CELLAVISION

EVOLVING MICROSCOPY
ELEVATING HEALTHCARE

ANNUAL AND SUSTAINABILITY REPORT 2023

Net sales
2023 SEK 677 m
2022 SEK 639 m

EBITDA
2023 SEK 207 m
2022 SEK 198 m

EBITDA margin
2023 31 %
2022 31 %

Our History

We all have daily thoughts and visions that give meaning to our lives. Our vision reshaped microscopy and revolutionized healthcare globally. Our innovative processes empower laboratories and hospitals worldwide to streamline workflows from sample preparation to digital cell morphology. We believe that our vision can nurture new visions in the minds of those who truly benefit from getting accurate test results in time.

1916

RAL Diagnostics was founded by two collaborators of Louis Pasteur: Pr. Roux & Legroux, and M. Agulhon, Director of Kuhlman industries

RAL Diagnostics joins the healthcare division of Rhône-Poulenc group (Aventis)

RAL Diagnostics becomes independent and transfers its production facilities to Martillac, France

1994

CellaVision® was founded by Christer Fåhraeus in Lund, Sweden with a vision to elevate healthcare through the evolution of microscopy

Launch of CellaVision Proficiency Software and the Sysmex DI-60

Launch of the CellaVision Academy, an online training resource

Listed on NASDAQ Stockholm, Mid Cap

2019

Acquires RAL Diagnostics, enabling CellaVision to further improvethe quality of sample preparation

Launch of CellaVision™ DC-1

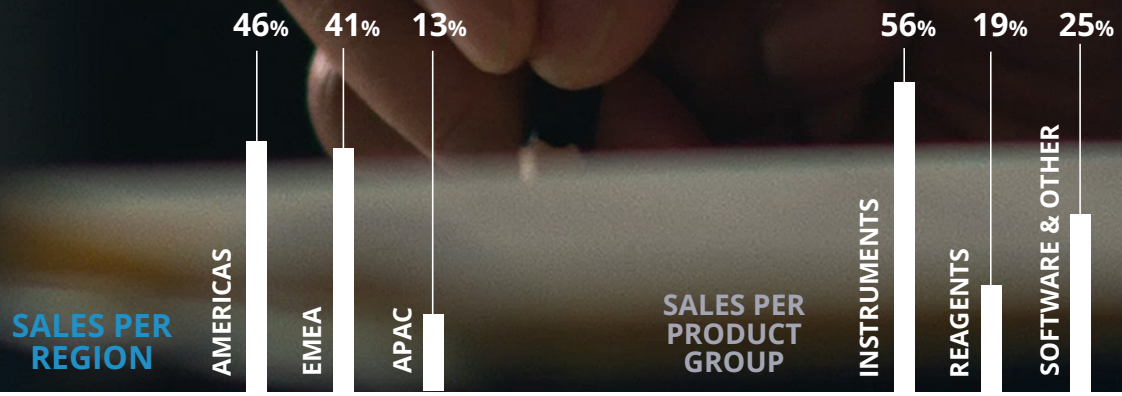
Acquires exclusive rights to a patent portfolio on Fourier Ptychographic Microscopy (FPM) from Clearbridge BioPhotonics

Launches DIFF-line™ by CellaVision, a complete workflow solution for low-volume hematology laboratories

Contents

CellaVision at a Glance

CellaVision is a world-leading provider of digital microscopy solutions for hematology laboratories. Our instruments, reagents, and software create an ecosystem that streamlines laboratory workflow, and improves the accuracy of sample analysis for faster and accurate patient diagnosis and treatment. Our solutions are helping raise the standard of diagnostic certainty in labs of all sizes, and we continue to push the boundaries of innovation to enhance the future of microscopy and quality of care for patients, worldwide.



HQ in Lund, Sweden
228 employees worldwide
12 market support offices
40+ countries with market presence

Mission

To advance laboratory workflow and diagnostic certainty through intelligent microscopy

Our tools for automating cell classification with diagnostic certainty include analyzers, reagents, smearing, staining devices, and software.

Vision

Elevating healthcare through the evolution of microscopy

We provide digital microscopy solutions to make lab work easier and more efficient. Because the faster a blood sample can be correctly analyzed, the faster a patient can be diagnosed and treated.

VALUES

WE **INNOVATE**
WE **COLLABORATE**
WE **CARE**

Our values express our ethics, principles, and beliefs. They shape our behavior and company culture, and impact external and internal business practices.

Innovation is key to our success. Our innovation methodology sets us apart and adds value to patients, our customers, distributors, and owners.

Our strategic alliances and long-term relationships are built on trust. We listen carefully, communicate transparently and collaborate effectively.

Our ability to solve problems improves laboratory workflow and efficiency, enabling our customers to treat patients faster. This is our way of demonstrating that we care about the well-being of others and our contribution to the greater good.

CEO’s Comments

Simon Østergaard
President & CEO

2023 started with the same macro-economic challenges of 2022, but gradually improved to a strong finish, highlighting the importance of our products, and reaffirming our leading position within hematology laboratories across the world.

Development in the Geographical Markets

The year was characterized by some industry- specific drivers that influenced the demand for digital cell morphology. While underlying demand remained healthy, we experienced adjustments to inventory management by distribution partners in the first months of the year, mostly in the Americas and parts of Europe. However, as the year progressed, the situation normalized, leading to an upswing in demand for our solutions and consistent growth rates each quarter, ending with 29 percent organic growth in the fourth quarter, albeit compared to low numbers.

Overall, there has been significant growth throughout the Americas, and our small instrument (CellaVision® DC-1) has seen a 18 percent increase in volume compared to last year. While Europe experienced a drop in instrument sales, it captured a notable 27 percent for reagent sales. After a challenging start of the year in APAC, the third quarter marked a turning point as market conditions normalized. This resulted in increased sales across the region and an all-time high instrument sales to China in the fourth quarter.

Net sales for the Group were SEK 677 m (639) for the year. Organic growth, adjusted for positive currency effects was -1 percent compared to 2022. Positive currency effects did not fully compensate for cost pressure from price increases in components. EBITDA amounted to SEK 207 m (198), corresponding to an EBITDA margin of 31 percent (31). Cash flow from operating activities was SEK 196 m (137) for the year and total cash flow was SEK 14 m (-23). We have a strong balance sheet and a net cash position.

Progress on Strategic Direction

A major milestone was accomplished by finishing the capacity expansion program of our reagent factory plant in Bordeaux, France. The project was successfully executed, and the new factory started production of reagents in the fourth quarter. This capacity expansion exerts an important lever to maintain double-digit growth of the reagent business.

One of the important strategic pillars within our “Power of Focus” strategy is to expand our offerings into specialty analyses. We participated in hematology conferences throughout the year (AACC in Anaheim and ISLH in New Orleans) in addition to presenting at several end customer events. A main focus was to receive customer feed-back on the newly developed application for classification of bone marrow cells, which represents a major step forward in accurate and fast diagnosis of leukemias and lymphoma. The work is on its way to be clinically validated as the next important milestone in our effort to make the application commercially available for laboratories.

Another important strategic pillar is our commitment to exploit new areas outside of hematology. We took the first step by securing the exclusive rights to the patent portfolio on Fourier Ptychographic Microscopy (FPM) in 2021, and we are proud to say that maturation of the technology has progressed well throughout the year. We are confident that we can present high resolution images significantly faster, which will be applied within hematology. It will also open commercial opportunities within adjacent areas like pathology and cytology, which we are eager to explore together with potential new partners.

Looking ahead, we are committed to create value for healthcare through a product portfolio that forms an integrated ecosystem. In addition, our strengthened partnership with Sysmex, spanning innovation and collaborative commercialization, enables us to enhance our leading position in hematology worldwide.

Finally, I want to express gratitude to our organization for the long-term efforts that consistently strenthen our operations and position us well for 2024.

Simon Østergaard,
President & CEO

2023 in Brief

Net sales increased during 2023 by 6 percent to SEK 677 m (639). Adjusted for positive currency effects of 7 percent, this corresponds to an organic decrease of 1 percent compared to 2022.

SEK millions	2023	2022	2021	2020	2019
Net sales	677	639	566	471	462
Gross profit	463	438	392	313	337
EBITDA	207	198	196	143	147
Profit before tax	164	148	158	112	129
Cash flow from operating activities	196	137	160	71	125
Total cash flow	14	-23	27	1	-67
Number of employees at period close	228	235	200	177	177

In the Americas, revenue increased to SEK 313 m (280), corresponding to a growth of 12 percent. In EMEA, revenue decreased to SEK 277 m (280), corresponding to a decrease of 1 percent. Revenue increased in APAC compared to the previous year by 10 percent to SEK 87 m (79), with weak sales at the beginning of the year significantly strengthened during the last two quarters.

The gross margin decreased to 68 percent (69). Price increases for materials due to rising inflation have been partially offset through price increases to customers and a favorable currency development throughout the year

Operating expenses amounted to SEK 296 m (280), representing an increase of 6 percent. Most of the increase is attributable to increased salary costs and inflation.

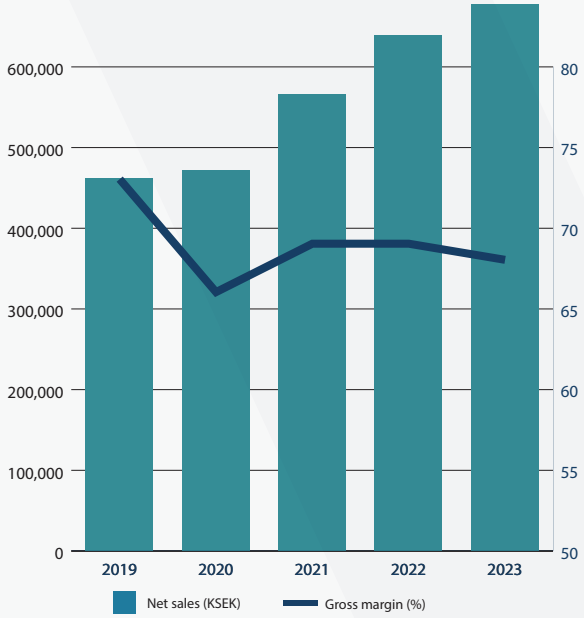
EBITDA increased during 2023 to SEK 207 m (198) with a maintained EBITDA margin of 31 percent (31).

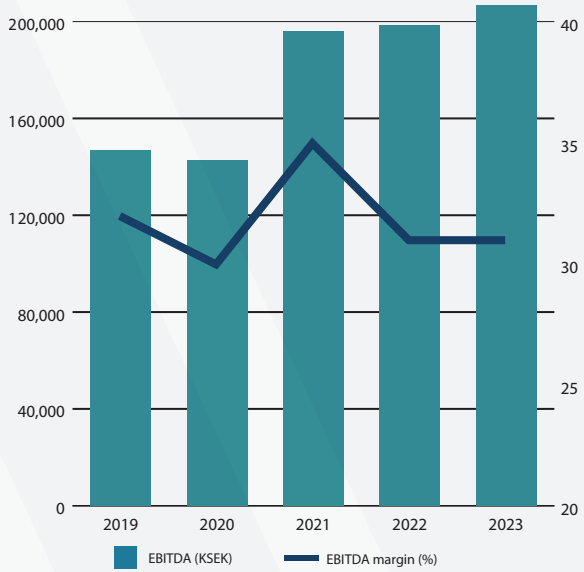
Cash flow from operating activities increased during 2023 to SEK 196 m (137). The increase is attributable to improved results and a decrease in operating capital. Total cash flow increased during 2023 to SEK 14 m (-23).

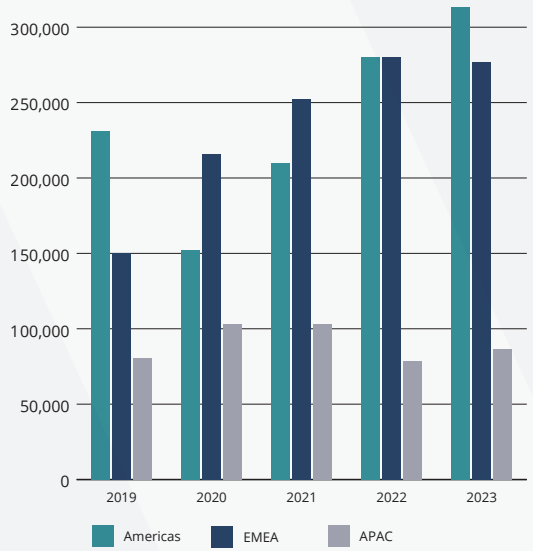
Cash flow from investing activities increased to SEK 86 m (70). Of this year's investments, SEK 55 m (46) were attributable to capitalized development costs and SEK 32 m (23) to acquisitions of tangible fixed assets, with the majority related to the completion of the expansion of production capacity in France. The increased development costs are attributable to CellaVision's long-term product development goals, with most of the capitalized expenditures related to the development of instruments and software applications.

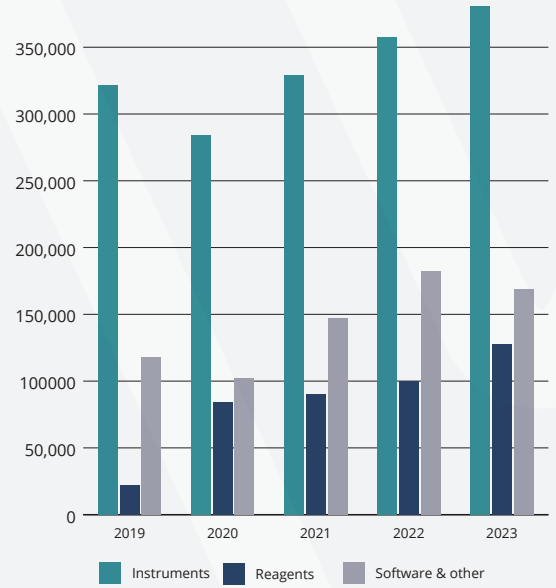
Dividends to shareholders during 2023 amounted to SEK 54 m (48).

