
Other paid-up capital		959,021	880,690
Translation differences		9,102	977
Accumulated profit or loss inc. profit (loss) for the year		-638,913	-521,153
<b>Total equity</b>		<b>345,857</b>	<b>375,477</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Provisions	22	4,182	3,750
Lease liability	21, 36	19,042	8,578
Deferred tax liabilities	31	18,850	21,767
<b>Total non-current liabilities</b>		<b>42,074</b>	<b>34,095</b>
<b>Current liabilities</b>			
Lease liability	21, 37	3,626	2,890
Trade payables	24	8,882	5,146
Other current liabilities	32	13,512	4,028
Accrued expenses and deferred income	33	12,412	11,906
<b>Total current liabilities</b>		<b>38,432</b>	<b>23,970</b>
<b>Total liabilities</b>		<b>80,506</b>	<b>58,065</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>426,363</b>	<b>433,542</b>

The notes on pages 51 to 75 are integral to the consolidated accounts.

## Consolidated Statement of Changes in Equity

SEK 000	Note	Attributable to equity holders of the parent				Total equity
		Share capital	Other paid-up capital	Translation differences	Retained profit inc. profit (loss) for the year	
<b>Opening balance, January 1, 2023</b>		<b>8,735</b>	<b>636,729</b>	<b>4,302</b>	<b>-387,863</b>	<b>261,903</b>
Net profit (loss)					-134,149	-134,149
Other comprehensive income				-3,325		-3,325
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>-</b>	<b>-3,325</b>	<b>-134,149</b>	<b>-137,474</b>
<b>Transactions with shareholders in their capacity as owners</b>						
New share issues		6,228	258,971			265,199
Expenses related to share issues			-15,010			-15,010
Share-based payment	10				859	859
<b>Closing balance, December 31, 2023</b>		<b>14,963</b>	<b>880,690</b>	<b>977</b>	<b>-521,153</b>	<b>375,477</b>
<b>Opening balance, January 1, 2024</b>		<b>14,963</b>	<b>880,690</b>	<b>977</b>	<b>-521,153</b>	<b>375,477</b>
Net profit (loss)					-118,727	-118,727
Other comprehensive income				8,125		8,125
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>-</b>	<b>8,125</b>	<b>-118,727</b>	<b>-110,602</b>
<b>Transactions with shareholders in their capacity as owners</b>						
New share issues		1,684	81,824			83,508
Expenses related to share issues			-3,493			-3,493
Share-based payment	10				967	967
<b>Closing balance, December 31, 2024</b>		<b>16,647</b>	<b>959,021</b>	<b>9,102</b>	<b>-638,913</b>	<b>345,857</b>

The notes on pages 51 to 75 are integral to the consolidated accounts.



## Consolidated Statement of Cash Flows

SEK 000	Note	2024	2023
Cash flow from operating activities			
Earnings before interest and taxes		-124,054	-137,360
Adjustment for non-cash items:			
- Depreciation and amortization		26,225	20,567
- Currency effect, intragroup balances		-10,289	-
- Other non-cash items		1,725	1,049
Interest paid		-27	-92
Interest received		2,256	999
Income tax paid		-560	-331
<b>Cash flow from operating activities before change in working capital</b>		<b>-104,724</b>	<b>-115,168</b>
Cash flow from change in working capital			
Increase/decrease in inventories		-6,718	1,312
Increase/decrease in trade receivables		-949	-4,359
Increase/decrease in Other operating receivables		-279	-590
Increase/decrease in trade payables		6,292	-2,172
Increase/decrease in other trade payables		440	7,069
<b>Total change in working capital</b>		<b>-1,214</b>	<b>1,260</b>
<b>Cash flow from operating activities</b>		<b>-105,938</b>	<b>-113,908</b>
Cash flow from investing activities			
Investments in tangible assets	20	-2,362	-950
Investments in intangible assets	19	-17,980	-6,871
<b>Cash flow from investing activities</b>		<b>-20,342</b>	<b>-7,821</b>
Cash flow from financing activities			
Payments made for repayment of lease liabilities	21	-4,158	-3,678
Directed cash issue		83,508	265,199
Expenses related to share issues		-3,493	-15,010
<b>Cash flow from financing activities</b>		<b>75,857</b>	<b>246,511</b>
Decrease/increase in cash and cash equivalents		-50,423	124,782
Cash and cash equivalents at beginning of year		151,009	26,035
Exchange differences in cash and cash equivalents		355	192
<b>Cash and cash equivalents at end of year</b>		<b>100,941</b>	<b>151,009</b>

The notes on pages 51 to 75 are integral to the consolidated accounts.

## Parent Company Income Statement

SEK 000	Note	2024	2023
Net sales	5	66,907	38,919
Cost of goods sold	6	-29,885	-18,220
<b>Gross profit (loss)</b>		<b>37,022</b>	<b>20,699</b>
Development expenses	7, 9	-15,889	-13,199
Selling expenses	7, 9	-103,520	-72,408
Administrative expenses	7, 8, 9, 10	-32,540	-39,837
Other operating income	12, 15	32,372	15,298
Other operating expenses	11, 15	-22,555	-18,557
<b>Earnings before interest and taxes</b>		<b>-105,110</b>	<b>-108,004</b>
<b>Profit (loss) from financial items</b>			
Impairment, participation and receivable in group company		-41,508	-120,097
Interest income and similar profit/loss items	13	10,543	7,328
Interest expenses and similar profit/loss items	13	-27	-28
<b>Total profit (loss) from financial items</b>		<b>-30,992</b>	<b>-112,797</b>
<b>Profit (loss) after financial items</b>		<b>-136,102</b>	<b>-220,801</b>
<b>Income tax</b>	14	-	-
<b>Profit (loss) for the year</b>		<b>-136,102</b>	<b>-220,801</b>

There are no items in the parent company reported as other comprehensive income, so total comprehensive income is the same as profit (loss) for the year med (loss) for the year.

The notes on pages 51 to 75 are integral to the parent company accounts.

## Parent Company Balance Sheet

SEK 000	Note	Dec. 31, 2024	Dec. 31, 2023
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Intangible assets	19	50,284	25,854
Property, plant and equipment	20	3,149	1,416
Financial assets	18, 23, 35	128,526	137,139
<b>Total non-current assets</b>		<b>181,959</b>	<b>164,409</b>
<b>CURRENT ASSETS</b>			
Inventories	25	22,762	17,381
Trade receivables	26	2,391	1,149
Receivables from group companies	35	5,074	8,606
Current tax asset	27	1,731	420
Other receivables	27	3,117	4,218
Prepaid expenses and accrued income	28	2,876	2,345
Cash and bank balances	29	97,608	147,853
<b>Total current assets</b>		<b>135,559</b>	<b>181,972</b>
<b>TOTAL ASSETS</b>		<b>317,518</b>	<b>346,381</b>

The notes on pages 51 to 75 are integral to the parent company accounts.

## Parent Company Balance Sheet, cont.

SEK 000	Note	Dec. 31, 2024	Dec. 31, 2023
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
<b>Restricted equity</b>			
Share capital	30	16,647	14,963
Statutory reserve		3,839	3,839
Development fund		44,227	25,184
		<b>64,713</b>	<b>43,986</b>
<b>Non-restricted equity</b>			
Share premium reserve		910,953	851,667
Accumulated profit or loss		-596,841	-377,008
Profit (loss) for the year		-136,102	-220,801
		<b>178,010</b>	<b>253,858</b>
<b>Total equity</b>		<b>242,723</b>	<b>297,844</b>
<b>Non-current liabilities</b>			
Provisions	22	4,182	3,750
<b>Total non-current liabilities</b>		<b>4,182</b>	<b>3,750</b>
<b>Current liabilities</b>			
Trade payables		7,861	4,658
Liabilities to group companies	35	42,227	28,684
Other current liabilities	32	11,535	2,911
Accrued expenses and deferred income	33	8,990	8,534
<b>Total current liabilities</b>		<b>70,613</b>	<b>44,787</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>317,518</b>	<b>346,381</b>

The notes on pages 51 to 75 are integral to the parent company accounts.



## Parent Company Statement of Changes in Equity

SEK 000	Note	Share capital	Statutory reserve	Development fund	Share premium reserve	Retained profit inc. profit (loss) for the year	Total equity
<b>Opening balance, January 1, 2023</b>		<b>8,735</b>	<b>3,839</b>	<b>19,983</b>	<b>612,906</b>	<b>-377,745</b>	<b>267,718</b>
Profit (loss) for the year and other comprehensive income						-220,801	-220,801
<b>Total comprehensive income</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	-220,801	-220,801
<b>Transactions with shareholders in their capacity as owners</b>							
Provision to development fund				5,201	-5,201		0
New share issues		6,228			258,971		265,199
Expenses related to share issue					-15,010		-15,010
Share-based payment	10					738	738
<b>Total transactions with shareholders in their capacity as owners</b>		<b>6,228</b>	<b>0</b>	<b>5,201</b>	<b>238,760</b>	<b>738</b>	<b>250,927</b>
<b>Closing balance, December 31, 2023</b>		<b>14,963</b>	<b>3,839</b>	<b>25,184</b>	<b>851,666</b>	<b>-597,808</b>	<b>297,844</b>
<b>Opening balance, January 1, 2024</b>		<b>14,963</b>	<b>3,839</b>	<b>25,184</b>	<b>851,666</b>	<b>-597,808</b>	<b>297,844</b>
Profit (loss) for the year and other comprehensive income						-136,102	-136,102
<b>Total comprehensive income</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-136,102</b>	<b>-136,102</b>
<b>Transactions with shareholders in their capacity as owners</b>							
Provision to development fund				19,043	-19,043		0
New share issues		1,684			81,824		83,508
Expenses related to share issue					-3,494		-3,494
Share-based payment	10					967	967
<b>Total transactions with shareholders in their capacity as owners</b>		<b>1,684</b>	<b>0</b>	<b>19,043</b>	<b>59,287</b>	<b>967</b>	<b>80,981</b>
<b>Closing balance, December 31, 2024</b>		<b>16,647</b>	<b>3,839</b>	<b>44,227</b>	<b>910,953</b>	<b>-732,943</b>	<b>242,723</b>

The notes on pages 51 to 75 are integral to the parent company accounts.

## Parent Company Cash Flow Statement

SEK 000	Note	2024	2023
<b>Cash flow from operating activities</b>			
Earnings before interest and taxes		-105,110	-108,004
<b>Adjustments for non-cash items</b>			
- Depreciation and amortization		2,196	2,186
- Other non-cash items		1,226	737
Interest paid		-27	-28
Interest received		10,497	7,328
Income tax paid		-271	331
<b>Cash flow from operating activities before change in working capital</b>		<b>-91,489</b>	<b>-97,450</b>
<b>Cash flow from changes in working capital</b>			
Change in inventories		-5380	-3,718
Change in trade receivables		-1,242	-5,740
Change in other current operating receivables		4,147	-175
Change in trade payables		16,746	-2,324
Change in other current trade payables		8,039	3,899
<b>Total change in working capital</b>		<b>22,310</b>	<b>-8,058</b>
<b>Cash flow from operating activities</b>		<b>-69,179</b>	<b>-105,508</b>
Cash flow from investing activities			
Investments in intangible assets	19	-26,266	-6,871
Investments in tangible assets	20	-2,352	-214
Increase in long-term financial investments		-32,462	-10,177
<b>Cash flow from investing activities</b>		<b>-61,080</b>	<b>-17,262</b>
<b>Cash flow from financing activities</b>			
New share issue		83,508	265,199
Issue expenses		-3,494	-15,010
<b>Cash flow from financing activities</b>		<b>80,014</b>	<b>250,189</b>
<b>Change in cash and bank balances</b>		<b>-50,245</b>	<b>127,419</b>
Cash and bank balances at beginning of year		147,853	20,434
<b>Cash and bank balances at end of year</b>		<b>97,608</b>	<b>147,853</b>

The notes on pages 51 to 75 are integral to the parent company accounts.

## Note 1 Notes on the consolidated accounts

### General information

These annual accounts are for the parent company Sensime AB (publ), corporate identity number 556565-5734, and its subsidiaries. Sensime AB (publ) is a parent company registered in Sweden, with its registered office in Uppsala, at the address Verkstadsgatan 8, 753 23 Uppsala, Sweden. Unless otherwise stated, all amounts are reported in thousands of Swedish kronor (SEK 000). Information in brackets is for the comparative year.

The Board of Directors approved these consolidated accounts for publication on April 24, 2025.

## Note 2 Summary of significant accounting policies

This note lists the significant accounting policies applied when preparing these consolidated accounts. These policies have been applied consistently for all years presented, unless otherwise stated.

### i) Basis of preparation of the financial statements

The consolidated accounts of the Sensime AB group have been prepared in accordance with the Swedish Annual Accounts Act, RFR 1 Supplementary Accounting Rules for Groups, and International Financial Reporting Standards (IFRS) and interpretations by the IFRS Interpretations Committee (IFRIC) as endorsed by the EU.