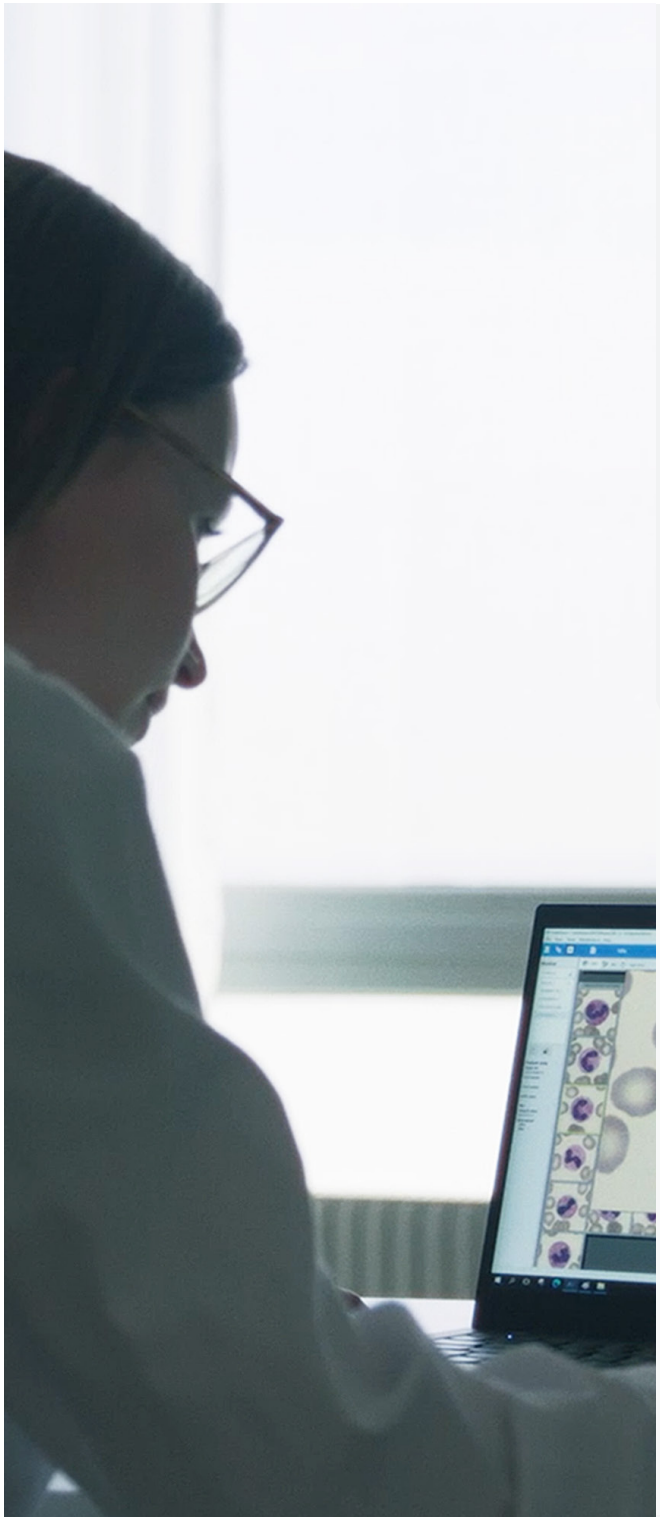
Key Figures


600,000
500,000
400,000
300,000
200,000
100,000
0
80
75
70
65
60
55
50
2019
2020
2021
2022
2023
Net sales (KSEK)
Gross margin (%)


200,000
160,000
120,000
80,000
40,000
0
40
35
30
25
20
2019
2020
2021
2022
2023
EBITDA (KSEK)
EBITDA margin (%)


300,000
250,000
200,000
150,000
100,000
50,000
0
2019
2020
2021
2022
2023
Americas
EMEA
APAC


350,000
300,000
250,000
200,000
150,000
100000
50,000
0
2019
2020
2021
2022
2023
Instruments
Reagents
Software & other



Creating Shareholder Value

Contributing to Efficient and Higher Quality Healthcare

Our vision is to elevate healthcare. We offer laboratory personnel an automated, more efficient, and more ergonomic way of working, which enables faster diagnosis and initiation of treatment for patients.

Based on our scalable business model and proven technology platforms, we help laboratories build an ecosystem that strengthens the workflow, quality and consistency of every slide analyzed. With our complete offering for laboratories of any size, anywhere, we aim to improve the quality and efficiency of healthcare globally.

Megatrends Supporting the Adoption of Our Solutions

Demand for our product offering is driven by two megatrends: the digital transformation and a demographic shift with an increasing need for efficient healthcare. In this dynamic environment, laboratories are facing increasing pressure to reduce costs and resources while accelerating testing and productivity.

Our offerings enable laboratories to do more with less. With 27 percent market penetration in large laboratories, the process of converting from manual to automated ways of working is underway. Going forward, these megatrends will continue to drive customer adoption and market penetration worldwide.

High-quality Systems and Reagents with Robust Intellectual Property

We have over 100 years of experience developing high-quality reagents, over 25 years of experience developing AI and machine learning solutions, extensive image databases and deep learning convolutional neural networks that together ensure state-of-the-art image quality and cell classification.

With over 5,000 systems installed, our products are already the golden standard in many markets. In the coming years, we intend to maximize our leading position in hematology laboratories around the world, and explore new analytical spaces with the novel FPM technology to which we hold exclusive rights.

Scalable Business Model and Trusted Partnerships

We operate through an indirect sales model and have distribution agreements, primarily with the largest player in the field, with a global market share of over 60 percent. This has enabled us to maintain a lean organization and good cost control, with rapid geographical expansion and a positive bottom-line development throughout the years.

Our products are sold worldwide, we have local market support in 12 countries and a direct presence in more than 40 countries. This efficient organization with close end-customer interactions allows us to provide the best possible outcome for customers and makes us well positioned for continued growth.

Sustainable and Long-term Growth with Maintained Profitability

Since our listing on the NASDAQ Stockholm Mid Cap in 2018, we have seen a double-digit annual average sales growth and an EBITDA margin exceeding 30 percent.

With our Power of Focus strategy that aims to leverage our current position and uncover new opportunities for enhancing microscopy workflows, our annual addressable market within hematology amounts to SEK 5 b. We are committed to continue our journey of long-term and profitable growth and to optimize diagnostics and quality of care for patients globally.

The CellaVision Share

CellaVision's share has been listed on Nasdaq Stockholm, Mid Cap since 2018. Before that the share was listed on Small Cap from May 2010. At the close of 2023 the market value was SEK 5 057 m and the number of shareholders was 7 432. The Board of Directors proposes to the Annual General Meeting 2024 a dividend of SEK 2.25 per share.

Price Trend and Share Trading

The price of the CellaVision share decreased during the year by 7.4 percent, from SEK 229.0 at the start of the year to SEK 212 at year-end. In the same period the index increased by 15.5% percent (Nasdaq Stockholm PI). The highest price paid during the year was SEK 270 (February 2, 2023) and the lowest was SEK 120 (October 20, 2023). The company's market value at year-end was SEK 5 057 m (5,462). In 2023 a total of 4,6 m shares (5.2) were traded for a value of SEK 851 m (1,514).

Share Structure

Share capital in CellaVision AB at the close of 2023 amounted to SEK 3,577,732, distributed among 23,851,547 shares. The quotient value per share is SEK 0.15. Each share entitles the holder to one vote and each person entitled to vote at a general meeting of shareholders may vote for the full number of shares owned and represented. All shares confer an equal right to share in the company's assets and profits.

Ownership Structure

The number of shareholders at year-end was 7 432 (7,842), which is a decrease of about 5 percent during the year. Two shareholders, William Demant Invest A/S and Grenlunden AB have direct and indirect holdings representing 10 percent or more of the votes. The ten largest shareholders controlled 67 percent of the company's shares on the balance sheet date. Swedish ownership was 51 percent of the votes. The total Swedish institutional ownership was 37 percent. The Board of Directors and Executive Management together owned, privately and through companies, about 8 percent of the shares.

Dividend

In 2023, a dividend of SEK 2.25 per share was paid. The Board of Directors proposes to the Annual General Meeting 2024 that a dividend of SEK 2.25 per share be paid for 2023, which corresponds to 41 percent of net profit.

The proposed dividend is in line with the company's dividend policy that states that the dividend shall correspond to 30 to 50 percent of the net profit, taking into account the company's capital structure, acquisition needs and long-term financing needs.

Analyses

During the year analyses of CellaVision have been made by the following analysts:

Carnegie (ulrik.trattner@carnegie.se)
Nordea (viktor.sundberg@nordea.com)
Pareto Securities (christian.lee@paretosec.com)
Redeye (mats.hyttinge@redeye.se)

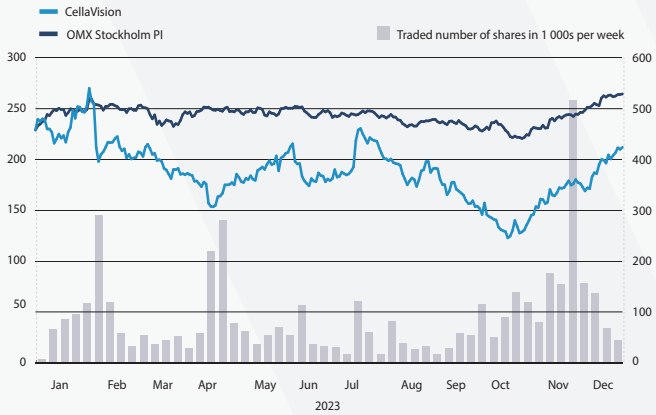
Cellavisions ten largest shareholders per 29/12/23

SHAREHOLDERS	OWNERSHIP/ VOTES %	NUMBER OF SHARES
William Demant Invest A/S	19.9	4,752,999
Grenlunden CeVi AB	10.0	2,391,000
SEB Fonder	9.1	2,169,737
Christer Fåhraeus m bolag	8.1	1,928,399
Swedbank Robur Fonder	5.7	1,362,776
Invesco	4.5	1,078,562
Fjarde AP-fonden	3.0	723,955
Candriam	2.5	583,865
AMF Försäkring & Fonder	2.3	555,784
Handelsbanken Fonder	1.8	427,665
Others	33.1	7,876,805

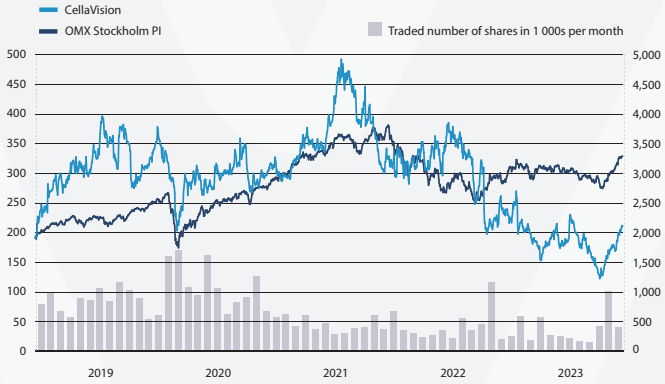
Shareholder structure 29/12/23

SHAREHOLDER SPREAD	SHAREHOLDERS	%
1-500	6,516	87.7
501–1,000	423	5.7
1,001–5,000	348	4.7
5,001–10,000	51	0.7
10,001–20,000	35	0.5
20,001–	59	0.8
Total	**7,432**	**100**

Share performance and turnover 2023



Share performance and turnover 2019-2023



The Opportunities of Global Megatrends

OPPORTUNITIES

Our solutions enable healthcare providers to diagnose and initiate treatment faster.

Our solutions reduce the time spent on manual processes by up to 50 percent and enable inter/ intra lab collaboration and the flexible use of resources, staff, and skills.

Our solutions ensure quality, consistency, speed and traceable results.

Our sustainable digital technologies enable remote review of samples which reduces the burden of travel and transportation.

MEGATRENDS

Population growth, increased prosperity and aging populations require increased capacity and efficiency in healthcare.

Demand for efficiency in healthcare, increased cost pressure and lack of skilled personnel mean staff must work more efficiently without negatively impacting quality of care.

Merging hospitals and labs to improve efficiency and patient care, requires standardization and automation of processes.

Carbon dioxide and other greenhouse gases are driving the climate change and increasing the need for sustainable solutions.

Demand for efficiency

Increased cost pressure & skills shortage

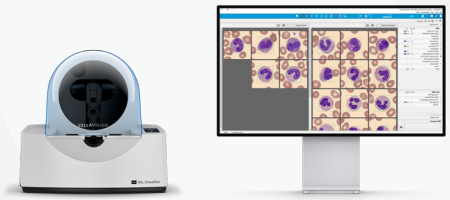
Consolidation & digitalization

Climate change

Solutions From Smearing to Analysis

We adapt our solutions to meet customer needs, such as analysis capacity, analysis type, sample preparation solutions, centralization of data, and the monitoring of workflow.

The Blood Analysis Process



- A blood sample is collected from a patient.
- The blood sample goes through a cell counter, an instrument provided by a distribution partner. If an abnormality is detected, the cell counter indicates the need for more in-depth microscopic examination of the blood cells with a differential blood count.
- *When a differential count is required, a blood smear from a drop of blood is transferred to a slide with our RAL® smear box. The automated instrument ensures high-quality peripheral blood smears with consistency and control.
- **The RAL® stain box stains the smears using the bath method, which guides lab technicians through a step-by-step staining process that delivers a first-class result every time. The stain box is used together with validated protocols and easy-to-rinse methanol-free staining kits, which reduce lab technicians' exposure to biohazards.
- Our instrument for image analysis pre-classifies the cells, and the result is digitally displayed on a screen. The pre-classification is reviewed, and quality assured by a biomedical analyst and adjustments are made if necessary. With CellaVision software and applications, the results can be quickly and simply shared with colleagues and morphology experts in other locations.

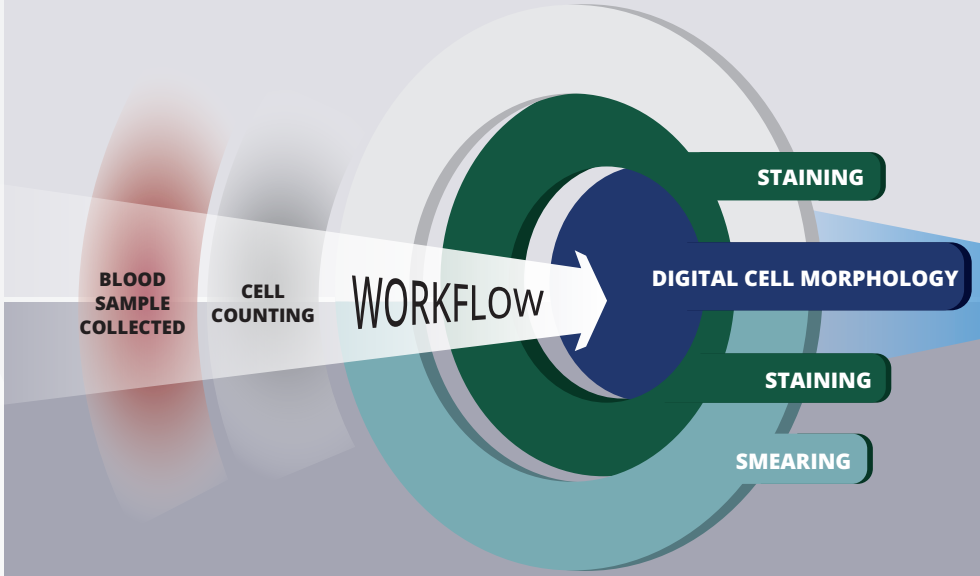
** For large laboratories, smearing and staining devices are provided by our distribution partner*

*** RAL reagents cover the fields of human biology, hematology, bacteriology, parasitology, mycology, and cytology*

LARGE LABORATORIES

Analyze More Than 130 Blood Samples Daily

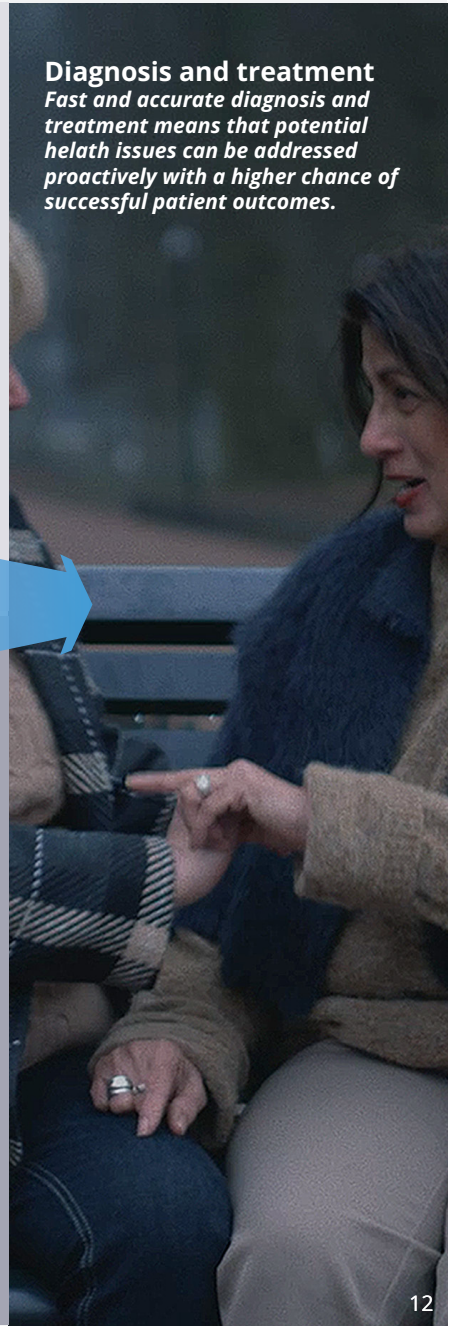
The market for laboratories with high testing volumes represents the majority of our sales, with a market penetration of 27 percent by year-end 2023. For these laboratories, distribution partners provide equipment for smearing and staining.



SMALL AND MID-SIZE LABORATORIES

Analyze Fewer Than 130 Blood Samples Daily

The market for laboratories with low testing volumes is yet at a relatively early stage of penetration, with high expectations for future long-term growth. For these laboratories, CellaVision provides equipment for smearing and staining



Diagnosis and treatment

Fast and accurate diagnosis and treatment means that potential helath issues can be addressed proactively with a higher chance of successful patient outcomes.

Designed to Ensure Diagnostic Certainty

Our solutions have redefined the process of performing differential blood counts and conducting in-depth analysis both for human and veterinary diagnostics. We serve all lab sizes, and our equipment and solutions create an ecosystem that improves diagnostic certainty and quality of care.

In Vitro Diagnostics (IVD) Matters

IVD devices test biological samples such as blood, urine, and tissue. IVD is used during medical checkups to help prevent or diagnose disease, determine treatment methods, measure treatment results, prevent illness from increasing in severity, and for post-treatment monitoring. Essential to quality healthcare, IVD devices enable medical professionals to accurately and swiftly assess a person's health and determine optimal treatment methods.

The Limitations of Manual Microscopy

It takes considerable training, skill, focus, and time to perform an accurate manual blood cell count. And each step is prone to variations and human error, which makes it difficult to achieve accurate, standardized results.

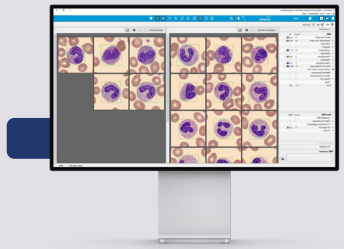
The Steps of Manual Microscopy Involve

- Smearing a drop of the patient's blood evenly on a microscope slide
- Staining the blood sample with a dye solution to differentiate the cells
- Identifying an optimum area for further analysis
- Classifying and quantifying the cells in the defined area

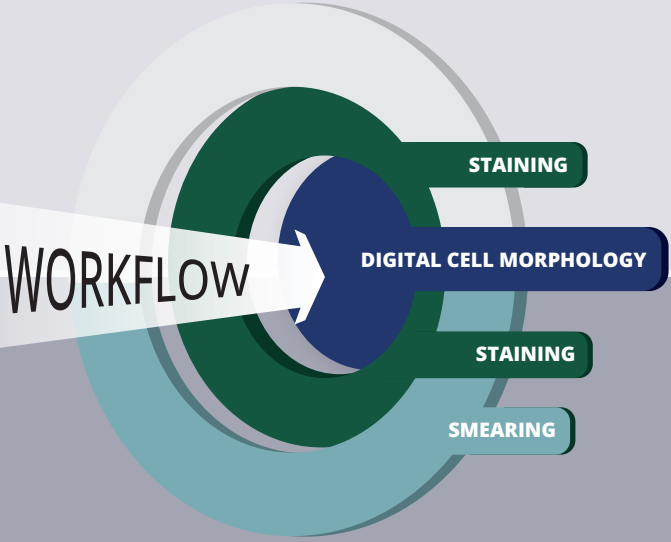
And if further medical assessment is needed, the blood smear must in many cases be transported to another laboratory, which affects the response time considerably.

Cellavision DM1200

Cellavision DM9600



Software & applications



RAL smearbox
by CellaVision

Reagents

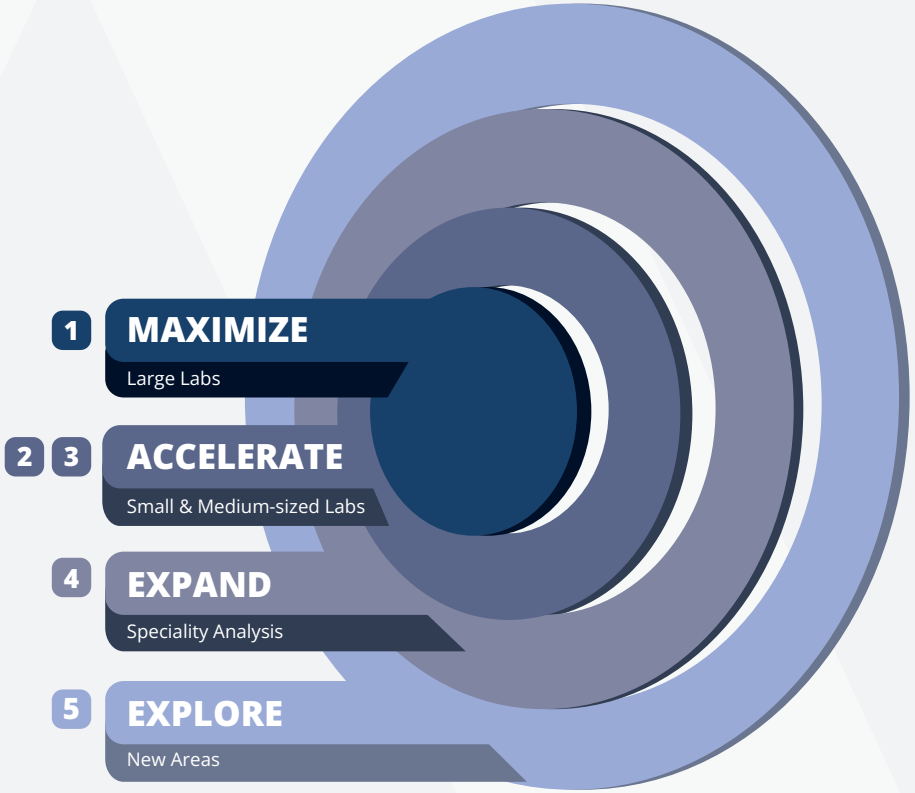
RAL Stainbox
by CellaVision

Cellavision DC-1

Strategy
The Power of Focus

The strategic foundation of our business is focus. To stay true to one core vision. To empower laboratories with the ability to see the bigger picture – faster, smarter, and more efficiently than ever – and achieve greater diagnostic certainty for better patient care.

It's this focus that continues to drive our business within digital cell morphology and new areas of analysis. Maximizing our leading position in hematology laboratories. Accelerating the worldwide adoption of our small digital imaging systems and reagents. Expanding into specialized microscopy analyses. And exploring new areas of analytics with innovation. With this strategic focus, we can enhance the future of microscopy and uncover new opportunities for optimizing diagnostics and quality of care for patients.



1 **MAXIMIZE -** Large Labs

Our Leading Position In Large Laboratories

Setting new standards in hematology laboratories has always been one of our major focus areas. To refine and transform the process of differentiating blood cells to enhance microscopy workflows, quality, and networks.

2 **ACCELERATE -** Small & Medium-sized Labs

The worldwide adoption of the CellaVision® DC-1

When we introduced automation and digital imaging to cell morphology, we created what's known as Digital Cell Morphology – a concept that now comprises a whole family of advanced and intelligent digital analyzers.

3 **ACCELERATE -** Small & Medium-sized Labs

Our global leadership in reagents

In addition to delivering the world's leading digital solutions for medical microscopy, we're also turning our focus to the growing potential for trusted and reliable reagents for sample preparation.

4 **EXPAND -** Speciality Analysis

Into Specialized Microscopy Analyses

Specialized microscopy analyses are a growing niche in hematology laboratories. Yet these predominately manual analyses have a low reproducibility, are time-consuming and require specialized expertise.

5 **EXPLORE -** New Areas

New Areas of Analytics With Innovation

Our future depends on enhancing our core capabilities and uncovering new possibilities within analytics. Building on our proven technological platforms to seize opportunities beyond hematology.

MAXIMIZE

Core business

1 As we look ahead, we will continue to maximize our leading position with our innovative solutions for fast and efficient blood analysis within large hematology laboratories.

This means leveraging our capabilities in sample preparation, high-speed robotics, digital imaging, and artificial intelligence. Ensuring strong and sustained growth in a market which we are leading.

ACCELERATE

Synergy as a result of the RAL Diagnostics aquisition

2 As we look to the future, accelerating the adoption of our latest digital imaging system will be one of our key focus areas. Because with the CellaVision DC-1, we have a compact analyzer that's completely custom-made for low-volume laboratories.

Designed for independent and networked laboratories, the CellaVision DC-1 will enable us to establish a large installed base within small and medium-sized facilities.

3 As a critical part of analytical and diagnostic certainty, our reagents are designed to improve the quality of smear preparation and digital imaging. A fact that's supported and driven by firm clinical evidence.

In the coming years, we'll continue to focus on marketing the proven benefits of both our classic and methanol-free reagents around the world. The aim is to establish a leading position in both routine and specialty analyses.

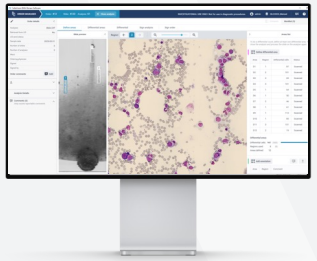
DIFF-Line
by CellaVision

EXPAND

DC-1 well suited to deliver specialty applications for large laboratories

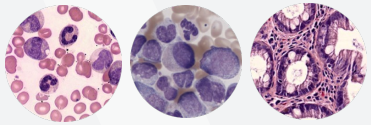
4 As we look to the future, we will focus on addressing the unmet needs of this specialized market. We will launch a series of new digital applications in combination with special reagents that eliminate the need for manual analysis.

Expanding our focus will enable us to address a new and growing market area. One that will significantly contribute to our global competitiveness and growth – now and in the future.



Potential Applications for Speciality Analyses

Bone marrow* / Reticulocytes
Fetal red blood cells / Malaria
Babesia / Gram Stain



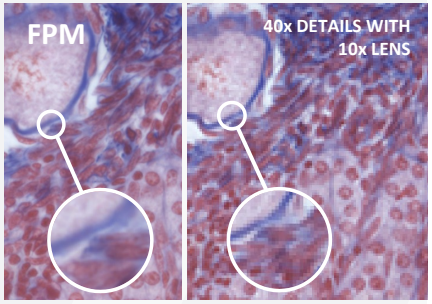
**Under clinical validation*

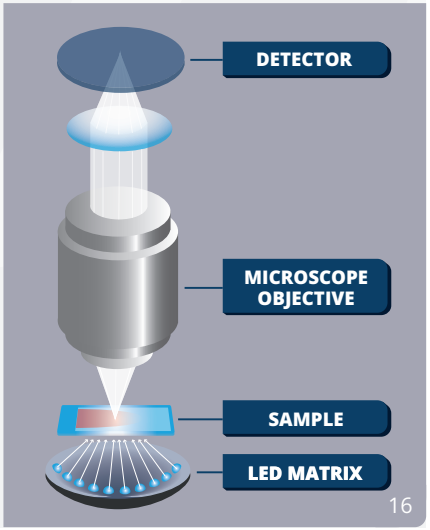
EXPLORE

FPM Breaks The Limitations Of Microscopy

5 A major focus for our future will be within Fourierc Ptychographic Microscopy (FPM). An innovative new technology designed to create high-resolution images using low-magnification optics.