These annual accounts have been prepared in accordance with IFRS and the Swedish Annual Accounts Act. The consolidated accounts have been prepared in accordance with the cost method. Preparing reports consistent with IFRS requires the application of a number of critical estimates for accounting purposes. This also requires Management to make certain judgements on the application of the group's accounting policies. Those segments involving a high degree of judgement, that are complex or such segments where assumptions and estimates are of material significance to the consolidated accounts, are stated in note 4.

### ii) New standards to be applied from January 1, 2024

No new standards, interpretations or amendments that came into effect on January 1, 2024 have had any material impact on the consolidated financial statements.

### iii) New and amended standards that have not yet been applied by the group

A number of new standards and interpretations come into effect for financial years beginning January 1, 2025 and later, and have not been applied when preparing these financial statements. No published standards and interpretations that have not yet come into effect have impacted the group.

## 2.1 Consolidated accounts

### (a) Subsidiaries

Subsidiaries are all companies over which the group has a controlling influence. The group controls a company when it is exposed, or has the right, to variable returns from its holding in the company, and has the ability to affect such returns through its influence in the company. Subsidiaries are consolidated effective the date when controlling influence transfers to the group. They are excluded from the consolidated accounts effective the date controlling influence ceases.

Intra-group transactions, balance sheet items and unrealized gains and losses on transactions between group companies are eliminated. The accounting policies of subsidiaries have been amended where applicable to guarantee consistent application of the group's policies.

Acquisition accounting is used for reporting the group's business combinations.

## 2.2 Segment reporting

Sensime's chief operating decision-maker (CODM) is the CEO, because this individual is primarily responsible for allocating resources and evaluating performance. Judgements of the group's business segments should be based on the financial information reported to the CEO (management approach). The financial information reported to the CEO as support for allocating resources and evaluating the group's performance, relate to the group as a whole. Against this background, Management has determined that the group whole group is one operating segment.

## 2.3 Translation of foreign currency

### (i) Functional currency and presentation currency

The different entities of the group have their local currency as functional currency because the local currency is defined as the currency used in the primary economic environment where each entity is mainly active. The consolidated accounts use Swedish kronor (SEK), which is the parent company's functional currency and the group's presentation currency.

### (ii) Transactions and balance sheet items

Transactions in foreign currency are translated to the functional currency at the rates of exchange ruling on the transaction date. Exchange rate gains and losses that occur on payment of such transactions, and in the translation of monetary assets and liabilities in foreign currencies, are translated at closing day rates, recognized in operating profit or loss in the Statement of Comprehensive Income.

Exchange rate gains and losses that relate to loans, and cash and cash equivalents, are recognized in the Statement of Comprehensive Income as financial income or expenses. All other exchange rate gains and losses are recognized in the "other operating expenses" and "other operating income" items in the Statement of Comprehensive Income.

### (iii) Translation of foreign group companies

The results of operations and financial positions of all group companies with different functional currencies to the presentation currency are translated to the group's presentation currency. The assets and liabilities of each of the balance sheets are translated from the foreign operation's functional currency to the group's presentation currency, Swedish krona, at closing date rates. Revenues and expenses for each of the income statements are translated to Swedish krona at average rates of exchange for each accounting period. Translation differences arising in currency translation of foreign operations are recognized in other comprehensive income.

Accumulated gains and losses in equity are recognized in profit or loss when the foreign operation is sold wholly or partly.

## 2.4 Revenue recognition

### License rights to Sensime's intangible assets

Revenues from licenses are for an exclusive right, a license, for a customer to use the group's intellectual property associated with the TetraGraph<sup>®</sup> system on certain specified markets. To recognize the revenue of out-licensing an item of intellectual property, the group applies the following policies, and makes the following judgements.

### Distinct license or integrated undertaking

A judgement is made as to whether a license right in a customer contract is distinct, and should be disclosed separately, or the license is integrated with services in the contract, and should just be recognized collectively, as an undertaking. For a license to be treated as a distinct undertaking and reported individually, the customer should be able to benefit from the license without Sensime making further undertakings in the current contract. For the recognition of revenue from non-distinct licenses in the customer contract, see under services below.

### Reporting distinct licenses and customer contracts; right to use or right to access

For distinct licenses, Sensime judges whether a license the counterparty receives during an agreement term involves a right to use the intellectual property as it is when the license is issued, or right to access the intangible asset during the whole license period. This

judgement is based on the agreement's economic significance. A counterparty that receives a license right for a fixed fee through a non-cancellable agreement that permits the licensee to use the right freely, and when Senzime does not have any remaining obligations to fulfil, is considered a right-to-use license and is reported at a given point in time. If, instead, the agreement means the counterparty has the right to access through the whole license period (depending on Senzime performing activities that affect the value and use of the license) the compensation is allocated on a straight-line basis over the agreement term.

Usually, distinct licenses are right-to-use licenses because the services that could affect the value and benefit of the license are reported separately as an individual distinct performance obligation.

#### Timing of recognition of fixed transaction prices for distinct licenses

The transaction price to be received for the performed obligation to transfer a license to a customer can be fixed or variable, depending on the terms & conditions of the agreement. The revenue for a fixed transaction price for a right-to-use license is recognized at a given point in time. This point in time is when the customer receives control over the license, and can benefit from it. A fixed transaction price for a right-to-access license is recognized over the time period Senzime has an obligation to provide the customer with right to access.

#### Timing of recognition of the variable transaction price (milestones) for distinct licenses

Agreements on out-licensing Senzime's intangible assets often include a schedule of payment. A lump sum is often paid on entering agreements. This revenue is recognized when the counterparty has obtained control over the license as described above. The revenue for potential additional compensation, i.e. variable payments depending on certain future events, is not recognized until it is very likely that a material reversal of accumulated revenue recognized will not occur when the future uncertainties cease. This point in time is not considered to occur until the counterparty has confirmed that a specific event has occurred. Such event may be definitive regulatory approval of the product, for example.

#### Timing of recognition of variable transaction prices (royalties) for distinct licenses

Royalties are also a form of variable transaction price associated with a customer's license. Royalty is recognized according to a special principle. The revenue for sales-based royalties promised in exchange for a license for intellectual property is only recognized when subsequent sales occur.

#### Sale of goods

The group develops, manufactures and sells medical device solutions. The group's customer base consists both of various distributors and end-customers. The revenue from sales is recognized when control of the goods transfers to the customer, which is normally on delivery of the product. Delivery normally occurs when goods are transported to the specific site, the risks of obsolete or lost goods has transferred to the customer, and the customer has either accepted the goods in accordance with the agreement, the deadline for objections to the agreement has expired, or the group has objective evidence that all criteria for acceptance have been satisfied. Senzime judges that no financing component applies at the time the group's goods are sold.

Senzime Inc. has two types of "placement agreements." One type involves monitors being leased to hospitals against the hospital undertaking to purchase a specific minimum number of sensors. The revenue stream from these agreements consist of payment for the use of monitors and for the purchase of sensors. Revenues for sensors are recognized over time. The monitors are leased on short-term contracts, i.e. operating leases. Monitors are derecognized from inventory and recognized as non-current assets with a depreciation period of 3-7 years. Depreciation is recognized as cost of goods sold. The second type involves monitors being leased to hospitals against the hospital undertaking to purchase a specific

minimum number of sensors with a specific price mark-up. The sales revenues for monitors are recognized as revenue and receivable from the hospital. The revenue streams from these agreements consist of payments for the usage of monitors and payments for the purchase of sensors. Revenue for the sensors is recognized over time, and as this occurs, the receivable reduces by the revenue mark-up.

#### 2.5 Current and deferred income tax

The tax expense for the period consists of current and deferred tax. Tax is recognized in the Consolidated Statement of Comprehensive Income, apart from when tax relates to items recognized in other comprehensive income, or directly in equity. In such cases, tax is also recognized in other comprehensive income and equity respectively.

The current tax expense is computed on the basis of the tax rules that are enacted or substantively enacted in those countries where the parent company and its subsidiaries are active and generate taxable revenues, as of the reporting date. Management regularly evaluates the claims made in tax returns regarding situations where applicable tax rules are subject to interpretation. Where considered appropriate, provisions are made for amounts that are likely to be payable to the tax agency.

Deferred tax is recognized on all temporary differences occurring between the taxable value of assets and liabilities and their carrying amounts in the consolidated accounts. Deferred tax is not recognized if it occurs as a result of a transaction which is the first-time recognition of an asset or liability that is not a business combination, and at the time of the transaction, neither affects reported nor taxable earnings. Deferred income tax is computed by applying the tax rates (and laws) that are enacted or substantively enacted on the reporting date, and are expected to apply when the relevant deferred tax asset is realized, or the deferred tax liability is settled.

Deferred tax assets are recognized to the extent it is likely that future taxable surpluses will be available, against which the temporary differences can be used. Deferred tax assets and liabilities are offset when there is a legal right of offset for current tax receivables and tax liabilities, and when the deferred tax receivables and tax liabilities relate to taxes charged by one and the same tax agency, and either relate to the same taxpayer, or different taxpayers, when there is an intention to settle these balances through net payments.

#### 2.6 Leases

The group's lease arrangements are essentially on premises for offices.

Leases are recognized as right-of-use assets and a corresponding liability on the date the lease is available for use by the group. Each lease payment is allocated between amortization of the liability and a financial expense. The financial expense should be allocated over the lease term so that each accounting period is charged with an amount that corresponds to a fixed interest rate for the liability reported in each period.

Right-of-use assets are amortized on a straight-line basis over the shorter of the asset's useful life and the length of the lease term. Assets and liabilities that arise from lease arrangements are initially recognized at present value.

Lease liabilities include the present value of the following lease payments:

- fixed payments and
- variable lease payments dependent on an index

Lease payments are discounted by an incremental borrowing rate. Assets with right of use are measured at cost and include the following:

- the initial measurement of the lease liability and
- payments made at or prior to the time the leased asset is available to the lessee.

Lease payments related to short-term leases and leases for which the underlying asset has low value, are recognized as an expense on a straight-line basis over the lease term. Leases for which the underlying asset is of low value are essentially on office equipment.



### Extension and cancellation options

Extension and cancellation options are included in the group's leases on offices. These terms & conditions are used to maximize flexibility in managing the arrangements. Extension or cancellation options are included in the asset and liability when it is reasonably certain that they will be used.

## 2.7 Property, plant and equipment

Property, plant and equipment include equipment. Property, plant and equipment are recognized at cost less depreciation. Cost includes expenditure directly attributable to purchasing the asset.

Depreciation of assets to allocate the costs to an estimated residual value over the estimated useful life, is on a straight-line basis as follows:

- Equipment – 60–120 months

The residual value and useful lives of assets are tested at the end of each reporting period and restated as required.

The residual value of an asset is immediately impaired to its recoverable amount if the carrying amount of the assets exceeds its estimated recoverable amount. Gains and losses on sale are determined by comparing the sales revenue and carrying amount, and are recognized in other operating income/other operating expenses net in the Statement of Comprehensive Income.

## 2.8 Intangible assets

### Goodwill

Goodwill occurs on the acquisition of subsidiaries and is the amount whereby the purchase consideration, potential non-controlling interests in the acquired entity and the fair value of previous equity share in the acquired entity on the acquisition date exceeds the fair value of identifiable acquired net assets. If the amount is less than fair value the value of the acquired subsidiary's net assets, in the event of a bargain purchase, the differences reported directly in the statement of comprehensive income.

Impairment tests are conducted by estimating the value in use of the cash-generating unit, which in this case is the group overall, because it consist of a single operating segment.

### Patents and similar rights

Patents and similar rights acquired separately are reported at cost. Patents and similar rights have a definite useful life and are recognized at cost less accumulated amortization and impairment. Expenditure for patents related to intangible assets judged to satisfy the criteria for capitalization below are recognized as an asset in the Balance Sheet.

Amortization of assets to allocate their cost over estimated useful lives are on a straight-line basis as follows:

- Patents and similar rights – 120–240 months

The useful life of patents is judged as consistent with each patent's registration period.

### Capitalized expenditure for development work

Expenses for maintenance are expensed as they occur. Development expenses directly attributable to the development of medical device solutions controlled by the group, are recognized as intangible assets when the following criteria are satisfied:

- It is technically possible to complete them for use,
- The company's intention is to complete them, and use or sell them,
- The conditions for use or sale are in place,
- How they can generate probable future economic benefits can be demonstrated,
- Adequate technical, financial and other resources to complete development to use or sell them are available, and
- The expenditure related to them during their development can be measured reliably.

Directly attributable expenditure that is capitalized as part of the development process includes expenditure for employees and external consultants.

Other development expenses that do not satisfy these criteria are expensed when they occur. Development expenses previously expensed are not recognized as an asset in a subsequent period.