The combination of high resolution and high-speed scanning potential of FPM will uncover a whole new world of possibilities. Allowing us to enter new analytical spaces and enhance our innovation agenda with strategic partnerships.





Global Market and Sales

Sales progressed steadily throughout 2023, rebounding from a weak first quarter impacted by inventory reductions at distribution partners to a strong finish in the last quarter. Sales for the full year 2023 were SEK 677 m (639), reflecting a negative organic growth of 1 percent.

Replacement Cycle

7-9 years

Addressable Market*

Large laboratories

~17 000

Manual Microscopy

~27%

Market Penetration

**The market for veterinary diagnostics is significantly smaller than human diagnostics. The primary target for the company's offerings for veterinary diagnostics is large reference laboratories in North America and Europe.*

The Americas

The Americas experienced another successful year driven by the increasing demand for digital morphology imaging systems across various markets. In the first quarter, the region faced challenges with inventory reductions by distribution partners, resulting in orders being filled from existing inventory. However, due to a strong pipeline and persistent skilled-labor shortages, the region recovered by the second quarter of the year. The year ended with growth in both mature and emerging markets. Net sales increased by 12 percent to SEK 313 m (280) for 2023.

Market Development

Sales of large instruments developed steadily during the year. The region saw substantial growth in sales of our small analyzer instrument (CellaVision® DC-1), designed for low-volume laboratories, with volume growth of 18 percent compared to 2022. In the mature markets of US and Canada, the small instrument continues to add value to lower volume laboratories whether they are integrated health networks or stand-alone laboratories. Additionally, the DC-1 is experiencing strong growth in numerous cancer center laboratory networks facing staffing shortages and a lack of expertise in handling challenging patient smears.

Sales of software continue to be strong in the US and Canada in particular. Latin America accounts for a relatively small part of the region's business, though Brazil emerges as a market with potential, having gained momentum in the latter half of 2023.

Market Activities

Marketing and support activities in North America increased in 2023, including participation in major tradeshows, symposiums, and events. In a strategic move to increase penetration in smaller markets, our distributionpartners in the US have placed our instruments to sub-distribution channels.

Roadshows with customers and distribution partners in Latin America and South America also expanded, including participation in several major shows in Brazil and Mexico. To actively support distribution partners in Brazil, new learning centers have been established during the year to showcase digital imaging products.

The launch of DIFF-Line by our distribution partners, which encompasses the Smear Box, Stain Box and DC-1 has been re-scheduled for the first quarter of 2024 due to prolonged evaluations of the system. Sales of reagents in the Americas will, in connection with the DIFF-Line launch, commence on a small scale. Both the rollout of this semi-automated solution and our reagents is expected to increase penetration in the small and medium sized laboratory segment in the Americas.

EMEA

In a persisting uncertain macroeconomic environment, 2023 began with an initial reluctance to invest, particularly in equipment. The healthcare sector in general had to cope with financial pressure, consolidations, and significant cost-cutting measures. In the second half of 2023, however, there was noticeable change, particularly in large instrument sales, indicating a promising revival in momentum. Net sales decreased by 1 percent to SEK 277 m (280) for 2023.

Market Development

The sales landscape in 2023 portrayed a diverse picture. Sales in established markets declined, whereas more emerging territories for digital cell morphology, such as the UK, witnessed growth in instrument sales, highlighting the untapped potential in these markets.

EMEA continues to be the most active market for reagents, accounting for more than 90 percent of the global reagent sales. RAL reagents experienced an uptick in growth, and sales of associated staining and smearing devices continued to show a positive trend. Sales have been driven by an active presence by our global and local distribution partners to drive volume in both mature and new markets, mainly in Western and Central Europe. High potential is also noted in the Middle East where a series of tenders were won towards the end of the year.

During the year, the EMEA sales team underwent restructuring and became two units: EMEA North and EMEA South. This reorganization aims to optimize support for our main distributor while enhancing agility in addressing emerging markets such as Eastern Europe and Africa.

Market Activities

Continued engagement at congresses, user meetings and key industry events has demonstrated the ongoing interest in digital cell morphology. The pre-announcement of our bone marrow application at strategic events in France, Italy, and Germany generated a lot of interest and enthusiasm for the DC-1 as well as opened further potential for specialized analyses segments.

Our steadfast commitment to extensive local market support in all territories proved crucial in maintaining stable sales figures amid macroeconomic challenges and shifting priorities in certain laboratory segments. Local market support is a fundamental cornerstone of our values and strength.

APAC

In several key markets within the Asia Pacific region, COVID-19-related restrictions persisted into the initial months of 2023. Together with high inventory levels at some key local distribution partners, this exerted a negative impact on sales throughout the initial half of the year. A normalization of commercial activities was noted across the region in the latter half of the year, such as marketing and customer-oriented events. Net sales increased by 10 percent to SEK 87 m (79) for 2023.

Market Development

In APAC, particularly during the second half of the year, a regained momentum was observed with an increase in projects and tenders, including a growing demand for digital cell morphology. A substantial rebound of sales was seen in China specifically due to a recovery of the demand from our distribution partners during the second half of the year, in line with the general normalization and the ability to visit end-customers. Despite the national anti-corruption campaign affecting promotions, marketing events and postponement of tenders in China, the trend remained robust during the second half of the year.

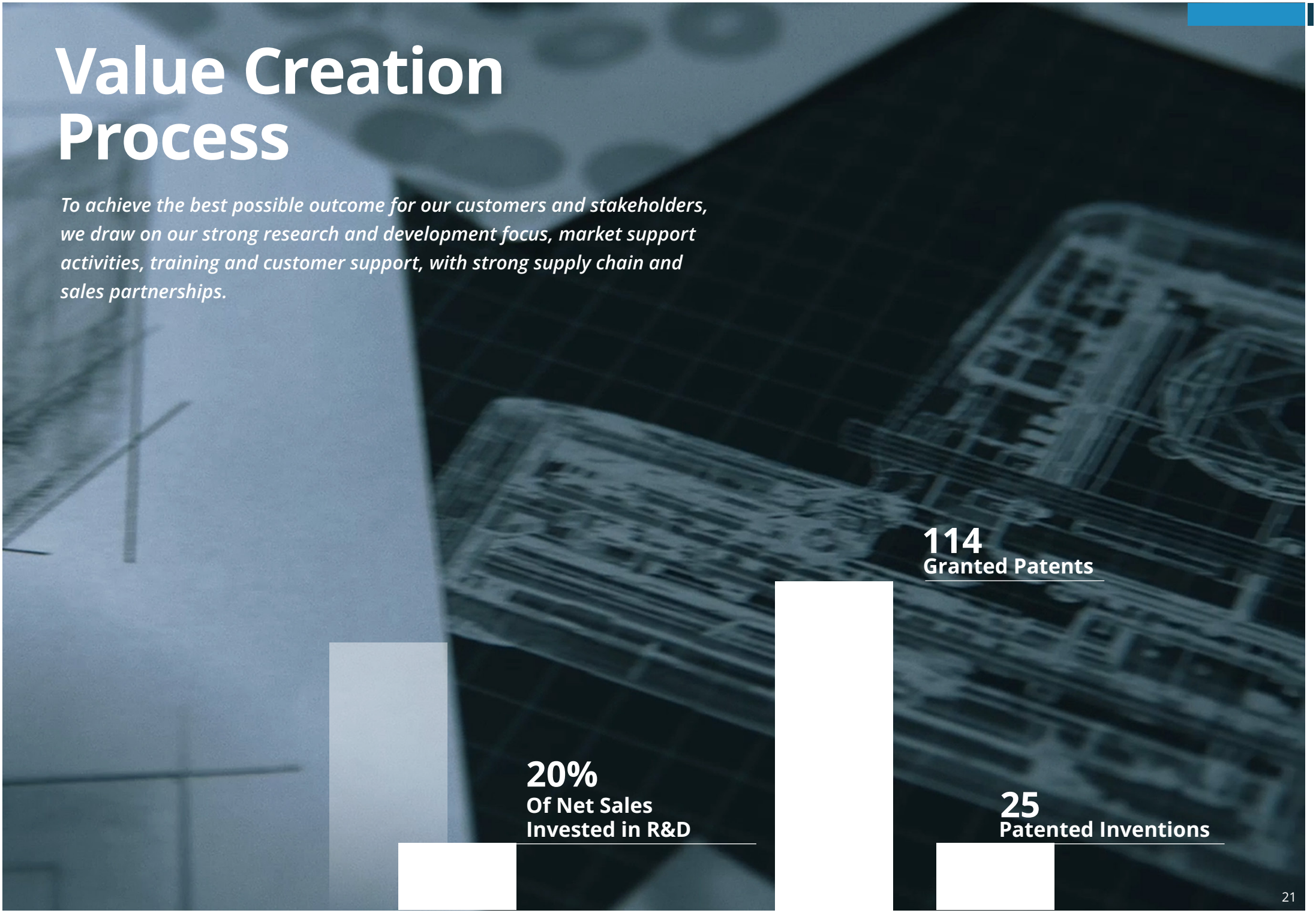
The evolving dynamics of the hematology industry has led us to a deeper and increased level of collaboration with our key regional distribution partners, resulting in organizing both strategic and tactical commercial initiatives. The initiatives are aiming for a stronger alignment that will ultimately stimulate the market demand for our products across the entire region and deploy our entire integrated portfolio in a more unique and attractive position than before, leveraging the complete workflow solution.

Market Activities

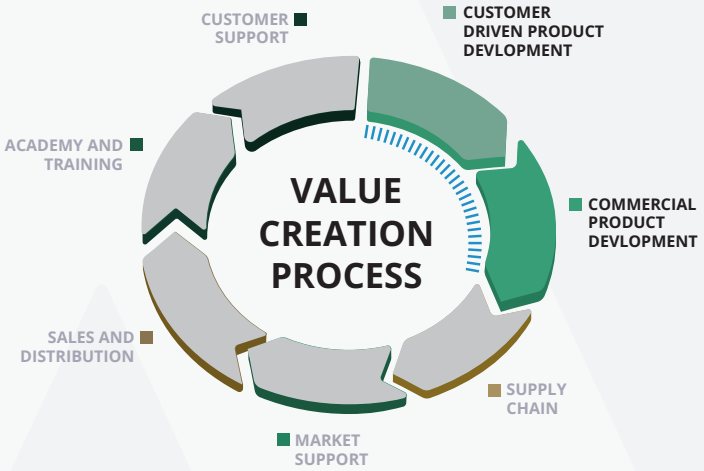
Across the region, all markets have seen an increased level of activities enabled by the lift of all covid-related travel restrictions during 2023. Local resources, through our team of local Market Support Managers, have engaged significant effort and focus to support our key distribution partner where we see the most potential across the whole region. These commercial activities demonstrated the superior value of our entire portfolio of products to customers.

Value Creation Process

To achieve the best possible outcome for our customers and stakeholders, we draw on our strong research and development focus, market support activities, training and customer support, with strong supply chain and sales partnerships.



From Concept to Product



Customer-Driven Product Development

Product differentiation that is meaningful to our customers constitutes the foundation of our product development. Customer involvement in the early stages of product development provides us with a deeper understanding of customer needs and helps in the early identification of unmet market needs. Working with clinical laboratories also enables real-life testing and access to material and samples for in-house development, which ultimately results in high-quality, competitive products.

Exploring common interests
To ensure a project is mutually beneficial, we look to the customer's own research interest in the investigated area to increase the likelihood of success. Furthermore, our involvement in ongoing research keeps us up to date on new developments and state-of-the-art methods.

Prototyping is integral to customer-driven product development
Software prototypes are the foundation for new software application development. The prototypes serve as an interactive and constructive way to facilitate customer engagement in often complex or ambiguous product ideas.

- Identified customer needs are adapted in our Research Capture Software and serves as the foundation for the prototype
- The prototype is continually and interactively optimized with the customer
- The concept is evaluated on site to verify that all needs are adequately identified
- The steps may be repeated together with other partners to achieve a broader understanding of customer needs and to evaluate and improve the robustness of the prototype
- The results of the concept evaluations are then used as a foundation for a future product

After completed evaluation, all information – including the prototype – is transferred to our product management team, together with any market research information. The decision is then made by Executive Management and the Board of Directors if, or when to start commercial product development. The collaboration partner may also publish the results from the prototype evaluations, or any research project performed using the prototype.

Commercial Product Development

Based on our work in the field of intelligent microscopy, there is a constant flow of ideas for new products and how to improve existing products. This is further strengthened by input from our Global Sales and Marketing organization as well as our distribution partners.

We also strive to stay at the forefront of product development by identifying needs that do not come directly from customers, and features that we are convinced will help their workflow. These ideas are evaluated in an early concept stage with key opinion leaders and in cooperation with our distributors to ensure that value for the customer is maximized.

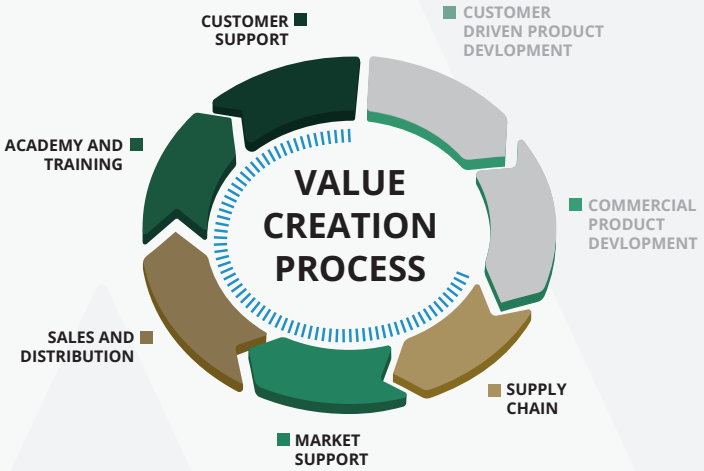
Designing for efficient workflows and intuitive user interfaces
Our organization is strengthened with UX design experts to ensure that our products have intuitive user interfaces and create the most efficient workflow for the customer. This adds value at market introduction, simplifies product training and laboratory introduction, and facilitates customer support. We have deep experience of incorporating analyzers into laboratory workflows.

Prototyping is Crucial to Our Agile Development Process
Inventing the right product at the right time is key to our success. The process is facilitated by creating early prototypes to acquire immediate feedback from stakeholders to steer development in the right direction. It also helps our engineering teams focus on the right tasks and gain a better overall understanding of the product being developed. Prototypes are regularly evaluated by product management and demonstrated to the steering group, which simplifies decisions related to schedule, resources, and company priorities.

Testing and refining in production
Once a product is verified and validated, it is transferred to production. Production routines are tested and refined in-house to find and remove bottlenecks in the manufacturing process.

Quality Assurance
Our quality department is involved in all aspects of the development process.

From Manufacturing to Market



Supply Chain

Reagents, including dyes and solutions are manufactured at our production facility in Bordeaux, France. Our instruments on the other hand, are manufactured and assembled by a subcontractor. This ensures that considerable scalability is possible.

CellaVision is responsible for product design, assembly instructions, quality control instructions and sourcing of strategic components while the subcontractor is responsible for sourcing of standard components, assembly, quality control and outbound logistics.

In 2022 the global supply situation had a negative impact on component supply. In 2023, the availability of components has stabilized, and lead times have returned to normal levels for large parts of the supply chain. Despite the improvement, prices for components and transportation remain at a high level. However, cost-cutting measures have been implemented, such as the introduction of cost-effective modules such as LED-table.

The year has been characterized by varying manufacturing needs, influenced by adjustments in finished goods inventory within both CellaVision and distribution partners. To ensure high quality and efficient operational processes, the business system has been upgraded in 2023.

During the COVID-19 pandemic, CellaVision built a safety stock of components and instruments to ensure continuous supply to customers. As the supply chain has stabilized, reduction of safety stock for both instruments and components have been made throughout the year. To increase the flexibility of the supply chain and reduce the effect of geopolitical risks, several components have also been relocated to suppliers in Europe.

Market Support

An integral part of our sales model, our market support organization has comprehensive and in-depth knowledge of our offerings as well as the local markets where we operate. Market support collaborates closely with distribution partners and customers to drive adoption of our offerings, which strengthens our market position. At year-end 2023 we have 12 organizations for local market support with a direct presence in over 40 countries.

Sales and Distribution

Our sample preparation and digital cell morphology products are an integral part of the blood analysis chain. We therefore have distribution collaborations with leading cell counter providers, which is the first step in the blood analysis chain. This indirect sales model gives us access to a far greater sales force than we could build by ourselves. At the same time, the model requires that we provide professional support to both partners and end-customers.

Training and the CellaVision Academy

In-depth training program is an important and powerful tool for laboratory technicians and distribution partners who work with our products. We have a long history of providing a broad range of training and learning experiences and we continuously evolve with the market. This dedication to quality training improves the workflow at laboratories and contributes to the positive relationship with our distribution partners and their trust in our products.

Our remote teaching capabilities also benefit our learners, as it eliminates the monetary and ecological costs associated with travel for face-to-face training. Our live studio has been expanded to be able to provide even more programming in 2023.

Our certification courses are a combination of self-paced e-learning and live webinars, and we are constantly improving the platform to strengthen the content and quality, including:

- Expanded video tutorial library for distribution partners, laboratorians, and students
- Multi-day certification webinars on both software and hardware for distribution partners
- On-demand certification for laboratory technicians

Customer Support

We always strive to provide the best user experience for our customers and distribution partners. Our customer support function ensures our products are implemented correctly and our instruments produce consistent, quality results. The team has in-depth knowledge and experience of our products and solutions and provides remote support as well as on-site visits.

Organizational Structure

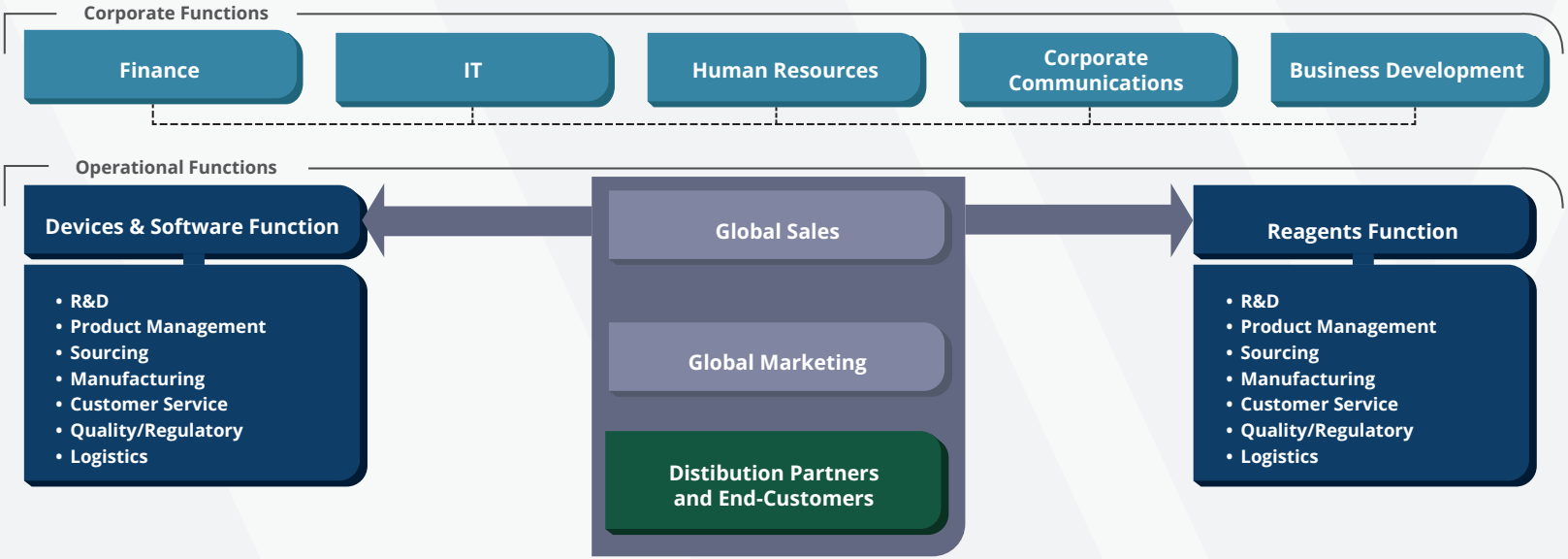
We have four central functions: two product areas responsible for specific parts of the product range, a marketing organization, and a sales organization.

Corporate Functions
President/CEO, Finance and IT, HR, Corporate Communications and Business Development. Sustainability is an integrated part of Executive Management and anchored in the Board of Directors.

Global Sales Organization
Responsible for creating customer awareness, local market support and strengthening collaboration with global and regional market partners, which is an important part of our indirect business model.

Global Organization for Marketing
Responsibilities include obtaining market insights, training distributors and end-users, as well as producing marketing material and trade fairs.

Two Product Areas
Devices & Software Function is based in Lund, Sweden and is responsible for hardware, software, and applications. **Reagents** are based in Bordeaux, France and is responsible for our reagents and associated products.



Sustainability Report

Sustainability is an integrated part of our strategy to drive value for customers, partners, employees, owners, and society. Our aim is to run a responsible business that contributes to a sustainable future through improved healthcare and equal and fair working conditions. We use innovation and technical progress to find sustainable solutions to economic and environmental challenges.

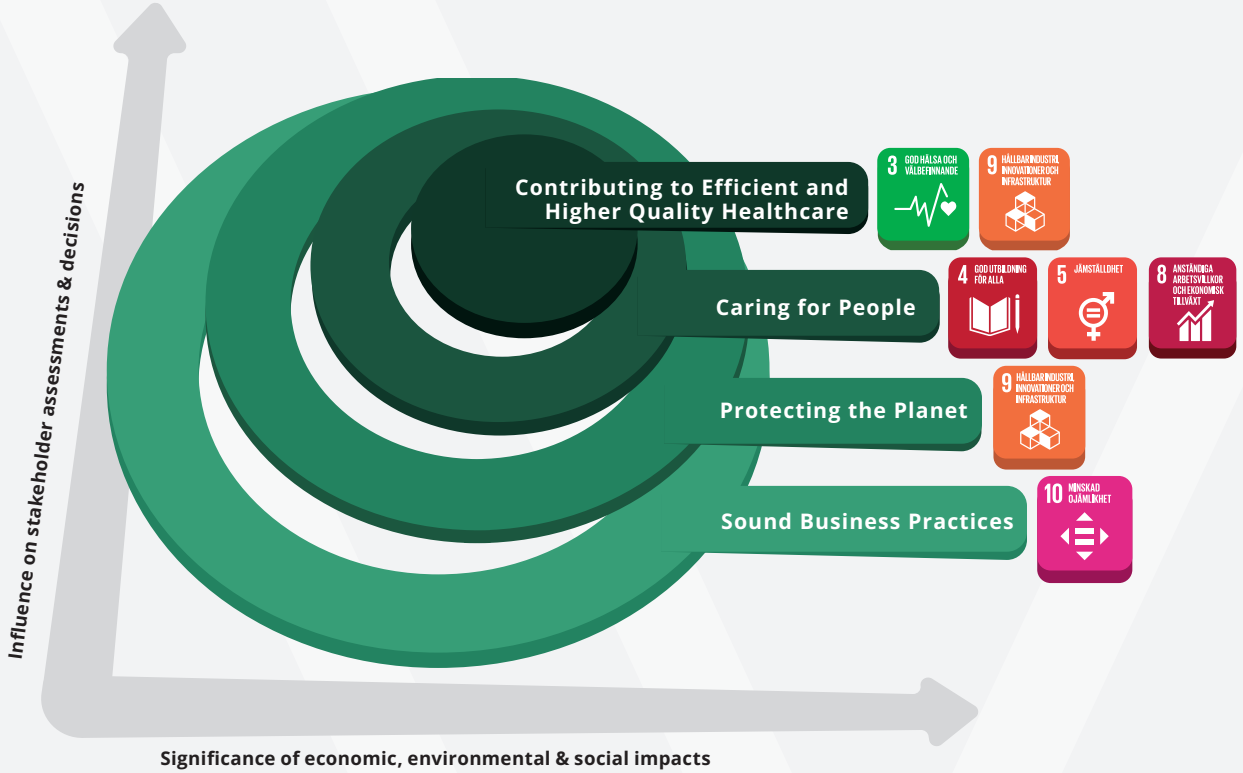
NASDAQ ESG TRANSPARENCY PARTNER

CellaVision is certified as a Nasdaq Transparency Partner. This certification is used by Nasdaq to signal engagement in market transparency and in raising environmental standards.

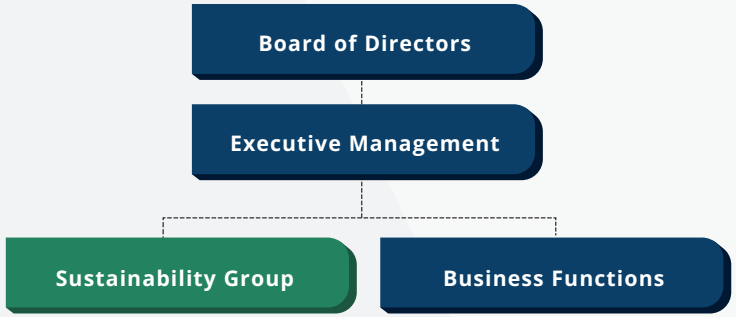
Our Approach to Sustainability

Materiality assessment

1. **Identify & Prioritize**
   The UN Sustainable Development Goals and the Global Reporting Initiative (GRI) standards were our starting point for the assessment. Through dialogue with external and internal stakeholders, including customers, investors, major suppliers, employees, and the Board of Directors, we identified and prioritized concerns, global trends, and market expectations.
2. **Analyze**
   The results of the assessment uncovered the positive and negative impacts of our operations, including environmental, social, and governance issues along our value chain. The results were weighted based on the stakeholder category and the number of answers from each category.
3. **Validate**
   Executive Management analyzed and discussed the results to refine, consolidate and shape our sustainability strategy going forward. For more information on the materiality assessment, see our Sustainability Report 2021.



Sustainability Organization



Compliance with Environmental Directives

ISO 14001:2015

REACH – Registration, Evaluation, Authorization, and Restriction of Chemicals

RoHS – Restriction of Hazardous Substances

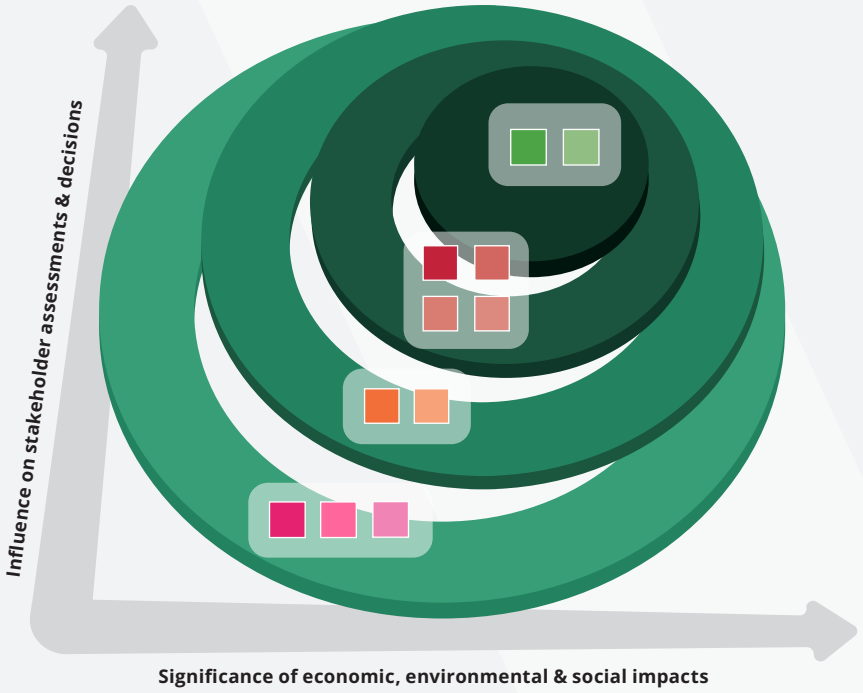
Sustainability Agenda

The 2030 Agenda for Sustainable Development is a universal plan of action that was adopted by all member states of the United Nations in 2015. At its core are 17 Sustainable Development Goals (SDGs) that cover economic, social, and environmental targets to improve human lives and protect the environment.