Capitalized development expenses that satisfy the above capitalization criteria have a definite useful life. Amortization commences from the date when the asset is ready for use. Amortization is on a straight-line basis over the useful life. The useful life is 120–240 months. The group has judged that intangible assets have a useful life of 10 years, and if there is a legal right (for example a patent) with a remaining useful life of over 10 years, instead, the maximum useful life, and thus amortization period, runs for the remaining useful lives for these legal rights—although never more than 20 years.

The cost of capitalized expenditure for development work acquired in a business combination is measured at fair value at the acquisition date. Additional expenditure is recognized in the same way as described above. In subsequent periods, these intangible assets are recognized at cost less accumulated amortization and impairment.

### Technology

Acquired technology consists of surplus values occurring in business combinations. Ongoing business combinations are reported at fair value on the acquisition date. They have a definite useful life and are recognized at cost less accumulated amortization and impairment.

### Trademarks & brands

Trademarks & brands acquired in a business combination are reported at fair value on the acquisition date. Trademarks & brands are not amortized, but subject to impairment tests yearly, or more often if events or changes indicate impairment.

## 2.9. Impairment of non-financial assets

Intangible assets that have an indefinite useful life (goodwill, trademarks & brands), or intangible assets that are not ready for use (capitalized expenditure for development work and technology) are not impaired, but subject to yearly impairment tests. Assets that are amortized are tested for impairment whenever events or changed circumstances indicate that carrying amount may not be recoverable. An asset is impaired when its carrying amount exceeds its recoverable amount. Recoverable amount is the greater of the asset's fair value less selling expenses, and its value in use. When assessing impairment, assets are grouped at the lowest level where there are essentially independent cash flows (cash-generating units). For assets (other than goodwill) previously impaired, a test of whether reversal should be effected is conducted at each reporting date.

## 2.10 Financial instruments

The group's financial assets and liabilities consist of the following items: trade receivables, accrued income, cash and cash equivalents, trade payables and accrued expenses.

### a) First-time recognition

Financial assets and financial liabilities are recognized when the group becomes party to the instrument's contractual terms. Purchases and sales of financial assets and liabilities are recognized on the transaction date, the date when the group undertakes to purchase or sell the asset.

On first-time recognition, financial instruments are accounted at fair value plus, for an asset or financial liability not recognized at fair value through profit or loss, transaction expenses directly attributable to the purchase or issue of a financial asset or financial liability, such as charges and commissions. Transaction expenses for financial assets and liabilities recognized at fair value through profit or loss are expensed in the Statement of Comprehensive Income.

### b) Financial assets—classification and measurement

The group classifies and measures financial assets in the amortized cost category.

### Financial assets measured at amortized cost

Assets held with the intention of receiving contractual cash flows and where these cash flows only consist of principal and interest, are measured at amortized cost. The carrying amount of these assets is restated by any expected credit losses recognized (see impairment of financial assets below). The group's financial assets measured at amortized cost consist of the items trade receivables, accrued income, endowment insurance and cash and cash equivalents.

### c) Financial liabilities—classification and measurement

Financial liabilities are measured at amortized cost. After first-time recognition, the group's financial liabilities are measured at amortized cost using the effective interest method. Financial liabilities consist of trade payables and lease liabilities.

### d) Derecognition of financial assets and financial liabilities

Financial assets are derecognized from the Statement of Financial Position when the right to receive cash flows from the instrument have expired or transferred, and the group has transferred basically all risks and benefits associated with rights of ownership. Financial liabilities are derecognized from the Statement of Financial Position when the obligations in the agreement have been fulfilled, or otherwise extinguished. When the terms of the financial liability are renegotiated, and not derecognized from the Balance Sheet, a gain or loss is recognized in the Statement of Comprehensive Income. The gain or loss is computed as the difference between the original contracted cash flows and the modified cash flows discounted to the original effective interest rate.

### e) Set-off of financial instruments

Financial assets and liabilities are offset and recognized at a net amount in the Balance Sheet only when there is a legal right of offset for the carrying amounts and an intention to settle them with a net amount, or simultaneously realize the asset and settle the liability. The legal right may not be dependent on future events and must be legally binding for the company and the counterparty, both in normal business operations and in the event of payment default, insolvency or bankruptcy.

### f) Impairment of financial assets

Assets recognized at amortized cost  
The group judges the future expected credit losses associated with assets recognized at amortized cost. The group reports a credit loss reserve for such expected credit losses at each reporting date. For trade receivables, the group applies the simplified approach for credit provisioning, i.e. the reserve will correspond to the expected loss over the whole lifetime of the trade receivable. To measure expected losses, trade receivables are grouped based on allocated credit loss risk characteristics and overdue days. The group uses forward-looking variables for expected credit losses. Expected credit losses are recognized in the Consolidated Statement of Comprehensive Income, in the other operating expenses item.

### g) Measuring and disclosing fair value

The carrying amounts of the group's financial assets and liabilities are judged as a reasonable estimate of fair value because they are current receivables and liabilities, whose discounting effect is insignificant.

## 2.11 Trade receivables

Trade receivables are amounts attributable to customers for goods sold in operating activities. Trade receivables are classified as current assets. Trade receivables are initially recognized at their transaction price. The group holds trade receivables to collect contracted cash flows. Accordingly, at subsequent reporting dates, trade receivables are measured at amortized cost using the effective interest method.

## 2.12 Cash and cash equivalents

In the Balance Sheet and Statement of Cash Flows, cash and cash equivalents consist of bank balances.

## 2.13 Share capital

Ordinary shares are classified as equity. Transaction expenses directly attributable to the issue of new shares or options are reported net of tax in equity as a deduction from the issue proceeds.

## 2.14 Trade payables

Trade payables are financial instruments and reflect the obligation to pay for goods and services purchased from suppliers in operating activities. Trade payables are classified as current liabilities if they become due within one year. If not, they are reported as non-current liabilities.

Trade payables are initially recognized at fair value, and subsequently at amortized cost using the effective interest method.

## 2.15 Inventories

Inventories are reported using the first in first out (FIFO) principle at the lower of cost or market. Market value is the estimated selling price in operating activities, less applicable variable selling expenses.

## 2.16 Employee benefits

### a) Short-term compensation of employees

Liabilities for salaries and benefits including non-monetary benefits and paid absence expected to be settled within 12 months of the end of the financial year, are recognized as current liabilities at the undiscounted amount expected to be paid when the liabilities are settled. The expense is recognized in the Statement of Comprehensive Income as employees render service. Liabilities are recognized as an obligation to compensate employees in the Consolidated Balance Sheet.

### b) Pension obligations

The group has defined contribution pension plans only. A defined contribution pension plan is a pension plan through which the company pays fixed contributions to a separate legal entity. The group has no legal or informal obligation to pay additional contributions if this legal entity has insufficient assets to pay all compensation to employees associated with employee service during current or previous periods. Contributions are recognized as personnel expenses in the Statement of Comprehensive Income when they become due for payment.

In addition to this, Sensime has issued a pension promise to the former CEO and two other former senior managers, and subscribed to endowment insurance policies in tandem with this, which are pledged as security for these employees' pensions. The pension obligation means that the individuals receive the value of the endowment insurance less special employer's contributions, and accordingly, the obligations are recognized at the carrying amount of the endowment insurance. These endowment insurance policies are treated as plan assets and recognized as an asset, and the obligation as a provision, in the Balance Sheet, which means that their accounted net will always be zero, but where the company has decided not to account them net.

## 2.17 Share-based payment

The group has one staff stock option plan. The fair value of the service entitling employees to granting of options through the group's staff stock option plan is recognized as a personnel expense with the corresponding increase in equity. The total amount to be expensed is based on the fair value of the options granted:

- Including all market-related terms and conditions (e.g. target share price)
- Excluding any impact of the service conditions and non-market related conditions for vesting (e.g. profitability, sales increase targets and the employee remaining in the company's service for a designated period).
- Including the impact of terms that are not vesting terms (including requirements for the employee to save or retain shares during a designated period, for example).

The total expense is recognized over the vesting period: the period over which all the specified vesting terms should be satisfied.

The group tests whether its judgement of how many shares are expected to be vested based on the non-market related vesting terms and service terms at the end of each reporting period. Potential variations from the original judgements that the test gives rise to are recognized in the Income Statement, and the corresponding restatements are made in equity.

The social security contributions arising on the granting of stock options are treated as an integrated part of granting, and this expense is treated as a cash-settled share-based payment.

## 2.18 Earnings per share

### (i) Basic earnings per share

Basic earnings per share are computed by dividing:

- Profit or loss attributable to equity holders of the parent excluding dividends attributable to preference shares
- By a weighted average number of outstanding ordinary shares in the period, adjusted for the bonus issue element of ordinary shares issued in the period, and excluding repurchased shares held in treasury by the parent company.

### (ii) Diluted earnings per share

To compute diluted earnings per share, the amounts used to compute basic earnings per share are adjusted by considering:

- The effect after tax of dividends and interest expenses on potential ordinary shares and
- The weighted average number of ordinary shares that are additional if all potential ordinary shares that give rise to a dilution effect are converted to ordinary shares.

## 2.19 Cash Flow Statement

The Cash Flow Statement is prepared according to the indirect method. Reported cash flows only include transactions involving payments received or made.

## 2.20 Parent company accounting policies

The critical accounting policies applied when preparing these annual accounts are stated below. These principles have been applied consistently for all years presented unless otherwise stated.

The annual accounts of the parent company have been prepared in accordance with RFR 2 Accounting for Legal Entities, and the Swedish Annual Accounts Act. In those cases where the parent company applies different accounting policies to the group's accounting policies, as reviewed in note 2 of the consolidated accounts, they are stated below.

The annual accounts have been prepared according to the cost method. Preparing statements consistent with RFR 2 requires the

use of a number of important estimates for accounting purposes. This also requires management to make certain judgements on the application of the parent company's accounting policies. Those segments involving a high degree of judgement, which are complex, or such segments where assumptions and estimates are of material significance to the annual accounts are stated in note 4 of the consolidated accounts.

Through its operating activities, the parent company is exposed to a number of different financial risks: market risk (currency risk and interest risk), credit risk and liquidity risk. The parent company's overarching risk management policy focuses on the unpredictability of the financial markets, and endeavors to minimize potential unfavorable effects on the group's financial results. For more information on financial risks, see note 3 of the Consolidated accounts.

The parent company applies different accounting policies to the group in the cases stated below:

### Participations in subsidiaries

Participations in subsidiaries are recognized at cost after deducting for any impairment. Cost includes acquisition-related expenses.

When there is an indication that participations in subsidiaries are impaired, Recoverable amount is measured. If this is lower than the carrying amount, impairment is taken. Impairment is recognized in the "Impairment of participation and receivable in group companies" item.

### Presentation

The Income Statement and Balance Sheet comply with the presentation stipulated by the Swedish Annual Accounts Act. The Statement of Changes in Equity is consistent with the group's presentation but should include the columns stated in the Swedish Annual Accounts Act. The terminological differences compared to the consolidated accounts also mainly relate to financial income and expenses, as well as equity.

### Shareholders' contributions

In the parent company, shareholders' contributions paid are recognized as an increase in the carrying amount of the participation, and as an increase of equity in the recipient.

### Financial instruments

The parent company does not apply IFRS 9. Instead, the parent company applies the item stated in RFR 2 (IFRS 9 Financial Instruments, P. 3-10).

Financial instruments are measured based on cost. In subsequent periods, financial assets acquired with the intention of holding for the short term are recognized pursuant to the lower of cost or market principle. Derivative instruments with negative value are recognized at this value.

When measuring the net selling price of assets recognized as current assets, the policies governing impairment testing and loss risk reserves in IFRS 9 are applied. For a receivable recognized at amortized cost at group level, this means a loss risk reserve recognized in the group pursuant to IFRS 9, should also be recognized in the parent company.

### Leased assets

The parent company has decided not to apply IFRS 16 leases, but has instead decided to apply RFR 2 IFRS 16 Leases p. 2-12, which means that all lease payments are recognized as an expense on a straight-line basis over the lease term.

### Note 3 Financial riskhantering

#### 3.1 Financial risk management

Through its operating activities, the group is exposed to a number of different financial risks such as market risk (currency risk), credit risk, liquidity risk and refinancing risk. The group endeavors to minimize potential unfavorable effects on its financial results. The objective of the group's financing activities are to:

- Ensure that the group can fulfil its payment obligations,
- Manage financial risks,
- Ensure access to necessary finance, and
- Optimize the group's net financial income/expense.

The Board of Directors bears ultimate responsibility for exposure, managing and monitoring Sensime's risks. The applicable limits for exposure, management and monitoring financial risks are determined by the Board of Directors and reviewed each year in Sensime's adopted finance policy. The Board of Directors has delegated responsibility for daily risk management to the CEO. The Board of Directors is able to decide on temporary departures from limits designated in the finance policy.