Our business contributes primarily to Goal three – Good health and wellbeing, as well as:

- SDG four: Quality education
- SDG five: Gender equality
- SDG eight: Decent work and economic growth
- SDG nine: Sustainable industry, innovations, and infrastructure
- SDG ten: Reducing inequalities

Materiality Matrix



Sustainable Development Goals | Materiality

Contributing to efficient and higher quality healthcare
- Supporting healthcare professionals
- Improving patient outcome

Caring for people
- Promote a safe and healthy work environment
- Cultivate a diverse and inclusive culture
- Improve access to training and education
- Secure good employment conditions throughout the value chain

Protecting the planet
- Minimize negative climate impact
- Reduce environmental impact across product life cycles

Sound business practices
- Corporate governance
- Compliance
- Risk management

Contributing to Efficient and Higher Quality Healthcare

Good health is fundamental to quality of life. When people are in good health, they can reach their full potential and contribute to society. Our innovative solutions support the transformation toward digital and sustainable healthcare services.

Our solutions for clinical laboratories improve working conditions for laboratory personnel and help patients get correctly and quickly diagnosed and enable treatment to be initiated sooner. We also work to safeguard the safety, health, and well-being of healthcare professionals through our offerings.

Supporting Health, Safety, and Wellbeing in Healthcare

In healthcare settings, diagnosis and treatment are largely based on test results, so the swift delivery of accurate test results is of paramount importance for patients. Meanwhile, laboratory operations are becoming more complex as testing grows more diverse, leading to a call for more efficient laboratory operations.

Our technologies for diagnostics play an important role in the early detection of diseases and help determine courses of treatment. Our products and solutions improve diagnostic accuracy and help streamline laboratory workflows, enabling healthcare providers to initiate the correct treatment faster, which can save lives.

This enables medical technologists to speed up morphological assessment while collaborating with off-site colleagues, supervisors, and pathologists. In a distributed laboratory network, the adaptation of a digital methodology can help realize considerable time-savings by effectively removing the primary cause of prolonged turn-around times – the road-based transportation of challenging slides for review by off-site pathologists.

With our technology, laboratories can also create a more attractive working environment. With traditional microscopes, laboratory staff often adopt an uncomfortable, hunched working position, but our equipment supports a considerably more ergonomic working posture and reduces the risk of repetitive strain injuries in the neck, back and eyes. We also offer online training so that healthcare professionals can participate regardless of their location. In these ways, we make an ongoing effort to raise the level of healthcare.

A New Generation of Staining

Staining is an important step in hematology, but traditional staining formulations contain toxic chemicals that pose a health risk for users. If the health and safety of laboratory technicians is compromised, it can impact laboratory workflow, and accreditation – the guarantee of providing reliable and reproducible results.

To meet these challenges, we offer RAL MCDh™ (Micro Chromatic Detection for hematology). A patented, ready-to-use, methanol-free staining formula that eliminates exposure to the high toxicity of traditional formulations. MCDh is safer and easier for lab technicians to handle, which improves workflow, and ensures that results are reliable and reproducible.

Donations to Support Improved Global Health

We care about people's health and support the work of Médecins Sans Frontières to save lives and alleviate distress in disaster situations where the needs are the greatest. Médecins Sans Frontières works worldwide to assist people who find themselves in need with everything from psychological support to vital nutritional replacement. With our donations we can contribute to the building of hospitals, ensuring that more women have access to safe childbirth and vaccinate children to prevent outbreaks of infectious diseases. An important step towards a more sustainable future.

Stakeholder's Voice

We perform over 200 differentials every day, and after implementing CellaVision, we have shortend turnaround times by 39%, down to three hours which is a great improvement.

David Langstaff, Director
Hamilton Regional Laboratory Medicine Program

Caring for People Lies at the Heart of Everything We Do

Ensuring inclusive, equitable education, promoting lifelong learning opportunities and gender equality for all is essential to sustainable development, and the fair distribution of power, influence, and resources.

We are committed to supporting the next generation of medical technologists and employees in their education and training. We cultivate gender equality, diversity, equal treatment, and inclusion so that employees can thrive, maximize their skills, and contribute to the company's success.

Caring for People

Our mission, vision, values, and culture define how we work, the quality we deliver and guide our behavior towards customers, partners, employees, and investors. They're the foundation of our strong corporate culture and play a key role in our success.

As part of our continuous work to cultivate a strong sense of community and unity across all levels of the organization, we have in 2023 introduced a new Intranet and HR system. These tools, enable us to convey our core values and allow the organizational culture to grow, which increases transparency and employee engagement.

Values

We innovate, we collaborate, we care

Our company culture is based on teamwork, partnerships, caring, and having fun together. We believe that employee recognition, communication and collaboration, innovation, and continuous improvement are behaviors that will help us develop into the best version of ourselves.

Promoting a Healthy Work Environment

We want our employees to feel a sense of pride in their work and an affinity for the company. At CellaVision we recognize the importance of creating a safe and secure working environment for our team members. As part of out commitment to employee safety and well-being, employees are regularly offered the opportunity to participate in CPR and first aid training.

We are dedicated to foster active and healthy lifestyles among our employees. As part of this commitment, we have a wellness group that arrange activities related to exercise and training, diet and nutrition, relaxation and stress release. The company also raised the health care allowance during the year.

We take steps to promote a healthy work environment to maintain a low employee absentee rate. We systematically follow up and investigate repeated cases of short-term absence to identify signals of ill health at the workplace at an early stage. In 2023, sick leave 1-13 days were 10 percent.

We have an occupational injury insurance that applies both at work and on the way to and from work. In 2023, we had one reported incident and 15 reported accidents globally. None of the accidents were regarded as serious.

The company investigates all accidents in accordance with relevant regulations and takes preventive measures to avoid similar accidents in the future.

In total, 92 percent of our staff are covered by collective agreements that regulate employment conditions and working conditions. All our employees employed through our collaboration with Business Sweden have employment agreements in accordance with applicable local laws and regulations. And we have an established framework with a code of conduct based on the UN Guiding Principles on Business and Human Rights.

Competency Development

We have a decentralized and flexible organizational structure, characterized by competence, entrepreneurship, management by objectives and short decision paths. Our aim is to offer a secure, stimulating and fulfilling work environment with opportunities to contribute skills and commitment to the company's continued development. And we cooperate with local unions and work councils to build an attractive workplace.

All employees have annual appraisals and target discussions with their line manager. The purpose of the target discussions is to create conditions for employees to develop and make a positive contribution that serves to increase productivity, efficiency, and profitability. Individual development plans are linked to the targets to ensure continual development.

Career pathways are offered within certain functions to offer employees clear alternatives to the traditional managerial route. We also help employees develop their expertise – a practice that's encouraged and acknowledged.

Salary is considered a positive force, as employees who perceive their salary to be fair are more likely to perform excellent work. This supports productivity, effectivity, and profitability.

To support our salary setting strategy, we have an international position evaluation system and an industry benchmarking data tool. Salary levels are primarily based on the complexity of the position, employee goal fulfillment, and the ability to perform the required tasks for the position. External factors, such as the market value for the specific position are also used to determine salary levels.

We conduct an annual employee survey and quarterly measurements of the employee Net Promoter Score (eNPS). The results show strong commitment, faith in the future and great confidence in colleagues. The survey, together with performance reviews, informs the decisions we make to improve the work environment, employee well-being, performance, and commitment. During the year, staff turnover was 18 percent.

Cultivating a Diverse and Inclusive Workplace

We promote diversity, gender equality and inclusion and have introduced systems to create a corporate culture that embraces diversity, encourages a sense of unity globally, and gives all employees the opportunity to maximize their skills and thrive.

We believe that diversity and a balanced gender division enhances collaboration and creates dynamic working groups, which is positive both for the work climate and for our long-term competitiveness. In recruiting new team members, we aim for diversity, but always prioritize competence and experience in each individual case.

Accommodating Diverse Working Styles

We foster a work environment that prioritizes employee well-being and work-life balance. Committed to accommodate a working atmosphere based on individual needs, employees are given flexible working hours within a certain given framework. Our employees also have the flexibility to work from home, according to individual needs if the work situation permits it, to increase job satisfaction.

Attract New Employees

12/31/23

Number of master thesis candidates	3
Number of summer jobs	9

Develop and Retain Employees

Employees covered by collective agreements (%) 12/31/23	92
Staff turnover (%) during 2023	18
Engagement score (eNPS)	13
Engagement response rate (%)	92

Diversity and Inclusion

Female managers (%) 12/31/23	39
Female Board of Directors (%) 12/31/23	40
Share of female newly recruited (%) during 2023	55
Share of female in the company (%) 12/31/23	46

Employees per Region (%)

12/31/23

EMEA	94
APAC	4
Americas	2

Employees per Function (%)

12/31/23

Production & logistics	17
Sales & Marketing	18
Administration	10
Quality, Regulatory & Clinical	9
R&D	46

Educational Level (%)

12/31/23

University degree	92
Upper secondary education	8

Ensuring Good Working Conditions Throughout the Value Chain

Our supply chain comprises a third-party instrument manufacturer in Sweden and our own reagent manufacturing facilities in Martillac, France. For distribution and sales, we conduct activities via global partners that are primarily public companies with their own sustainability agendas, including terms and conditions of employment that show regard for human rights and good working conditions. We continuously monitor their work and policies regarding key sustainability issues.

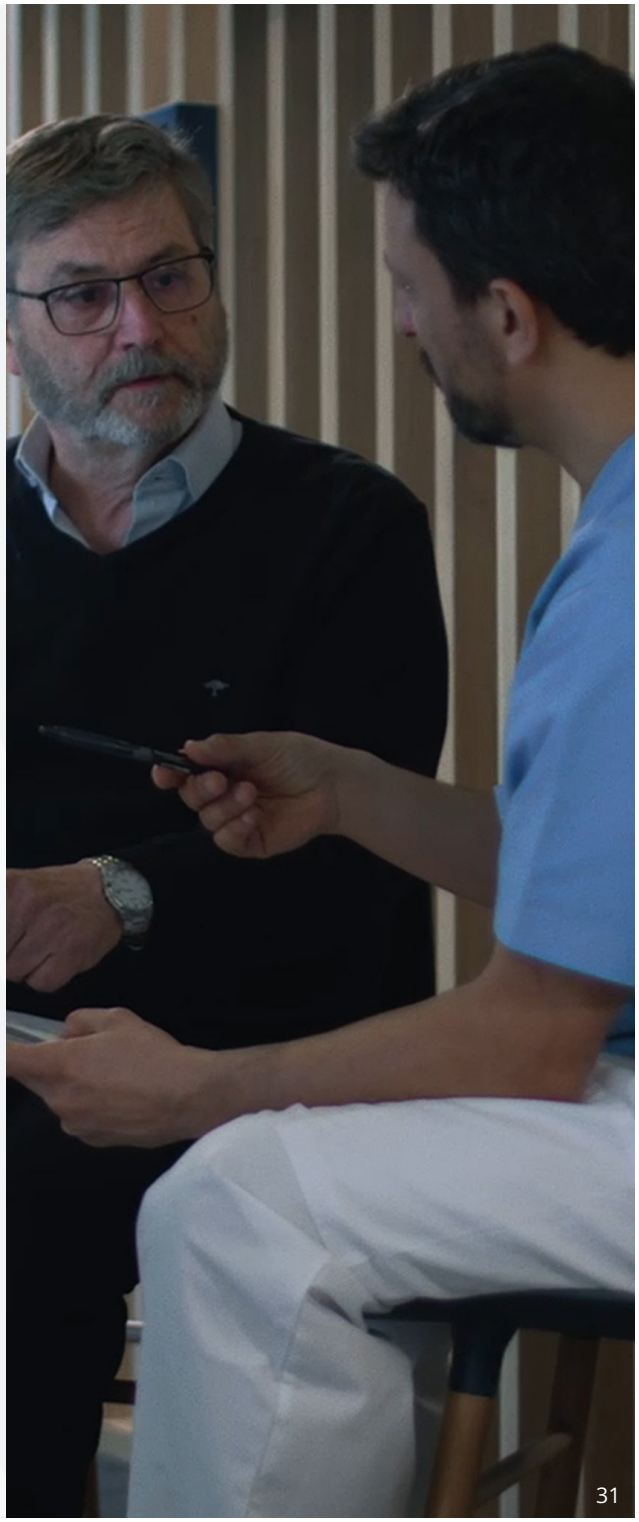
Working conditions at our manufacturing facility in France, is covered by collective agreements, with local trade union cooperation to regulate terms of employment. The same applies to the third-party manufacturer in Sweden, that are also regulated by a collective agreement that covers the terms of employment at the workplace.

Supplier Evaluations to Ensure Compliance

It is essential that our supply chain complies with all local labor laws, safety requirements, best practices, and group policies. We have a procedure to assess and control suppliers of goods and services for our products. The PESTLE-model (Politics, Economy, Social, Technique, Legal and Environment) is used as a guide, and we also include geographical factors. Standards and certificates for the supplier are taken into consideration at the evaluation.

A more in-depth supplier evaluation is used for critical goods or services. We conduct supplier visits and discuss agreements concerning social responsibility, environmental requirements, as well as moral and ethical aspects. Suppliers that adhere to the UN Global Compact, SMETA, or similar initiatives are encouraged but not mandatory.

We conduct regular supplier assessments according to ISO procedures at both our Reagents function and Devices & Software function. The frequency depends on the criticality of the supplier or the delivery.



Improve Access To Training and Education

Providing quality education for all is fundamental for creating a peaceful and prosperous world. Education gives people the knowledge and skills they need to stay healthy, employed, and foster tolerance.