##### (a) Market risk

###### Currency risk

The group is exposed to currency risks arising from different currency exposures, mainly in EUR, USD and GBP, because the company has most of its sales in these currencies. Within Sensime AB, currency risk primarily arises in cross-border trading, where pricing and invoicing is usually

in EUR and USD. Although the majority of Sensime AB's expenses are denominated in SEK, procurement, primarily of raw materials, is in GBP and EUR. The exposure to currency risk in transactions should mainly be limited by matching the company's incoming and outgoing payments. The finance policy states that residual net exposure, net flow, can be currency hedged. However, a maximum of 50 percent of the net flow may be hedged. Permitted hedging instruments are currency forwards and currency options (call and put options). However, such instruments may only be utilized with the Board of Directors' approval. As of December 31, 2024, and for all comparative periods, there were no outstanding derivative instruments.

The group's currency exposure related to transaction risk from the items in foreign currency recognized in the Balance Sheet at the end of each reporting period, are stated in the following table. All amounts are expressed in SEK 000.

	GBP	EUR	USD
<b>Dec. 31, 2024</b>			
Trade receivables	357	1,903	7,845
Trade payables	0	-2,817	-1,278
<b>Net</b>	<b>357</b>	<b>-914</b>	<b>6,567</b>
<b>Dec. 31, 2023</b>			
Trade receivables	69	1,313	7,130
Trade payables	0	-496	-953
<b>Net</b>	<b>69</b>	<b>816</b>	<b>6,176</b>

If the Swedish krona had appreciated/depreciated by 10 percent, trade receivables/trade payables would have been TSEK 36 (7) higher/lower against the GBP, TSEK 91 (82) higher/lower against the EUR and TSEK 657 (61) higher/lower against the USD.

##### Sensitivity analysis—transaction exposure

The material portion of the group's operating activities are conducted through the Swedish parent company. The group includes a small Dutch subsidiary, two US subsidiaries and one German

subsidiary. These subsidiaries expose the group to currency risk related to EUR and USD on the translation of their Balance Sheets and Income Statements.

If the Swedish krona had depreciated/appreciated by 10 percent against the USD with all other variables constant, equity as of December 31, 2024 would have been TSEK 21,884 higher/lower (2023: TSEK 16,414), mainly because of translation of the US subsidiary's Income Statement and Balance Sheet, as well as group surplus values.

If the Swedish krona had depreciated/appreciated by 10 percent against the EUR with all other variables constant, equity as of December 31, 2024 would have been TSEK 4,834 (2023: TSEK 2,544) higher/ lower, mainly because of translation of the German and Dutch subsidiaries' Income Statements and Balance Sheets.

If the Swedish krona had depreciated/appreciated by 10 percent against the GBP, the translated profit after tax in 2024 would have been TSEK 36 (2023: 7) higher/lower, because of gains/losses on the translation of trade receivables and trade payables.

##### (b) Credit risk

Credit risk arises through balances with banks and credit institutions, and customer credit exposure including outstanding receivables. Credit risk is managed by group management. Only banks and credit institutions with a minimum credit rating of "A" are acceptable. The group does not have any contract assets.

Credit risk is managed at group level. In cases where there is no independent credit check, a risk assessment of the customer's creditworthiness is conducted, considering its financial position, as well as previous experience and other factors. Individual risk limits are determined based on internal or external credit checks pursuant to the limits set by the Board of Directors. The usage of credit limits is regularly monitored.

No credit limits were exceeded during the reporting period, and management does not expect any losses resulting from payment default by these counterparties.

Historically, the group's credit losses have been insignificant, and customers' payment histories are good. Considering this, and forward-looking information on macroeconomic factors that might influence customers' ability to pay receivables, the group's expected credit losses are also assumed as insignificant.

##### (c) Liquidity risk

Through prudent liquidity management, the group ensures it has sufficient cash reserves to satisfy the needs of operating activities. The finance policy stipulates that sufficient cash and cash equivalents should always be available to cover a period of at least three months ahead. Management continuously monitors rolling forecasts of the group's liquidity reserves and cash and cash equivalents based on expected cash flows. Surplus liquidity may only be invested in assets that can be converted to cash and cash equivalents within three banking days. The maximum term of an individual asset in which surplus liquidity invested is one year.

##### (d) Refinancing risk

Refinancing risk is defined as the risk that difficulties in refinancing the company arise, that finance cannot be arranged, or can only be arranged at increased cost. Both the scale and timing of the group's potential future capital requirements depend on a number of factors, including the potential to enter collaborative or licensing agreements, and the advances made in research and development projects. To ensure the financing of research and development projects, Sensime has conducted new share issues. This risk is limited by the group continuously evaluating different funding solutions.

The following table analyzes the group's financial liabilities allocated to the period remaining as of the reporting date until contracted due date. The amounts stated in the table are the contracted undiscounted cash flows. Future cash flows in foreign currency have been computed based on closing day rates.

	Less than 3 months	Between 3 months and 1 yr.	Between 1 and 2 yrs.	Between 2 and 5 yrs.	More than 5 yrs.	Total contracted cash flows	Carrying amount
<b>As of December 31, 2024</b>							
Financial liabilities							
Lease liability	1,230	3,629	4,324	12,422	6,314	27,919	22,668
Trade payables	8,882	-	-	-	-	8,882	8,882
<b>Total</b>	<b>10,112</b>	<b>3,629</b>	<b>4,324</b>	<b>12,422</b>	<b>6,314</b>	<b>36,801</b>	<b>31,550</b>
<b>As of December 31, 2023</b>							
Financial liabilities							
Lease liability	1,027	2,437	2,765	6,668	186	13,083	11,468
Trade payables	5,146	-	-	-	-	5,146	5,146
<b>Total</b>	<b>6,173</b>	<b>2,437</b>	<b>2,765</b>	<b>6,868</b>	<b>186</b>	<b>18,229</b>	<b>16,614</b>

### 3.2 Measuring and disclosing fair value

The different levels of financial instruments measured at fair value are defined as follows:

#### (a) Financial instruments in level 1

Listed prices (unadjusted) on active market places for identical assets or liabilities.

#### (b) Financial instruments in level 2

Other observable data for the asset or liability than listed prices included in level 1, either direct (i.e. as price quotations) or indirect (i.e. resulting from price quotations).

#### (c) Financial instruments in level 3

In those cases where one or material input data is not based on observable market information, the relevant affected instrument is classified in level 3.

The carrying amounts of the group's financial assets and liabilities (in addition to lease liability) are considered reasonable estimates of fair value, because they relate to current receivables and liabilities, whose discount effect is insignificant.

### 3.3 Management of capital

The goal of the group's capital management is to ensure its capability to continue its operations so that it can keep generating returns for shareholders and benefits for other stakeholders, as well as maintaining an optimal capital structure to keep the cost of capital down.

To maintain its research portfolio over time, and thus generate future values, a strong capital base is required.

The group's capital is judged on the basis of its equity/assets ratio.

The equity/assets ratios as of December 31, 2024 and 2023 are stated in the following table:

	2024	2023
Equity	345.9	375.5
Total assets	426.4	433.5
<b>Equity/assets ratio</b>	<b>81.1%</b>	<b>86.6%</b>

#### Note 4

### Critical estimates and judgements for accounting purposes

The group makes estimates and assumptions about the future. The estimates for accounting purposes that result from them will seldom correspond to actual outcomes by definition. Those estimates and assumptions that involve a significant risk of material restatements in the carrying amounts of assets and liabilities during subsequent financial years are summarized below.

#### a) Estimates and judgements associated with deductible deficits

Deferred tax assets for loss carry-forwards or other future tax deductions are recognized to the extent it is likely that the deduction can be used against a surplus in future taxation. Because the group is not reporting positive earnings, pursuant to IFRS, the group also needs to demonstrate convincing evidence that future earnings will be generated, and not merely make them likely, for deferred tax asset to be recognized. It is not currently possible to demonstrate such convincing evidence at present, and accordingly, no deferred tax asset is reported.

#### b) Estimates and judgements associated with capitalized development expenditure and acquires technology

Development of expenses are capitalized pursuant to the accounting policies of section 2.8 intangible assets in the capitalized expenditure for development work and technology section. Each year, the group tests capitalized development expenditure and technology for impairment. An impairment test was conducted at group level as a single cash-generating unit. Recoverable amount has been determined by measuring value in use. The impairment test demonstrated that there was no impairment as of December 31, 2024. At the end of the financial year, the value of the group's capitalized development expenses was SEK 73.1 million (63.9) and the value of the group's technology was SEK 44.6 million (46.2).

#### c) License agreements

The group has entered contracts where customers receive the right to use TetraGraph® on a marketplace. Licenses in customer agreements entered to date are treated as distinct from other performance obligations (services) in the contract. Accordingly, the customer can benefit from the license without the services offered in the contract. The fixed fee of the license has been recognized as a revenue when the customer obtains control over it because the licensee can freely use the right, and Senzime has not had any remaining obligations to perform (right to use licenses). Pursuant to the group's policies, additional variable compensation in these contracts dependent on future events is not recognized until Senzime has performed its obligation, and the counterparty has confirmed that a specific event has occurred.



**Impairment tests for goodwill, trademarks & brands**

Goodwill is tested for impairment each year when preparing the annual financial statements, or as soon as changes indicate that it may be impaired. The test is conducted by estimating the value in use of the cash-generating unit to which the goodwill value relates, which in Sensime's case is the group overall, because this consists of a single operating segment. Forecasts of the group's expected future cash flows that are the basis of computation (discounted cash flow measurement) are determined by Sensime's management, whose judgements are based on the company's own expectations of the future, and previous experience. In the impairment test, management also makes a number of assumptions in its dis-

count model, which can have a substantial impact to the outcome of measurement. For more information, see note 19 for a review of critical assumptions and a sensitivity analysis. Impairment is concluded when the recoverable amount is less than the carrying amount, and impairment is reported in profit or loss. At the end of the financial year, consolidated goodwill was SEK 114.7 million (104.8). Acquired brand assets are also tested for impairment each year, or more often if changes indicate that they might be impaired. The recoverable amount of the group's capitalized trademarks & brands is measured for the group overall, because the whole group is a single operating statement and a single cash-generating unit. At the end of the financial year, the value of the group's trademarks & brands was SEK 13.3 million (12.2).

**Note 5 Net sales****Revenue**

The revenue from external parties reported to the CEO is measured in the same way as in the Consolidated Statement of Comprehensive Income.

	Group		Parent company	
	2024	2023	2024	2023
<b>Revenue from external customers</b>				
Instruments/other	19,294	16,228	23,786	22,053
of which royalty income	519	1,336	519	259
Disposable sensors	39,183	19,526	42,602	16,866
<b>Total</b>	<b>58,477</b>	<b>35,754</b>	<b>66,907</b>	<b>38,919</b>

Revenue from external customers by country, based on customer location:

	Group		Parent company	
	2024	2023	2024	2023
Sweden	628	1,396	628	1,396
USA	42,605	23,333	51,991	29,625
Europe/Oceania	7,164	9,089	6,208	5,962
Asien	8,080	1,936	8,080	1,936
<b>Total</b>	<b>58,477</b>	<b>35,754</b>	<b>66,907</b>	<b>38,919</b>

No customer represents more than 10% of revenue.

Non-current assets in addition to financial Instruments and deferred tax assets, allocated by physical location of the assets, are stated in the following table:

	Group		Parent company	
	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
Netherlands	28,521	44,559	-	-
USA	58,852	60,128	-	-
Germany	49	40	-	-
Sweden	47,838	20,808	47,838	20,808
<b>Total</b>	<b>135,260</b>	<b>125,535</b>	<b>47,838</b>	<b>20,808</b>

**Note 6 Cost of goods sold**

	Group		Parent company	
	2024	2023	2024	2023
Cost of materials	17,032	8,450	25,143	14,336
Personnel expenses	1,543	1,030	1,539	1,031
Externa services	1,909	1,032	1,143	754
Depreciation and amortization	17,869	16,903	2,060	2,099
<b>Total</b>	<b>38,353</b>	<b>27,415</b>	<b>29,885</b>	<b>18,220</b>

**Note 7** Selling, administration and development expenses by cost class

	Group		Parent company	
	2024	2023	2024	2023
Personnel expenses	90,181	84,682	36,385	40,971
Consulting expenses	31,751	28,873	24,315	19,098
Depreciation and amortization	624	635	361	254
Other expenses	30,140	27,962	90,889	65,120
<b>Total</b>	<b>152,696</b>	<b>142,152</b>	<b>151,949</b>	<b>125,444</b>

**Note 8** Reimbursement of auditors

	Group		Parent company	
	2024	2023	2024	2023
PwC				
– Audit	1,900	1,447	1,900	1,447
– Other auditing services outside audit	14	40	14	40
– Tax consultancy	50	174	50	174
– Other services	342	374	342	374
<b>Total</b>	<b>2,306</b>	<b>2,036</b>	<b>2,306</b>	<b>2,036</b>

**Note 9** Employee benefits, etc.

	Group		Parent company	
	2024	2023	2024	2023
Salary and other benefits	71,608	66,371	26,624	27,872
Social security contributions	13,112	11,256	8,239	8,771
Pension expenses—defined contribution plans	6,111	5,878	4,541	4,705
<b>Total employee benefits</b>	<b>90,831</b>	<b>83,505</b>	<b>39,404</b>	<b>41,348</b>

**Salary and other benefits and social security expenses**

	2024		2023	
	Salary and other benefits	Social security expenses (of which pension expenses)	Salary and other benefits	Social security expenses (of which pension expenses)
Directors, CEOs and other senior managers	17,841	8,110	15,479	7,680
– of which pension expense		3,112		2,974
Other employees	53,767	11,213	50,892	9,454
– of which pension expense		2,998		2,904
<b>Group total</b>	<b>71,608</b>	<b>19,223</b>	<b>66,371</b>	<b>17,134</b>

**Note 9** Employee benefits, etc. (cont.)

	2024		2023	
	Salary and other benefits	Social security expenses (of which pension expenses)	Salary and other benefits	Social security expenses (of which pension expenses)
Directors, CEOs and other senior managers	12,416	7,485	12,792	7,420
– of which pension expense		2,915		2,872
Other employees	14,208	5,295	15,080	6,056
– of which pension expense		1,626		1,833
<b>Parent company total</b>	<b>26,624</b>	<b>12,780</b>	<b>27,872</b>	<b>13,476</b>

**Average number of employees with geographical allocation by country**

	2024		2023	
	Average no. of employees	Of which men	Average no. of employees	Of which men
Sweden	27	12	26	15
USA	22	13	19	6
Germany	5	4	4	2
<b>Group total</b>	<b>54</b>	<b>29</b>	<b>49</b>	<b>23</b>

	2024		2023	
	Average no. of employees	Of which men	Average no. of employees	Of which men
Sweden	27	12	26	15
<b>Parent company total</b>	<b>27</b>	<b>12</b>	<b>26</b>	<b>15</b>

**Gender division in the group (inc. subsidiaries) of Directors and other senior managers**

	2024		2023	
	No. on reporting date	Of which men	No. on reporting date	Of which men
Directors	6	5	6	3
CEO and other senior managers	8	6	9	6
<b>Group total</b>	<b>14</b>	<b>11</b>	<b>15</b>	<b>9</b>

**Remuneration and other benefits 2024**

	Basic salary/ Director's fee	Variable remuneration	Other benefits	Share-based payment	Pension expense	Consulting fee	Total
Chairman of the Board – Per Wold-Olsen	487	–	–	–	–	–	487
Board member – Göran Brorsson	210	–	–	–	–	–	210
Board member – Lars Axelsson	210	–	–	–	–	–	210
Board member – Adam Dahlberg	300	–	–	–	–	–	300
Board member – Sorin J Brull	–	–	–	–	–	1,314	1,314
Board member – Eva Walde	210	–	–	–	–	–	210
CEO – Philip Sjöberg	3,203	583	108	64	722	–	4,680
Other senior managers (8 people)	10,839	1,482	208	384	2,232	–	15,145
<b>Total</b>	<b>15,459</b>	<b>2,065</b>	<b>316</b>	<b>448</b>	<b>2,954</b>	<b>1,314</b>	<b>22,556</b>

Consulting fees are for financial services and medical expertise. Other benefits are company cars and healthcare.

## Remuneration and other benefits 2023

	Basic salary/ Director's fee	Variable remuneration	Other benefits	Share-based payment	Pension expense	Consulting fee	Total
Chairman of the Board – Philip Siberg (4 mth.)	150						150
Chairman of the Board – Per Wold-Olsen (1 mth.)	-	-	-	-	-	-	-
Chairman of the Board – Adam Dahlberg (7 mth.)	204						204
Board member – Göran Brorsson (8 mth.)	131	-	-	-	-	-	131
Board member – Lars Axelsson (1 mth.)	18	-	-	-	-	-	18
Board member – Adam Dahlberg	146	-	-	-	-	-	146
Board member – Sorin J Brull	-	-	-	-	-	1,311	1,311
Board member – Lennart Kalén (4 mth.)	79						79
Board member – Eva Walde	210	-	-	-	-	-	210
Board member – Laura Piccinini (11 mth.)	192	-	-	-	-	-	192
Board member – Jenny E Freeman (11 mth.)	-	-	-	-	-	1,421	1,421
CEO – Philip Siberg (8 mth.)	2,549	580	3	14	13	-	3,159
CEO – Pia Renaudin (4 mth.)	766	-	19	28	308	-	1,121
Andra senior managers (8 people)	9,569	751	111	513	2,654	-	13,598
<b>Total</b>	<b>14,014</b>	<b>1,331</b>	<b>133</b>	<b>555</b>	<b>2,975</b>	<b>2,732</b>	<b>21,740</b>

The CEO's paid bonus for 2024 amounted to SEK 583,000. For more information, refer to the remuneration report.

### Guidelines for remunerating the CEO and other senior managers

Remuneration to the Chief Executive Officer and other senior managers consists of basic salary, variable compensation, other benefits, pension etc. Other senior managers are the eight individuals that make up group management with the CEO.

Variable compensation should relate to the outcome of the company's targets and strategies and should be based on predetermined and measurable criteria designed to promote long-term value creation. Variable compensation of the CEO and other senior managers may be a maximum of 100 percent of yearly basic salary.

The group has defined contribution pension plans only. Pension benefits should be defined contribution, to the extent the manager is not covered by defined benefit pensions under the compulsory terms of collective bargaining agreements.

The pension premiums of defined contribution pensions may be a maximum of 40 percent of the senior manager's yearly basic salary. No pension commitments have been satisfied for directors that are not permanent employees of a group company.

Senzime has arranged endowment insurance policies for the CEO and two other senior managers, pledged as security for the pension promise made to these individuals. The pension expenses associated with these policies is included in pension expenses in the disclosure on remuneration of the CEO and other senior managers above. For more disclosures, see note 2.17 b).

Other benefits may include company cars, corporate healthcare, life and health insurance, and other similar benefits. Other benefits should be a minor portion of total compensation, and may correspond to a maximum of 10 percent of the senior manager's yearly basic salary.

For the CEO, the notice period for termination by the company should be a maximum of 12 months, while the notice period for termination by the CEO should be a maximum of six months. For senior managers other than the CEO, the notice period on termination by the company should be a minimum of three months, and a maximum of 12 months, while the notice period for termination by the senior manager should be a minimum of three months, and a maximum of six months, unless otherwise required by law. Severance pay may be due to the senior manager on termination by the company. Basic salary beyond notice periods and severance pay may not exceed a total amount corresponding to one year's basic salary.

**The CEO held the following number of staff stock options as of each reporting date:**

Dec. 31, 2024	170,000
Dec. 31, 2023	75,000

**Executive management held the following number of staff stock options on each reporting date:**

Dec. 31, 2024	1,300,000
Dec. 31, 2023	1,265,000

For more information on the programs, see note 10.

## Note 10 Long-term incentive programs

### Stock option programs

A summary of the group's current/previous stock option plans for any of the periods covered by the annual accounts 2024 follows.

#### Stock option program 2021/2025

The AGM of May 11, 2021 resolved on another staff stock option program involving 456,050 options. These staff stock options will be offered and granted to employees, although not the CEO or other members of the company's management, and based on participants' individual performance during an assessment period that will continue until December 31, 2021 inclusive (the "Assessment Period"). However, granting may be earlier or later subject to special decision by the Board of Directors. The maximum number of staff stock options that can be granted to participants is 50,000 per person.

Granted staff stock options are vested over three years as follows: 20 percent of granted staff stock options vested on February 1, 2023; 20 percent of granted staff stock options vested on February 1, 2024; and 60 percent of granted staff stock options vested on February 1, 2025. Participants can exercise granted and vested staff stock options in the period February 1, 2025 to April 30, 2025.

The subscription price has been set at SEK 28.10, which is 125 percent of the volume-weighted average price paid for the company's share on Nasdaq Stockholm's Main Market in a period of 20 trading days from the grant date.

In total, 396,000 of these 456,050 options were granted in February 2022. All options were granted to other employees. The market value at granting was SEK 2.68 per option.

#### Stock option program 2022/2026

The AGM of May 18, 2022 resolved on another staff stock option program involving 900,000 options. These staff stock options will be offered and granted to employees based on participants' individual performance during an assessment period that will continue until December 31, 2022 inclusive (the "Assessment Period"). However, granting may be earlier or later subject to special decision by the Board of Directors. The maximum number of staff stock options that can be granted to participants is 200,000 per person.

Granted staff stock options are vested over three years as follows: 20 percent of granted staff stock options vested on February 1, 2024; 20 percent of granted staff stock options vested on February 1, 2025; and 60 percent of granted staff stock options vest on February 1, 2026. Participants can exercise granted and vested staff stock options in the period February 1, 2026 to February 28, 2027.

The subscription price has been set at SEK 30.00. In total, 691,000 of these options were granted in February 2023, with the following allocation: CEO: 0 staff stock options; members of management total: 335,000 staff stock options (highest individual granting 100,000); other employees: 356,000 (highest individual granting 100,000). The market value at granting was SEK 7.80 per option.

#### Stock option program 2023/2027

An EGM of September 20, 2023 resolved on another staff stock option program involving 1,000,000 options. These staff stock options will be offered and granted to employees based on participants' individual performance during an assessment period that will continue until December 31, 2023 inclusive (the "Assessment Period"). However, granting may be earlier or later subject to special decision by the Board of Directors. The maximum number of staff stock options that can be granted to participants is 200,000 per person.

Granted staff stock options are vested over three years as follows: 20 percent of granted staff stock options vested on October 1, 2024; 20 percent of granted staff stock options vest on October 1, 2025; and 60 percent of granted staff stock options vest on October 1, 2026. Participants can exercise granted and vested staff stock options in the period October 1, 2026 to October 1, 2027. The subscription price has been set at SEK 8.30. In total, 920,000 of these options were granted in October 2023, with the following allocation: CEO: 75,000 staff stock options; members of management total: 450,000 staff stock options (highest individual granting 75,000); other employees: 470,000 (highest individual granting 50,000). The market value at granting was SEK 7.07 per option.

#### Stock option program 2024/2028

An EGM of May 16, 2024 resolved on another staff stock option program involving 1,100,000 options. These staff stock options will be offered and granted to employees based on participants' individual performance during an assessment period that will continue until December 31, 2024 inclusive (the "Assessment Period"). However, granting may be earlier or later subject to special decision by the Board of Directors. The maximum number of staff stock options that can be granted to participants is 95,000 per person.

905,000 of the granted staff stock options are vested over three years as follows: 20 percent of granted staff stock options vest on October 1, 2025; 20 percent of granted staff stock options vest on October 1, 2026; and 60 percent of granted staff stock options vest on October 1, 2027.

50,000 of granted staff stock options are vested over 14 months and expire unless certain specific events occur. 50,000 staff stock options are vested over two years as follows: 60 percent of granted staff stock options vest on October 1, 2025 and 40 percent of granted staff stock options vest on October 1, 2026. Participants can exercise granted and vested staff stock options in the period October 1, 2027 to October 1, 2028. The subscription price has been set at SEK 8.70. In total, 1,005,000 of these options were granted in October 2024, with the following allocation: CEO: 95,000 staff stock options; members of management total: 445,000 staff stock options (highest individual granting 95,000); other employees: 445,000 (highest individual granting 20,000). The market value at granting was SEK 6.46 per option.



The outstanding staff stock options at the end of the year have the following maturity dates and exercise prices:

	2024		2023	
	Average exercise price, SEK per option	No. of options (000)	Average exercise price, SEK per option	No. of options (000)
<b>As of January 1</b>	21.60	2,780	25.90	1,272
Granted	8.70	1,015	18.70	1,885
Forfeited	22.96	-803	27.60	-377
<b>As of December 31</b>	<b>16.1</b>	<b>2,992</b>	<b>21.60</b>	<b>2,780</b>

Grant date	Expiration date	Exercise price	Staff stock options 31 December 2024 (tusental)	Staff stock options 31 December 2023 (tusental)
Feb. 1, 2021	Apr. 30, 2024	24.70	-	665
Feb. 1, 2022	Apr. 30, 2025	28.10	396	435
Feb. 1, 2023	Feb. 28, 2027	30.00	691	695
Oct. 1, 2023	Oct. 1, 2027	8.30	920	985
Oct. 1, 2024	Oct. 1, 2027	8.70	985	-
<b>Total</b>			<b>2,992</b>	<b>2,780</b>

Remaining weighted average contract period for outstanding options at the end of the period

1,7

#### Fair value of granted staff stock options

The estimated fair value on the grant date for options granted in 2024 was SEK 0.40 per option, SEK 0.674 option and SEK 0.99 per option respectively (2023: SEK 0.06 and SEK 1.54 respectively).