We believe that supporting higher education institutions and offering opportunities for study will help develop the right knowledge and skills necessary to drive innovation and improve the quality of healthcare worldwide.

Supporting the Next Generation of Medical Technologists

We are committed to supporting the next generation of medical technologists and the educational institutions where they train, and we collaborate closely with educators.

In 2018, we launched the CellaVision Classroom Initiative to offer hematology educators the digital resources and tools necessary to upgrade their skills and strengthen their teaching methodology. The tools include a complimentary license for the CellaVision® Proficiency Software – the same market-leading educational software that is used by hematology laboratories all over the world.

Cooperation with Universities

We continued to profile our brand as an attractive employer in 2023, with several targeted initiatives aimed at universities and other higher education institutions. To increase our competitiveness, we developed our strategy to attract people with the right skills, as there are many attractive positions available to engineering and other candidates.
We cooperate closely with Lund University, and participate in student fairs, and seminars to build awareness about CellaVision as a future employer. In 2023, we continued as the main sponsor of Lund Technical University's F-Guild, a student association for engineering students. We also offer thesis opportunities, internships, extra work opportunities and participate in networks and mentor programs.

Altogether, the initiatives have had a positive effect on recruitment, as well as on linking the right competencies to the company in the long term. And we have continued to digitalize HR processes in both recruitment and the management of talent and performance to boost transparency and efficiency.

Stakeholder's Voice

We use the CellaVision Proficiency software for students enrolled in our hematology major at undergraduate level and postgraduate and. The students find the experience very helpful in their morphology studies. It gives students the opportunity to see which cells they misclassify, determine what features they should have observed, and then build these features into their morphological analysis for future classification. This feed-forward mechanism is vital to improve morphological skills.

Cindy O'Malley
BAppSci, PhD, CSci, FAIMS, FIBMS,
SFHEA Associate Professor Laboratory Medicine RMIT University, Australia

Protecting the Planet

Providing quality education for all is fundamental for creating a peaceful and prosperous world. Education gives people the knowledge and skills they need to stay healthy, employed, and foster tolerance.

We understand that large-scale environmental damage due to climate change is a significant business risk because it has the potential to halt our resource procurement and manufacturing functions. At the same time, we believe that consideration for the environment supports co-existence with local communities and helps build trust with our stakeholders.

Solutions that Reduce Environmental Impact

Our digitally based technologies create conditions that help reduce environmental impact. One such technology is our collaboration and quality assurance software, which is an environmentally efficient alternative to transporting samples by road. For example, hospitals that operate in remote locations typically send difficult-to-assess samples to an expert by courier.

With CellaVision Remote Review Software, the samples can be examined electronically via the hospital network, a method that is both effective and environmentally friendly. And with CellaVision Proficiency Software for quality assurance, laboratory staff can train and test the skills online. The software is simple to distribute and requires no transportation, unlike traditional test methods that use blood smears on microscope slides as a practice method.

Continuous and Measurable Environmental Goals

We continually strive to minimize our negative environmental impact. We have four environmental objectives at our head office to reduce the environmental impact related to:

- Purchases of goods and services
- Business-related travel
- Training-related travel

Each year we calculate our CO_2 emissions from business-related travel in relation to our net sales. The resulting ratio should be less than 0.6 kg CO_2/kSEK.

What we have learned from conducting digital business meetings during the pandemic is expected to prevent a complete return to previous meeting levels. However, the use of digital meetings is not expected to be as extensive as during the actual pandemic period.

Since 2019, we have calculated the number of online trainings in relation to all trainings for handling and analysis with our instruments. In 2022 a target of 75 percent was set for online trainings. This is an increase by 25 percentage points from the 50 percent target set in 2021. The target for online training in 2023 was further increased from 75 percent to 95 percent. For the year online training in relation to total training was 100 percent.

The ambition is to sustain the momentum and primarily conduct online training and avoid a 're-bound' to pre-pandemic levels.

Business Travel in Relation to Net Sales (CO2/KSEK)

2019	0.8
2020	0.2
2021	0.3
2022	0.6
2023	**0.8**

Online Training in Relation to Total Training (%)

2019	0
2020	71
2021	99
2022	100
2023	**100**

Environmental Consideration Through Product Life Cycles

In 2023, a Life-Cycle Analysis was conducted on a development project with the aim of evaluating the environmental impact and identifying areas for improvement for CellaVision's products. The Life-Cycle Analysis revealed that the environmental impact of our instruments is relatively small. Furthermore, the environmental impact of transportation, raw materials, and production was relatively small compared to the environmental impact during the user phase of 7-9 years associated with electricity usage at the laboratory. This has led to a renewed focus during development on opportunities to reduce the system's electricity consumption when not in use.

Devices & Software Function

Located in Lund, Sweden, our Devices & Software function is certified according to the ISO 14001 international standard since late 2013. In brief, the certification means that our environmental work must be well organized, result in continuous improvements, comply with applicable laws and regulations, and include regular internal environmental audits. We are active and goal-oriented in the selection of suppliers and resources for product development. And we do not conduct any notifiable operations that impact the fulfillment of the objectives of the Swedish Environmental Code.

In 2023, an environmental SWOT analysis was conducted together with the management team to identify potential areas for improvement. The SWOT analysis resulted in some action points including an updated process for collecting certificates related to RoHS, Reach, and 3TG and measures to promote digital meetings. These points will be the focus areas in 2024. A follow-up audit according to ISO 14001 was conducted in May without deviations.

Reagents Function

The Reagents function is based in Bordeaux, France. Here we manufacture a dozen strategic substances and produces more than 100 different solutions. The stages of production include different types of reactors, filtering systems and automated and half-automated packing systems. Production at the facility is designed to meet very high requirements in terms of safety for employees. The production technology is based on specialized production solutions that meet very stringent requirements.

The Reagents function complies with local legislation on the environment, and health and safety, and has an environmental management system based on ISO 14001. In late 2021, we initiated a long-term goal to certify the facilities in Bordeaux according to ISO 14001:2015. During 2022 and 2023, preparation work and resource allocation was initiated.

In 2023, an initial internal audit was conducted, laying the foundation for the ongoing work with the Environmental Management System. The audit findings showed that several processes have already been implemented in the Environmental Management System, as they are necessary to comply with the regulatory requirements associated with our reagents. These include waste management, equipment control, noise monitoring, facility classification, and extensive employee training on chemical handling and safety. Despite being in the early stages, numerous processes have already been implemented across the organization. This approach emphasizes our commitment to environmental responsibility, laying the foundation for the upcoming ISO 14001:2015 certification.

Expansion of Production Capacity

To meet the rising demand for reagents, the expansion of our production capacity in Bordeaux was successfully completed during the year. The new facility is seamlessly integrated into the existing production framework.

Designed with sustainability in mind, the new building incorporates features such as extra energy-efficient isolation, specialized filters to curb dust and particle emissions, and robust containment measures to prevent soil contamination. Liquid waste is efficiently managed through a purpose-built underground tank, handled by a dedicated partner.

Climate Compensation for Carbon Emissions

Our car policy specifies that we only allow hybrid or electric company cars. However, carbon emissions from our operations are mainly from business travel by air. We conduct an annual survey to obtain information about travel patterns and climate compensate for carbon emissions. In 2023, 115 employees out of 228 answered the survey.

The company's total carbon dioxide emissions amounted to 539 tons (474), corresponding to a compensation of SEK 52,283 (55,433). To compensate for emissions, we support a solar power project that meets the environmental movement's 'Gold Standard' quality label, which means that the project contributes to sustainable development in a broader perspective.

Third Party-relationships

The Devices & Software function does not manufacture the instruments that the function has developed and designed, but works together with an ISO 14001 certified partner who is responsible for assembly and quality assurance. The function also has suppliers of central components, such as microscopes and software.

We select and evaluate suppliers based on their capacity to supply goods and services that meet our quality and environmental requirements, including quality and environmental management systems and other specific quality assurance requirements.

A lifecycle perspective is always front-of-mind when choosing suppliers. Audits can be conducted by CellaVision staff trained in supplier audits and/or by an assigned consultant. Regulatory authorities can also conduct supplier audits. When selecting a supplier, those with certified environmental management systems are preferred. Suppliers are also required to comply with the requirements of the REACH Regulation and the RoHS Directive.

To ensure that increasing demand does not impact supply or quality, we continuously work to lower supply chain complexity.

Logistics

As we have an indirect business model, our distribution partners decide the shipping options for our products. Our distribution partners work with long-term environmental objectives and targets to reduce negative environmental impact. We also recommend that distribution partners always choose the shipping option with the least environmental impact.

Inbound logistics is decided by the supplier responsible for assembly, and system transport methods are decided by the customer. Therefore, we engage with our suppliers, manufacturers, and distributors to encourage them to always use the shipping option that has the least environmental impact.

Sound Business Practices

Reducing inequalities and ensuring no one is left behind are integral to achieving sustainable development. Fair and ethical business practices are central to everything we do and ensures fair compeition and compliance with laws and regulations.

Compliance with Legislation

Our Code of Conduct, which is based on values such as honesty, justice, and legal compliance, is the foundation of how we work. Our Code of Conduct guides how we behave and interact with stakeholders and is based on the UN Universal Declaration of Human Rights.

Our Code of Conduct describes how to compete fairly, based on the merits of our products and services. It also covers anti-corruption policies, specifically that employees may not offer customers, potential customers, suppliers, consultants, governments, agencies of governments, or any representative of such entities, any rewards, or benefits in violation of applicable laws or established business practices to obtain or retain business.

These compliance principles were implemented some years ago, and we conduct annual training to ensure that all employees understand and comply with these principles. We have established policies and guidelines and offer ongoing advisory services and support to assure compliance. We also conduct reviews and audits, both internal and external, to identify any irregularities and systematize improvements.

Monitoring Compliance

Compliance with the Code of Conduct is largely an issue of leadership and relies on well-established procedures, processes, and functions to prevent deviation. The Code of Conduct describes the whistle-blower function, which encourages all employees to report suspected violations to their managers or other representatives in the leadership team.

If it is not feasible or possible to report to a superior, or if it is not taken seriously, it is possible to present the suspected violations to the Board of Directors or ultimately to the Board Chair of the company, and where the law permits, to remain anonymous. We do not tolerate reprisals against any person who in good faith presents complaints or suspicions of violation of the Code of Conduct.

Whistleblowing System

Through CellaVision's whistleblowing system, available on our intranet, individuals active within the company have the possibility to anonymously and without the risk of reprisals report suspicions of violations of laws or the company's internal rules and policies.

In 2023, an update of the whistleblowing system was done to ensure compliance with the EU Directive on the protection of persons reporting breaches (2019/1937) and the new national laws based on this directive. The system is accessible to individuals operating within the company and is active in all countries where we operate.

In 2023, no reports matching the definition of whistleblowing according to the Swedish Whistleblower Act (2021:890) or the EU Directive on the protection of persons reporting breaches (2019/1937) were received through the whistleblowing system. Moreover, no events associated with corruption, cartel formation, or a lack of business ethics were documented during the year.

Risks Associated with Corruption and Non-compliance with Competition Law

Our relations with customers and business partners are characterized by fairness and honesty and we have zero tolerance for any corrupt practices. We work continuously to monitor business practices to ensure a collective understanding of our Code of Conduct end to end in the value chain. Risk exposure is primarily linked to operations of our business partners (distributors and suppliers such as third-party manufacturers), for which we may be held liable, as well as behaviors of employees in relation to public officials and other customer representatives. The overall risk level is also influenced by the fact that we conduct business activities in many markets considered to be high-risk in terms of corruption.

Potential risks of non-compliance with competition law (for example price collusion, market sharing, illegal exchange of information, abuse of a dominant position) are primarily linked to employee behavior when interacting with competitors' external stakeholders in various situations. Violations of anti-corruption and competition legislation may entail serious negative consequences for business operations, including damage to our reputation, fines, or imprisonment for employees. We may also be affected by claims brought by individuals or businesses impacted by alleged non-compliance.

Risk Management and Anti-corruption

CellaVision faces several risks that could influence the company's development to varying degrees. Executive Management and Board of Directors assess these risks primarily based on their impact on CellaVision's ability to implement its strategic objectives. To ensure effective strategy execution and risk management, several policies serve as guiding documents.

We manage corruption-related risks through activities aimed at reducing the risks of corruption, including reviews of partners from a corruption perspective. We do this to ensure that we select the right partners to prevent corruption in connection with the sale of products and services.

Moreover, our business model enables natural constraints on the establishment of corruption. As sales go through us to a few large partners, the payment flows can be controlled effectively. We have established administrative support in local markets through cooperation with Business Sweden, which handles local administration of salaries and other payments to our employees. All payment flows are checked and approved centrally, which significantly reduces the risk of corruption.

As regards employees and sub-contractors, the Code of Conduct makes it clear that employees and sub-contractors may not participate in or promote corruption. The Code of Conduct also states that we compete based on the advantages of our products and services and do not take measures that are illegal under competition law, for example illegal collusion with competitors. In addition, regular anti-corruption training is provided in connection with the annual training in the Code of Conduct.

Risks related to sustainability

SUSTAINABILITY RISKS	COUNTERACTING FACTORS
PRODUCT INCIDENT In the medical technology industry, product quality and safety are of the utmost importance, as a potential product incident could have a negative impact on patient safety and thereby the company's reputation.	Comprehensive risk analysis is part of the development of all CellaVision products. Feedback from customers is assessed and trended to always improve the safety and quality of products. Safety is further improved through continuous, structured training of staff and distributors, both online and face-to-face.
UEVEN GENDER DISTRIBUTION IN SENIOR POSITIONS There is still an uneven gender distribution within Executive Management. The risk is that we are less efficient by being a homogenous group and thereby are not perceived as an attractive employer, which may cause difficulty in attracting the right profiles and skills.	We have an inclusive culture and actively work with inclusive communication to attract and retain more diverse candidates.
LOCAL WORKING CONDITIONS AT DISTRIBUTOR LEVEL As we expand our relationships with new local distribution partners, we can't rely on them to meet local requirements for good employment conditions.	To ensure compliance we must continuously monitor new and smaller distribution partners to ensure they meet local requirements for good employment conditions.
ENVIRONMENTAL MANAGEMENT SYSTEMS IN THE REAGENTS FUNCTION It constitutes a risk if our environmental work at the Reagents function does not fulfill the requirements of ISO 14001.	Continued investments in our production facility are required to ensure we fulfill the environmental certification requirements of ISO 14001.
THIRD-PARTY MANUFACTURER OF INSTRUMENTS In the event of an increased number of third-party manufacturers, there is a risk that a supplier does not meet all of the environmental requirements.	Environmental evaluations and audits of third-party manufacturers must be carried out to ensure compliance.
COMPLIANCE WITH LEGISLATION Unethical conduct poses a risk to the preservation of our reputation and the promotion of positive, ethical interactions with all stakeholders.	Preventative measures such as training, adherence to the Code of Conduct and monitoring of compliance and the whistleblower system are essential in our operational framework.