Fair value on the grant date is computed with the aid of an adapted version of the Black & Scholes valuation model.

#### Input data for the model for options granted in October:

a) the options were granted free of charge. 905,000 options and vested over a three-year period. Vested options can be exercised within one year of vesting. 50,000 granted staff stock options are vested over 14 months and expire unless certain specific events occur. The exercise period is October 1, 2027 to October 1, 2028. 50,000 staff stock options are vested over a two-year period and can be exercised in the period October 1, 2027 to October 1, 2028.

b) exercise price: SEK 8.70

c) grant date: October 1, 2024

d) expiration date: October 1, 2028

e) share price at grant date: SEK 6.46

f) expected volatility of the company's share price: 35 percent

g) risk-free interest rate: 1.66 percent

The expected volatility of the share price is based on historical volatility (based on the remaining term of the option), adjusted for the expected changes in future volatility resulting from publicly available information.

The total expense recognized in the Income Statement for staff stock options is TSEK 967 (2023: TSEK 768). The total carrying amount of liabilities related to share-based payments on the reporting date is TSEK 52 (2023: TSEK 41).

## Note 11 Other operating expenses

	Group		Parent company	
	2024	2023	2024	2023
Loss on sale of property, plant and equipment	-	-	-	-
Other operating expenses	-	81	-	81
Exchange losses	25,172	18,756	22,555	18,476
<b>Total</b>	<b>25,172</b>	<b>18,837</b>	<b>22,555</b>	<b>18,557</b>

**Note 12** Other operating income

	Group		Parent company	
	2024	2023	2024	2023
Gain on sale of intangible assets	210	7	241	-
Exchange gains	32,069	15,134	31,101	15,187
Other operating income	1,411	149	1,030	111
<b>Total</b>	<b>33,690</b>	<b>15,290</b>	<b>32,372</b>	<b>15,298</b>

**Note 13** Financial expenses and income

	Group		Parent company	
	2024	2023	2024	2023
Interest expenses, lease liability	-1,001	-706	-	-
Other financial expenses	-27	-92	-27	-28
Other interest income	2,302	999	2,302	999
Interest income, group companies	-	-	8,240	6,329
Impairment, participation and receivable in group companies	-	-	-41,507	-120,097
<b>Total financial expenses and income</b>	<b>1,274</b>	<b>201</b>	<b>-30,992</b>	<b>-112,797</b>

**Note 14** Income tax

	Group		Parent company	
	2024	2023	2024	2023
<b>Current tax:</b>				
Current tax on profit (loss) for the year	-194	-	-	-
Adjustments for previous years	-	-	-	-
<b>Total current tax</b>	<b>-194</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Deferred tax (note 31)</b>				
Occurrence and reversal of temporary differences	4,247	3,010	-	-
Effect of changed tax rate	-	-	-	-
<b>Total deferred tax</b>	<b>4,247</b>	<b>3,010</b>	<b>-</b>	<b>-</b>
<b>Total income tax</b>	<b>4,053</b>	<b>3,010</b>	<b>-</b>	<b>-</b>

Income tax on the group's profits (loss) before tax differs from the theoretical amount that would have resulted by applying the Swedish tax rate to the profits of consolidated companies as follows:

	Group		Parent company	
	2024	2023	2024	2023
<b>Profit (loss) before tax</b>	<b>-118,727</b>	<b>-134,149</b>	<b>-136,102</b>	<b>-220,802</b>
Income tax computed at tax rate in Sweden 2024 20.6% (2023: 20.6%)	24,458	27,635	28,037	45,485
Tax effects of:				
Non-deductible expenses	-163	-290	-8,713	-24,968
Issue expenses/deductible expenses accounted against equity	720	3,091	720	3,091
Tax effect of foreign tax rates	-467	-927	-	-
Unreported temporary differences, loss carry-forwards	-20,495	-26,499	-20,044	-23,608
Change in deferred tax	-	-	-	-
<b>Income tax</b>	<b>4,053</b>	<b>3,010</b>	<b>0</b>	<b>0</b>

The weighted average tax rate for the group was 21.3% (2023 21.3%).

**Note 15** Exchange differences – net

Exchange differences have been recognized in the Statement of Comprehensive Income as follows:

	Group		Parent company	
	2024	2023	2024	2023
Other operating expenses (note 11)	-25,172	-18,837	-22,556	-18,837
Other operating income (note 12)	32,069	15,290	31,101	15,298
<b>Total</b>	<b>6,897</b>	<b>-3,547</b>	<b>8,545</b>	<b>-3,259</b>

**Note 16** Earnings per share

Earnings per share are computed by dividing profit for the year by a weighted average number of outstanding ordinary shares in the period.

Senzime has had potential ordinary shares in the form of staff stock options. However, these did not cause any dilution effect for 2023 and 2024, because conversion to ordinary shares would result in a lower loss per share

	Group	
	2024	2023
<b>SEK</b>		
Basic earnings per share	-0.97	-1.45
Diluted earnings per share	-0.97	-1.45
<b>Earnings measures for computing earnings per share</b>		
Earnings attributable to equity holders of the parent for computing basic and diluted earnings per share		
Earnings attributable to equity holders of the parent, SEK 000	-118,727	-134,149
<b>Number</b>		
Weighted average number of ordinary shares for computing basic earnings per share	122,320,070	92,269,497
Adjustment for computing diluted earnings per share:		
- Options	-	-
Weighted average number of ordinary shares and potential ordinary shares used as the denominator for computing diluted earnings per share	122,320,070	92,269,497

## Note 17 Alternative performance measures

Senzime has defined the following alternative performance measures. The computations are published at [www.senzime.com](http://www.senzime.com).

Performance measure	Definition	Motive for use
Gross margin excl. amortization	Gross profit (loss) excl. amortization of intangible assets divided by net sales	The group uses the alternative performance measure gross margin excl. amortization because it illustrates the impact of amortization of capitalized development expenditure on gross margin.
EBITA	Earnings before interest and taxes excl. amortization of intangible assets	The group uses the alternative performance measure EBITA because it illustrates the impact of amortization of capitalized development expenditure on EBIT.
Equity/assets ratio	Closing equity in the period divided by closing total assets in the period	The group uses the alternative performance measure equity/assets ratio because it illustrates the portion of total assets that consist of equity, and has been included so investors will be able to assess the group's capital structure..
Items affecting comparability	Items of significant value that have no clear connection to ordinary operations and are of such nature that they cannot be expected to occur often. They might be acquisitions, major one-off orders, other unusual non-recurring revenue and expenses, capital gains/ losses from divestment, restructuring expenses and impairment.	Offers a better understanding of the group's underlying operations..
Currency fluctuations	Adjusted for currency fluctuation on the net sales of operations excludes the effect of exchange rates by re-calculating the net sales of operations for the relevant period by applying the exchange rate used for the comparative period.	This metric is important to understand the underlying progress of operations and increase comparability between the periods.

## Note 18 Investments in subsidiaries

The group had the following subsidiaries as of December 31, 2024:

Name	Country of registration and operation	Operations	Prop. ordinary shares held directly by parent company (%)	Prop. ordinary shares held directly by group (%)
Acacia Designs B.V.	Netherlands	Medical devices	100	100
MD Biomedical AB	Sweden	Medical devices	100	100
Senzime Inc	USA	Medical devices	100	100
Senzime GmbH	Germany	Medical devices	100	100
Respiratory Motion Inc	USA	Medical devices	100	100

Parent company innehar andelar i följande dotterbolag:

Name	Corp. ID no.	Reg. office, country of registration and operation	No. of shares	Book value Dec. 31, 2024	Book value Dec. 31, 2023
<b>First tier</b>					
Acacia Designs B.V.	59697059	Maastricht, Netherlands	6,333	4,782,596	4,782,596
MD Biomedical AB	556837-0273	Umeå, Sweden	50,000	1,983,500	1,983,500
Senzime Inc	003433-4748	St. Louis, USA	1,000	9,334	9,334
Senzime GmbH	DE342219347	Geisenhausen, Germany	100	253,680	253,680
Respiratory Motion Inc	301025-8143	St. Louis, USA	10,586,000	74,108,766	101,821,001
				<b>2024</b>	<b>2023</b>
<b>Opening value</b>				<b>108,850</b>	<b>167,868</b>
<b>Impairment in the year</b>				<b>-27,712</b>	<b>-45,918</b>
<b>Closing carrying amount</b>				<b>81,138</b>	<b>108,850</b>

Equity was TSEK 7,966 and profit for the year was TSEK 1,690 for Acacia Designs B.V.

Equity was TSEK 30 and loss for the year was TSEK -2 for MD Biomedical AB.

Equity was TSEK 6,585 and profit for the year was TSEK 3,168 for Senzime Inc.

Equity was TSEK -1,847 and profit for the year was TSEK 301 for Senzime GmbH.

Equity was TSEK -85,125 and loss for the year was TSEK -1,610 for Respiratory Motion Inc.

Acacia Designs was acquired by the parent company in 2016, and included in the consolidated accounts at amounts after the acquisition date of 17 May 2016. Acacia Designs is a medical device company with its registered office in the Netherlands. Most of the group's operations conducted in the parent company, and its five subsidiaries only hold specific rights, which are licensed to the parent company against royalty payments. The intra-group restructuring led to the shares in Acacia Designs B.V. being impaired by TSEK 13,100 in 2018. The subsidiary Senzime Inc. started operations in the USA in 2020, and is 100 percent consolidated. The subsidiary Senzime GmbH was incorporated in Germany in March 2021, and is 100 percent consolidated. The US subsidiary Respiratory Motion Inc. was acquired in July 2022, and is 100 percent consolidated. The shares of the subsidiary Respiratory Motion Inc. were impaired by TSEK 45,918 in 2023 and TSEK 27,712 in 2024.

## Note 19 Intangible assets

Group	Goodwill	Capitalized development expenditure	Patents and similar rights	Technology	Trademarks & brands	Total
<b>Financial year 2023</b>						
Opening carrying amount	108,845	67,797	286	53,740	12,660	243,328
Purchases in the year	-	6,871	-	-	-	6,871
Sales and retirements	-	-	-	-	-	-
Amortization for the year	-	-10,723	-125	-5,759	-	-16,607
Translation differences	-4,095	-28	-	-1,800	-476	-6,399
<b>Closing carrying amount</b>	<b>104,750</b>	<b>63,917</b>	<b>161</b>	<b>46,181</b>	<b>12,184</b>	<b>227,193</b>
<b>As of December 31, 2023</b>						
Cost	104,750	128,363	1,368	54,822	12,184	301,487
Accumulated amortization	-	-64,446	-1,207	-8,641	-	-74,294
<b>Carrying amount</b>	<b>104,750</b>	<b>63,917</b>	<b>161</b>	<b>46,181</b>	<b>12,184</b>	<b>227,193</b>



### Financial year 2024

Opening carrying amount	104,750	63,917	161	46,181	12,184	227,193
Purchases in the year	-	26,266	-	-	-	26,266
Sales and retirements	-	-	-	-	-	-
Amortization for the year	-	-11,644	-27	-5,869	-	-17,540
Translation differences	9,905	272	-	4,165	1,152	15,495
<b>Closing carrying amount</b>	<b>114,655</b>	<b>78,810</b>	<b>134</b>	<b>44,477</b>	<b>13,336</b>	<b>251,413</b>
<b>As of December 31, 2024</b>						
Cost	114,655	154,901	1,368	58,987	13,336	343,247
Accumulated amortization	-	-76,090	-1,234	-14,510	-	-91,834
<b>Carrying amount</b>	<b>114,655</b>	<b>78,810</b>	<b>134</b>	<b>44,477</b>	<b>13,336</b>	<b>251,413</b>

Parent company	Capitalized development expenditure	Patents and similar rights	Total
<b>Financial year 2023</b>			
Opening carrying amount	20,628	286	20,914
Purchases in the year	6,871	-	6,871
Sales and retirements	-	-	-
Amortization for the year	-1,807	-125	-1,932
<b>Closing carrying amount</b>	<b>25,692</b>	<b>161</b>	<b>25,853</b>
<b>As of December 31, 2023</b>			
Cost	39,571	1,368	40,939
Accumulated amortization	-13,879	-1,207	-15,086
<b>Carrying amount</b>	<b>25,692</b>	<b>161</b>	<b>25,853</b>
<b>Financial year 2024</b>			
Opening carrying amount	25,692	161	25,853
Purchases in the year	26,266	-	26,266
Sales and retirements	-	-	-
Amortization for the year	-1,807	-28	-1,835
<b>Closing carrying amount</b>	<b>50,151</b>	<b>133</b>	<b>50,284</b>
<b>As of December 31, 2024</b>			
Cost	65,837	1,368	67,205
Accumulated amortization	-15,686	-1,235	-16,921
<b>Carrying amount</b>	<b>50,151</b>	<b>133</b>	<b>50,284</b>

### Capitalized development expenditure

The significant portion of capitalized development expenditure consist of TetraGraph (SEK 53.7 million), and ExSpiron (SEK 44.6 million). These assets are complete and amortization has commenced. Even if there is no indication of impairment, the group tests for impairment of capitalized development expenditure each year. The impairment test is conducted at group level and the most material assumptions in the impairment test are sales growth and the discount rate.

### Goodwill impairment test

An impairment test was conducted when preparing the consolidated accounts for 2024. Management monitors goodwill for the group overall, and the group consists of a single operating segment. The recoverable amount of the cash-generating unit has been judged on the basis of estimated value in use. This test involves an estimation of expected cash flows from the group's operations. Cash flows are based on the group's business plan, which runs until 2029 inclusive, with growth forecast to reduce from 15.0 percent to 2.5 percent for the period 2030-2034. The business plan is based on management's previous experience, and as far as possible, external sources of information. The parameters with the most impact on measurements of recoverable amount firstly consist of estimated sales growth and EBIT. Apart from sales growth, assumptions on the gross margin and the progress of other operating expenses have the greatest impact on estimates of operating profit or loss. An estimate assumption of average yearly growth of net sales of 26.7 percent has been applied to the impairment test until the end of the forecast period, 2034 inclusive.

Working capital tied up is forecast at 30.9 percent of net sales in 2025, to reduce progressively to 15 percent, in 2030, and then remain at this level.

Investments are assumed at 10.5 percent of net sales in 2025, to then reduce progressively to 1.0 percent from 2030 onwards. The discount rate after tax applied to the impairment test is 19.5 percent.

A sensitivity analysis indicates that adjusting the discount rate by 5-7 percent is possible without causing any impairment. The total expenditure for development expensed in the year amounts to TSEK 22,169 (2023: TSEK 19,363).

**Note 20** Property, plant and equipment

Group	Machinery and equipment
<b>Financial year 2023</b>	
Opening carrying amount	2,284
Purchases in the year	976
Sales and retirements	-48
Depreciation for the year	-620
<b>Closing carrying amount</b>	<b>2,592</b>
<b>As of December 31, 2023</b>	
Cost	5,278
Accumulated depreciation	-2,686
<b>Carrying amount</b>	<b>2,592</b>
<b>Financial year 2024</b>	
Opening carrying amount	2,592
Purchases in the year	2,287
Sales and retirements	-656
Exchange differences	91
Depreciation for the year	-695
<b>Closing carrying amount</b>	<b>3,619</b>
<b>As of December 31, 2024</b>	
Cost	7,233
Accumulated depreciation	-3,614
<b>Carrying amount</b>	<b>3,619</b>
<b>Parent company</b>	
<b>Financial year 2023</b>	
Opening carrying amount	1,456
Purchases in the year	214
Sales and retirements	-
Depreciation for the year	-254
<b>Closing carrying amount</b>	<b>1,416</b>
<b>As of December 31, 2023</b>	
Cost	2,229
Accumulated depreciation	-813
<b>Carrying amount</b>	<b>1,416</b>
<b>Financial year 2024</b>	
Opening carrying amount	1,416
Purchases in the year	2,352
Sales and retirements	-258
Depreciation for the year	-361
<b>Closing carrying amount</b>	<b>3,149</b>
<b>As of December 31, 2024</b>	
Cost	3,926
Accumulated depreciation	-777
<b>Carrying amount</b>	<b>3,149</b>

**Note 21 Leases**

Essentially, the group's leases consist of leases for premises. Leases have terms of 3–10 years.

**The following amounts related to leases are recognized in the Income Statement:**

	Group	
	2024	2023
Depreciation, amortization and impairment of rights of use:		
Real estate	7,551	2,719
Vehicles	510	605
<b>Total</b>	<b>8,060</b>	<b>3,324</b>
Interest expenses (included in financial expenses)	1,001	706

Expenditure related to leases for which the underlying assets of low value that are not short-term leases was TSEK 180 (76) and is included in administrative expenses.

Total cash flow for leases 2024 was TSEK 4,158 (2023: TSEK 3,678). For information on lease liability maturities, see note 3.

Additional rights of use in 2024 amounted to TSEK 13,967 (2023: TSEK 1,927). Impairment of rights of use was TSEK 4,226 in 2024.

**The following amounts related to leases are recognized in the Balance Sheet:**

	Group	
	Dec. 31, 2024	Dec. 31, 2023
<b>Assets with right of use:</b>		
Vehicles	358	844
Real estate	18,047	11,087
<b>Total</b>	<b>18,404</b>	<b>11,931</b>
<b>Lease liabilities:</b>		
Non-current	19,042	8,578
Current	3,626	2,890
<b>Total</b>	<b>22,668</b>	<b>11,468</b>

**Lease obligations**

The parent company rents premises through non-cancellable leases.

The parent company relocated in the year, and its new premises lease has a 10-year term. The group also leases premises in the USA, with the lease term of the subsidiary Sensime Inc.'s premises being 3 years, and for the subsidiary Respiratory Motion Inc.'s, 10 years. Impairment was taken on the subsidiary Respiratory Motion Inc.'s premises in 2024. Most leases have an extension option available at the end of their periods, for a fee at market levels.

Lease expenses for the parent company in 2024 were TSEK 2,068 (2023: 1,370), for premises leases, included in the Statement of Comprehensive Income. Future total minimum lease charges for non-cancellable operating leases are as follows:

	Parent company	
	2024	2023
Within 1 yr.	1,848	564
Between 1 and 5 yrs.	9,240	0
Later than 5 yrs.	6,314	0
<b>Total</b>	<b>17,403</b>	<b>564</b>

**Note 22 Provisions**

	Group		Parent company	
	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
<b>Non-current provisions, personnel</b>				
<b>As of January 1</b>	3,750	2,886	3,750	2,886
– Pension provision	432	864	432	864
<b>As of December 31</b>	<b>4,182</b>	<b>3,750</b>	<b>4,182</b>	<b>3,750</b>

De långsiktiga provisionerna avser expenses för pension.

**Note 23** Other financial assets

	Group		Parent company	
	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
Various long-term deposits	515	680	0	0
Company owned endowment insurance	4,182	3,750	4,182	3,750
<b>Total</b>	<b>4,697</b>	<b>4,430</b>	<b>4,182</b>	<b>3,750</b>

**Note 24** Financial instruments by category

	Group	
	Dec. 31, 2024	Dec. 31, 2023
<b>Financial assets measured at amortized cost</b>		
Trade receivables	10,202	8,569
Cash and cash equivalents	100,941	151,009
<b>Total</b>	<b>111,143</b>	<b>159,578</b>
	Group	
	Dec. 31, 2024	Dec. 31, 2023
<b>Financial liabilities measured at amortized cost</b>		
Trade payables	8,882	5,146
<b>Total</b>	<b>8,882</b>	<b>5,146</b>

Over and above the financial instruments stated in the table (above), the group has financial liabilities in the form of lease liabilities, which are recognized and measured according to IFRS 16 (see note 3).

**Note 25** Inventories

	Group		Parent company	
	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
<b>Current assets</b>				
– Raw materials recognized at cost	16,324	12,680	16,324	12,680
– Finished goods recognized at cost	11,642	7,660	6,438	4,701
<b>Total</b>	<b>27,966</b>	<b>20,340</b>	<b>22,762</b>	<b>17,381</b>

The amounts for goods in inventory recognized as an expense in the period, are for the group TSEK 17,032 (2023: 8,450), and for the parent company TSEK 25,143 (2023: 14,336).

**Note 26** Trade receivables

	Group		Parent company	
	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
<b>Trade receivables</b>	10,202	8,569	7,465	9,755
Less: provision for expected credit losses				
<b>Trade receivables – net</b>	<b>10,202</b>	<b>8,569</b>	<b>7,465</b>	<b>9,755</b>

The maximum exposure to credit risk on the reporting date for trade receivables is the carrying amount above. The fair value of trade receivables corresponds to carrying amount, because the discount effect is not significant. No trade receivables have been pledged as collateral for any liability.

As of December 31, 2024, trade receivables of TSEK 4,590 (3,696) were due without any impairment considered necessary. The age analysis of these trade receivables is stated below:

	Group		Parent company	
	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
Less than 30 days	2,059	1,546	714	105
31 days and older	2,531	2,132	66	258
<b>Total</b>	<b>4,590</b>	<b>3,696</b>	<b>780</b>	<b>363</b>

**Note 27** Other receivables

	Group		Parent company	
	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
VAT receivable	1,984	1,575	1,984	1,575
Tax asset	1,833	420	1,731	420
Other current receivables	1,558	3,244	1,133	2,643
<b>Total</b>	<b>5,375</b>	<b>5,239</b>	<b>4,848</b>	<b>4,638</b>

**Note 28** Prepaid expenses and accrued income

	Group		Parent company	
	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
Prepaid rent	583	327	583	327
Prepaid insurance	1,007	269	580	201
Other prepaid expenses	2,156	1,622	1,714	1,817
<b>Total</b>	<b>3,746</b>	<b>2,238</b>	<b>2,876</b>	<b>2,345</b>

**Note 29** Cash and cash equivalents

	Group		Parent company	
	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
Bank balances	100,941	151,009	97,608	147,853
<b>Total</b>	<b>100,941</b>	<b>151,009</b>	<b>97,608</b>	<b>147,853</b>



**Note 30** Share capital and Other paid-up capital

	No. of shares	Share capital	Other paid-up capital
<b>As of January 1, 2023</b>	<b>69,883,985</b>	<b>8,735,498</b>	<b>636,728,362</b>
New share issues	49,821,538	6,227,692	243,962,130
<b>As of December 31, 2023</b>	<b>119,705,523</b>	<b>14,963,190</b>	<b>880,690,491</b>
New share issues	13,469,000	1,683,625	78,331,143
<b>As of December 31, 2024</b>	<b>133,174,523</b>	<b>16,846,816</b>	<b>959,021,634</b>

As of December 31, 2024, the share capital consists of 133,174,523 ordinary shares with a quotient value of SEK 0.125. All shares issued by the parent company are fully paid up.

Information on Senzime's stock option plans, including further detail on issued, exercised and expired options in the financial year, as well as outstanding options at the end of the financial year, is in note 10.

**Note 31** Deferred tax

Deferred tax assets are recognized for tax loss carry-forwards or other deductions to the extent it is likely that they can be used against future taxable earnings. No deferred tax asset has been recognized because the group does not judge that the criteria for reporting deferred tax in IAS 12 are satisfied.

Deferred tax liabilities	Intangible assets
<b>As of January 1, 2023</b>	<b>25,361</b>
In Income Statement, intangible assets	-3,010
Currency translation	-584
<b>As of December 31, 2023</b>	<b>21,767</b>
In Income Statement, leases	-1,045
In Income Statement, intangible assets	-3,202
Currency translation	1,330
<b>Per 31 December 2024</b>	<b>18,850</b>

Outnyttjade underskottsavdrag för vilka ingen deferred tax asset har redovisats uppgår till 621 508 SEK 000 per Dec. 31, 2024 (Dec. 31, 2023: 573 280 SEK 000). För 533 048 SEK 000 förfaller underskottsavdragen ej vid någon tidpunkt, för Other underskottsavdrag förfaller de mellan åren 2025 till 2030. Deferred tax asset för leasingavtal uppgår till 5 082 SEK 000 and deferred skatteskuld för leasingavtal uppgår till 4 016 SEK 000.

**Note 32** Other current liabilities

	Group		Parent company	
	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
Withholding tax	1,073	1,193	1,073	1,193
Deduction, social security contributions	726	819	726	819
Deduction, special employer's contribution	1,938	897	1,938	897
Other current liabilities	9,776	1,119	7,798	2
<b>Total</b>	<b>13,512</b>	<b>4,028</b>	<b>11,535</b>	<b>2,911</b>

**Note 33** Accrued expenses and deferred income

	Group		Parent company	
	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
Accrued salaries	3,004	2,324	1,002	580
Accrued vacation pay	3,495	2,665	3,495	2,665
Accrued social security contributions	1,493	1,061	1,495	1,061
Other accrued expenses	4,420	5,856	2,998	4,228
<b>Total</b>	<b>12,412</b>	<b>11,906</b>	<b>8,990</b>	<b>8,534</b>

**Note 34** Contingent liabilities and pledged assets

	Group		Parent company	
	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
Corporate mortgages	300	300	300	300
Guarantee commitments	2,420	650	2,420	650
Rent guarantee	1,848	1,848	1,848	1,848
<b>Total</b>	<b>4,568</b>	<b>2,798</b>	<b>4,568</b>	<b>2,798</b>

Collateral pledged is a previous working capital credit facility with SEB, which is currently terminated. An overdraft facility has been arranged but is not currently in use. Guarantee commitments are for Sensime Inc. and is a limit allocation with SEB New York and payment limit for ACH.

The parent company has entered an agreement with its subsidiary Acacia Designs B.V. on the payment of royalties on the sale of specific products.

A strategic connectivity and licensing deal was signed with Masimo in 2022, which involves future sales carrying royalty payouts based on a market royalty model. A strategic connectivity and license licensing deal was signed with CoreSpiron in 2024, which involves future sales carrying royalty payouts based on a market royalty model.

A rent guarantee for new premises for Sensime AB was arranged in 2023, the beneficiary is Industrifastigheter Storstad

**Note 35** Transactions with related parties

Apart from compensation to senior managers and consulting services purchased from them as stated in note 9, there are no transactions with related parties.

Sensime AB is the ultimate parent company of the group. Related parties are subsidiaries and senior managers of the group, and their relations. Transactions are on market terms. The following transactions were executed with subsidiaries:

	2024	2023
<b>(a) Sale of goods</b>		
Sensime GmbH	1,910	1,529
Respiratory Motion Inc	735	367
Sensime Inc	51,230	29,257
<b>Total</b>	<b>53,875</b>	<b>31,153</b>
<b>(b) Purchase of services</b>		
Acacia Designs B.V.	5,241	3,006
Sensime GmbH	8,729	8,918
Sensime Inc	78,545	49,501
<b>Total</b>	<b>92,516</b>	<b>61,425</b>

**Receivables and liabilities at end of year**

	Dec. 31, 2024	Dec. 31, 2023
<i>Receivables from related parties:</i>		
Sensime GmbH	,4,557	5,500
Sensime Inc	33,938	27,049
Respiratory Motion Inc	9,478	-
<i>Liabilities to related parties:</i>		
Sensime GmbH	-1,921	-2,972
Sensime Inc	-24,274	-15,589
Respiratory Motion Inc	-9,051	-8,653
MD Biomedical AB	-230	-230
Acacia Designs B.V.	-6,452	-1,240
	<b>6,046</b>	<b>3,865</b>

Loans from related parties	2024-12-31	2023-12-31
<i>Loan from Acacia Designs B.V.</i>		
At beginning of year	-	5 123
Loans arranged in the year	-	-5 123
<b>At end of year</b>	<b>-</b>	<b>-</b>

The liability to Acacia Designs B.V. is regular license fees.

The parent company provisioned TSEK 74,179 for doubtful debt attributable to its subsidiary Respiratory Motion Inc. in 2023 and TSEK 13,795 for 2024. The company has not recognized any expenses for doubtful debt with related parties in the period. No collateral has been pledged for these receivables.

Most receivables from related parties are for sales transactions and are due one month from the sale date. Most liabilities to related parties are from purchase transactions and are due one month from the purchase date.

Remuneration to executive management is stated in note 9.

### Note 36 Changes in liabilities relating to financing activities

	Jan. 1, 2023	Cash inflow	Cash outflow	Non-cash items	Dec. 31, 2023
Lease liability	13,043	-	-3,678	2,103	11,468
<b>Total</b>	<b>13,043</b>		<b>-3,678</b>	<b>2,103</b>	<b>11,468</b>

	Jan. 1, 2024	Cash inflow	Cash outflow	Non-cash items	Dec. 31, 2024
Lease liability	11,468	-	-4,157	15,357	22,668
<b>Total</b>	<b>11,468</b>		<b>-4,157</b>	<b>15,357</b>	<b>22,668</b>

### Note 37 Subsequent events

Senzime achieve the second milestone in its partnership with Masimo through the integration with Masimo Iris\* Gateway. This new solution enables automated data transfer between the TetraGraph system and external patient journal systems.

Senzime reports that the company has secured several new hospital contracts for next-gen TetraGraph, and that shipments to customers commenced as planned.

### Note 38 Proposed appropriation of profit (loss)

The following funds are at the disposal of the Annual General Meeting:

Share premium reserve	910,955,012
Accumulated profit or loss	-596,842,678
Profit (loss) for the year	-136,102,449
<b>SEK</b>	<b>178,009,885</b>

The Board of Directors proposes that these funds are appropriated as follows:

carried forward	178,009,885
<b>SEK</b>	<b>178,009,885</b>

# Board of Directors' signatures

The Board of Directors and Chief Executive Officer certify that the consolidated accounts have been prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the EU, and give a true and fair view of the group's financial position and results of operations. The annual accounts have been prepared in accordance with generally accepted accounting practice and give a true and fair view of the parent company's financial position and results of operations.

The Statutory Administration Reports of the group and parent company give a true and fair view of the progress of the group's and parent company's operating activities, financial positions and results of operations, and review the significant risks and uncertainty factors facing the parent company and companies in the group.

Per Wold-Olsen  
*Chairman*

Adam Dahlberg  
*Deputy Chairman*

Eva Walde  
*Board member*

Göran Brorsson  
*Board member*

Lars Axelsson  
*Board member*

Sorin J. Brull  
*Board member*

Philip Siberg  
*Chief Executive Officer*

Uppsala, Sweden, April 24, 2025

Our Audit Report was presented on April 24, 2025

Lars Kylberg  
*Authorized Public Accountant*  
*Key Audit Partner*  
Öhrlings PricewaterhouseCoopers AB r

# Audit Report

To the general meeting of the shareholders of Sensime AB (publ),  
corp. ID no. 556565-5734

## Report on the annual accounts and consolidated accounts

### Opinions

We have audited the annual accounts and consolidated accounts of Sensime AB (publ) for the year 2024 except for the corporate governance statement on pages 30–39. The annual accounts and consolidated accounts of the company are included on pages 26–76 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company and the group as of 31 December 2024 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2024 and their financial performance and cash flow for the year then ended in accordance with IFRS Reporting Standards, as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 30–39. 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 consolidated statement of comprehensive income and the consolidated balance sheet for the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014/EU) Article 11.

### Basis for opinion

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. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014/EU) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

### Audit approach

#### Audit scope

Sensime AB (publ) develops and sells monitors and associated disposable sensors for patient monitoring to hospitals and clinics on an international market. Sales are through a direct sales organisation in the USA and Germany, and through partnerships with distributors on other markets. We designed our audit by determining materiality and assessing the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the group operates.

### Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

### Key audit matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.



## Key audit matter

### Measurement of intangible assets

#### Measurement of intangible assets

Of the group's total assets of SEK 426 m, intangible assets amount to SEK 251 m, i.e. approximately 59 percent. These intangible assets are mainly goodwill, capitalized development expenses and technology, with the majority of goodwill and technology being from the acquisition of Respiratory Motion Inc. in 2022.

The common feature of these intangible asset values is that their individual values are based to some extent on assumptions and judgements made by management. These assumptions and judgements consist of factors including:

- the type of expenditure to be capitalized.
- the length of the useful life of each asset.
- future cash flows from the different assets.
- what the cash-generating units of each asset are, and
- what required return is relevant when the assets' values are tested.

Because the carrying amounts are material, and the element of judgement in determining and testing their value is substantial, we have deemed the measurement of intangible assets to be a key audit matter.

## How our audit considered the key audit matter

Our review has, among other things, included, but is not limited to us:

- conducting random testing of the company's authorization procedures.
- conducting random, in-depth testing of parts of the year's capitalizations against supplier invoices and timesheets.
- for amortized assets, we have assessed assumed useful lives and verified that the group recognizes them in the annual accounts,
- noted the value test the company has prepared and challenged management on its central assumptions, as well as examining the model's mathematical accuracy and whether the required return reasonably reflects the company's situation. In this process, we included internal valuation experts with the skills required for this examination,
- noted and assessed the company's judgement of cash-generating units of each asset, and finally,
- assessed whether the disclosures made in note 19 are expedient, relevant and conform to the impairment test conducted.

### Revenue recognition

The group's revenue consist of several revenue streams, and in note 2.4, the group describes how it recognizes different revenues. In note 4, the group describes the estimates and judgements for recognition of revenue and other items. Note 5 also states how revenues are allocated between the different revenue streams.

Against the background of the group having several revenue streams and the timing of when risks and benefits transfer to the buyer varying, we assessed that the accuracy and allocation of revenue recognition is a key audit matter.

We have evaluated the group's procedures and internal controls for revenue recognition to form an opinion and understanding of how they function, to conduct an audit with this understanding in which we combine reviews of internal controls and tests of details.

Our review has, among other things, included, but is not limited to us:

We have evaluated the group's procedures and internal controls for revenue recognition to form an opinion and understanding of how they function, to conduct an audit with this understanding in which we combine reviews of internal controls and tests of details.

Our review has, among other things, included, but is not limited to us:

- analyzing the accounting effect of contracts entered by random testing, examining revenue recognized against customer contracts, customer invoices and payments from customers, and where appropriate, also shipping terms.
- randomly examined the group's monitoring and checks on changes to permanent data in customer and item registers, and
- examined allocation by reviewing deliveries around the reporting date.

## 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 1–25 and 82. The information in “Senzime AB’s remuneration report 2024”, which is published on the company’s website at the same time as these annual accounts, also constitutes other information. The Board of Directors and the Managing Director are responsible for 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 and, concerning the consolidated accounts, in accordance with IFRS Financial Reporting Standards as adopted by the EU. 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.

The Audit Committee shall, without prejudice to the Board of Director’s responsibilities and tasks in general, among other things oversee the company’s financial reporting process.

## 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.

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on Revisorsinspektionen’s website: [www.revisorsinspektionen.se/revisornsansvar](http://www.revisorsinspektionen.se/revisornsansvar). This description is part of the auditor’s report.

## Report on other legal and regulatory requirements The auditor's examination of the administration of the company and the proposed appropriations of the company's profit or loss

### 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 Senzime 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 opinion

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.

A further description of our responsibility for the audit of the administration is available on Revisorsinspektionen's website: [www.revisorsinspektionen.se/revisornsansvar](http://www.revisorsinspektionen.se/revisornsansvar). This description is part of the auditor's report.

### The auditor's examination of the ESEF report

#### Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for ABC AB (publ) for the financial year 2024.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

### Basis for opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of Senzime AB (publ) 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 evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for ensuring that the Esef report has been prepared in accordance with the Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

## Auditor's responsibility

Our responsibility is to form an opinion with reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the ESEF report.

The audit firm applies the International Standard on Quality Management 1, which requires the company to design, implement and manage a quality control system, including guidelines or procedures regarding compliance with professional ethical requirements, professional standards and legal and regulatory requirements.

The reasonable assurance engagement involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the

Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The reasonable assurance engagement also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a technical validation of the Esef report, i.e. if the file containing the Esef report meets the technical specification set out in the Commission's Delegated Regulation (EU) 2019/815 and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the Esef report has been marked with iXBRL which enables a fair and complete machine-readable version of the consolidated statement of financial performance, statement of financial position, statement of changes in equity and the statement of cash flow.

## The auditor's examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 30-39 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR's auditing standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared.

Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

Öhrlings PricewaterhouseCoopers AB, Vaksalagatan 6, 753 20 Uppsala, was appointed auditor of Senzime AB (publ) by the general meeting of the shareholders on the 16 May 2024 and has been the company's auditor since the 27 April 2016.

Uppsala, April 24, 2025  
Öhrlings PricewaterhouseCoopers AB

Lars Kylberg  
Authorized Public Accountant

# Information for shareholders

## Annual General Meeting

The AGM will be held on May 19, 2025. The Annual Report will be available to the public by April 24, 2025 from the company's offices at the address Verkstadsgatan 8, Uppsala, Sweden. The annual report will also be published at [www.senzime.com](http://www.senzime.com).

## Notification

Shareholders that wish to participate in the AGM shall:

- firstly, be registered in their own names (i.e. not nominee registered) in the share register maintained by Euroclear Sweden AB on Tuesday May 9, 2025 (the record date),
- secondly, notify the company of their participation by Tuesday, May 15, 2025.

## Nominee-registered shares

To exercise their voting rights and participate in the meeting, shareholders with nominee-registered shareholdings must firstly notify the company of their intention to participate at the Meeting, and secondly, temporarily re-register their shares in their own names with Euroclear Sweden (voting registration), so the relevant shareholder is recorded in the share register maintained by Euroclear Sweden by the record date, i.e. Tuesday, May 9, 2025. This means that shareholders need to notify their nominee of their intention in good time prior to this date.

## Proxy

Shareholders participating by proxy should issue written and dated powers of attorney for the proxy. This power of attorney may not have been issued earlier than five years prior to the date of the Meeting. The original power of attorney, registration certificate and other authorization documentation issued to the relevant representative of the legal entity should be submitted to the company at the above address. The company will provide power of attorney forms

on request, which are also available on the company's website, [www.senzime.com](http://www.senzime.com).

## Dividend

The Board of Directors is proposing to the AGM that no dividend is paid for the financial year..

## Financial calendar

Interim Report Q1 2025: **April 22, 2025**

Annual General Meeting: **May 19, 2025**

Interim Report Q2 2025: **August 27, 2025**

Interim Report Q3 2025: **November 6, 2025**

## Contacts

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## Address

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**[www.senzime.com](http://www.senzime.com)**

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