Glossary

Agenda 2030 – 17 sustainable development goals adopted at the UN Sustainable Development Summit in 2015 to achieve a better and more sustainable future for everyone. The global goals are integrated and indivisible and balance the three dimensions of sustainable development: economic, social, and environmental.

Carbon dioxide (CO2) – Carbon dioxide is a greenhouse gas formed during combustion of carbon-containing materials. Emissions of carbon dioxide can increase global warming (greenhouse effect).

Clean Development Mechanism (CDM) – An emissions trading mechanism and form of cooperation under the Kyoto Protocol that was created to enable countries with emission reduction commitments to reduce carbon emissions in countries without reduction commitments.

Code of conduct – Document that provides guidance on the behavior expected from CellaVision employees.

DEI policy – Diversity, equity, and inclusion policy.

Develop Diverse – Platform to increase team diversity through inclusive communication.

DREAL – The French Regional Directorate of the Environment, Development and Housing.

eNPS – A method that measures how willing employees are to recommend their workplace to others.

Gold Standard – Certification mark for climate compensation projects entailing strict rules of conduct with further requirements concerning social responsibility and sustainable development for climate compensation.

GRI Global Reporting Initiative – International independent standard-setting body that provides voluntary standards for how companies and other organizations are to report their activities regarding sustainability work.

ISO 14001 – International framework for a systematic approach for planning, implementing, and managing an environmental management system.

Materiality analysis – Method to identify and prioritize the issues that are most important to an organization and its stakeholders.

Orgalim – General Conditions for the Supply of Mechanical, Electrical and Electronic Products

Sustainable development – Development that "meets the needs of the present without compromising the ability of future generations to meet their own needs". Sustainable development includes economic, social, and environmental sustainability.

Sustainability report – As of the 2017 financial year it has been compulsory for large companies to prepare a sustainability report. The report must contain non-financial information necessary for understanding the effects of the business on the environment, social matters, human rights, and corruption.

Lifecycle analysis – Method to assess the environmental impact of a product's lifecycle, including raw materials extraction, manufacturing processes, transport, use and waste treatment.

REACH – EU Regulation containing legislation aimed at ensuring a high level of protection for human health and the environment.

RoHS – EU legislation aimed at replacing and restricting hazardous substances in electronics. The Directive is also aimed at facilitating profitable and sustainable materials recovery from electronic waste.

UHC – Universal healthcare requires that all people have access to affordable and proper services to improve their health, prevent or treat illnesses, and recover functions.

The Auditor's Opinion Regarding the Statutory Sustainability Report

To the Annual General Meeting of CellaVision AB (publ),
Corporate Identity Number 556500-0998

Engagement and Responsibility

It is the board of directors who is responsible for the sustainability report for the year 2023 on pages 25-39 and that it is prepared in accordance with the Annual Accounts Act.

The Scope of the Examination

Our examination has been conducted in accordance with FAR:s auditing standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report 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 opinion

Opinion

A statutory sustainability report has been prepared.

Malmö, April 10, 2024
KPMG AB

JONAS NIHLBERG
Authorized public accountant
Auditor in-charge

TOBIAS LINDBERG
Authorized public accountant

Corporate Governance

Board of Directors and Auditor

Mikael Worning

Chair of the Board, Chair of Remuneration Committee, and Member of Audit Committee
Born: 1962
Elected: 2020
Shares: 2,360
Education: Cand. Polit., Economics
Other directorships: Chairman of Tandlægen.dk - Holding A/S. Ordinary Board member in Sonion A/S and Colony ApS. Former senior positions at Demant A/S, including President Demant Inc.

Independent of company and major shareholders.

Louise Armstrong-Denby

Board Member
Born: 1972
Elected: 2023
Shares: -
Education: M.sc. Advanced Analytical Chemistry, PhD in Analytical Chemistry
Other directorships: Chief Commercial Officer at Visiopharm 2019-2023, a company active in digital pathology. Former experiences include Chief Sales Officer at Random 42 and Global Sales Director at Andor Technology. Also many years of experience from PerkinElmer.

Independent of company and major shareholders.

Christer Fåhraeus

Founder, Board Member, and Member of Renumeration Committee
Born: 1965
Elected: 1994
Shares: 1,728,399
Education: B.Sc. Medicine, M.Sc. Bioengineering, B.Sc. Mathematics, Ph.D. Neurophysiology, Ph.D. Engineering (hc), Graduate from Swedish armed forces language school.
Other directorships: President and CEO of EQL Pharma AB (publ). Chairman of the Board Bionamic AB. Board member Flatfrog Laboratories AB, Reccan AB, EQL Pharma AB (publ), Amniotics AB (publ), and Gasporox AB (publ). Founder of EQL Pharma AB and Flatfrog Laboratories AB, among others.

Independent of company. Dependent on major shareholders.

Ann-Charlotte Jarleryd

Board Member, and Chair of Audit Committee, and Member of Remuneration Committee
Born: 1966
Elected: 2022
Shares: -
Education: B.Sc. Business Administration, University Diploma in Journalism.
Other directorships: Board member Exsitec Holding. Former experiences include CFO at Addnode Group, Acando and Protect Data, Board member Metria, and Authorized Public Accountant at PwC.

Independent of company and major shareholders.

Stefan Wolf

Board Member
Born: 1964
Elected: 2018
Shares: -
Education: Biological Laboratory Science
Other directorships: CEO of The Binding Site Group Ltd (part of Thermo Fisher Scientific). Former experiences include CEO of Hemostasis, Hematology, and Specialty Diagnostics at Siemens Healthineers and Division President of Clinical Diagnostic Division at Thermo Fisher Scientific.

Independent of company and major shareholders.

Kent Stråhlen

Board Member
Born: 1968
Appointed by the unions: 2022
Shares: 1,000
Education: Ph.D. Applied Mathematics.
Employed since 2000. Current position, Product Manager.

Markus Jonasson Kristoffersson

Board Member
Born: 1980
Appointed by the unions: 2020
Shares: -
Education: M.Sc. Mechanical Engineering.
Employed since 2018. Mechanical Engineer, Hardware department, Devices & Software division.

AUDITOR
The Annual General Meeting elects and auditor for CellaVision for one year's term of office. At the 2023 Annual General Meeting, KPMG was elected as auditor until the 2024 Annual General Meeting.

Jonas Nihlberg
Authorized public accountant
Auditor in charge
Auditor for CellaVision since 2022

Tobias Lindberg
Authorized Public Accountant
Auditor for CellaVision since 2022

Executive Management

Simon Østergaard
President & CEO

Born: 1971
With CellaVision since: 2021
Shares: 5,000
Education: M.Sc. biochemical engineering, Ph.D. biotechnology, MBA from MGSM, Sydney.
Previous experience: *More than 20 years of experience in the biotech, medical device, and diagnostic industry in various senior positions at Agilent Technologies and Radiometer (Danaher) spanning the entire value chain from innovation to sales and marketing. Most recently held the position of Vice President for the global pathology business at Agilent Technologies.*

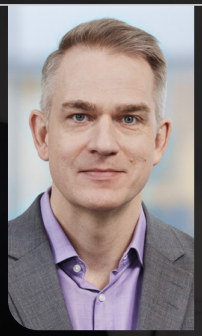
Magnus Blixt
CFO

Born: 1966
With CellaVision since: 2013
Shares: 4,000
Education: M.Sc. Finance
Previous experience: *Extensive experience of developing small and medium-sized companies focusing on business performance and process improvements, within the SKF Group and Rotaform AB among others. Most recently held the position of Business Demand Manager at SKF AB.*

Jeppe Brandstrup
VP Business Development

Born: 1984
With CellaVision since: 2016
Shares: 2,500
Education:M. Sc. Finance
Previous experience: *Many years of experience in business development and acquisitions in the life sciences industry. Most recently as Senior Acquisition Manager at Novozymes in Copenhagen.*

Adam Morell
VP Devices & Software



Born: 1976
With CellaVision since: 2001-2003, 2006
Shares: -
Education: Lic. of Engineering, Mathematics, M.Sc. Engineering Physics, B.Sc. Medical Science, Medicine
Previous experience: *Many years of experience as R&D Manager at CellaVision. Extensive expertise in the field of digital imaging and has been a co-inventor on several patents.*

Julien Veyssy
VP Reagents

Born: 1983
With CellaVision since: 2019
(2018) RAL Diagnostics
Shares: -
Education: MBA Marketing
Previous experience: More than 13 years of experience in the IVD-industry and specifically in the hematology market. Most recent position Marketing manager at Sysmex, EMEA.

Peter Wilson
VP Global Marketing

Born: 1967
With CellaVision since: 2000
Shares: 3,000
Education: M. Sc. Chemistry
Previous experience: Many years experience of global launching of new technologies and new products. Head of CellaVisions subsidiary in North America in the years 2012-2015. Former positions include Foss, among others.

Urban Strindlöv
VP Global Sales

Born: 1964
With CellaVision since: 2022
Shares: -
Education: Mechanical Engineering
Previous experience: Extensive experience of business-to-business operations in various companies within the IT, infrastructure and life science sectors. Most recently held the position as Vice President Sales at BioGaia.

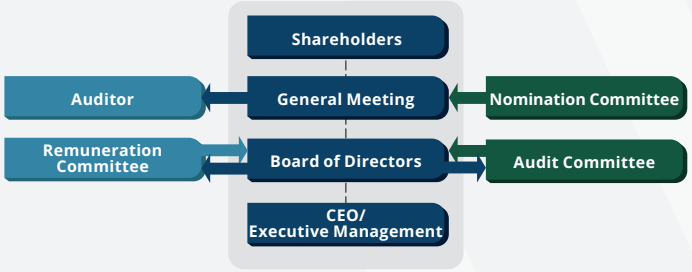
Corporate Governance Report

CellaVision is a Swedish public limited liability company with its registered office in Lund. Apart from the parent company, the Group consists of five wholly-owned subsidiaries in Sweden, the USA, Canada, Japan, and France, as well as offices for local market support in the USA, Canada, Brazil, China, Japan, Sweden, United Arab Emirates, France, Germany, India, Spain and Italy. The company's share is listed on NASDAQ Stockholm Mid Cap. CellaVision applies the Swedish Code of Corporate Governance (the Code) since its shares were admitted to trading in May 2010 and reports no deviations from the Code for 2023.

The term corporate governance refers to the rules and structure built up to govern and direct a limited liability company in an effective and controlled manner. Governance and control of CellaVision is divided between the shareholders at the Annual General Meeting, the Board of Directors and the President/CEO, and is regulated in legislation (including the Companies Act), the Articles of Association, the Nasdaq Stockholm rule book for issuers and the Swedish Code of Corporate Governance. The code is available at www.bolagsstyrning.se. In addition to legal control and governance principles, CellaVision is also influenced by several internal policy documents, including instructions and rules of procedure for the President/CEO and Board of Directors, as well as internal policies and guidelines.

Shareholders

The share capital on December 31, 2023 was SEK 3,577,732 distributed among 23,851,547 shares. Each share entitles the holder to one vote and each person entitled to vote at a general meeting of shareholders may vote for the full number of shares owned and represented by her or him without limit to the voting right. All shares confer an equal right to share in the company's assets and profits. CellaVision had 7,432 (7,842) shareholders on the closing date. Of these, two shareholders have direct and indirect holdings constituting 10 percent or more of the votes and capital: William Demant Invest A/S and Grenlunden AB. No shares are held by the company itself. For further information about the CellaVision share and shareholders please refer to pages 9-10 and CellaVision's website.



Articles of Association

The Articles of Association of CellaVision stipulate that the company shall develop, market and sell products in sample preparation and systems for automated digital microscopy, specializing in software applications for the medical market. The registered office of the Board is in Lund and the company's financial year is a calendar year. In other respects the Articles of Association contains provisions concerning the number of shares, number of board members and auditor and the Annual General Meeting. The Articles of Association contain no separate provisions concerning the appointment or removal of Members of the Board or concerning amendments to the Articles of Association. The complete Articles of Association can be downloaded from www.cellavision.com.

General Meeting of Shareholders

Shareholders exercise their influence over CellaVision at the General Meeting of Shareholders, which is the highest decision-making body in CellaVision. The General Meeting is called at least once a year and among other things passes resolutions on the treatment of the company's and Group's balance sheet and income statement including the appropriation of the company's profits, discharge from liability of the Board of Directors and President/CEO, election of the Board of Directors and auditor, fees to the Board of Directors and auditor and appointment of the Nomination Committee. Amendments to the Articles of Association require a resolution by the General Meeting of Shareholders. To participate in the General Meeting the shareholder must be entered under his or her own name in the register of shareholders at least five business days before the Meeting and notify the intention to attend to the company at the latest on the date specified in the notice to attend. At the General Meeting the shareholder must in normal cases attend either in person or via a representative.

The Annual General Meeting is held in Lund during the first half of every year. In connection with the third interim report CellaVision's shareholders are informed of the time and place of the Annual General Meeting and of their right to bring a matter before the Meeting. A notice to attend the Annual General Meeting is published no earlier than six and no later than four weeks before the Meeting. An extraordinary general meeting may be held if the Board of Directors considers it necessary or if the company's auditors or shareholders holding at least 10 percent of the shares so requests.

Annual General Meeting 2023

CellaVision's Annual General Meeting was held on Friday, May 5, 2023. Essentially, the following resolutions were passed:

- The parent company and consolidated income statements and balance sheets were adopted. It was further resolved to distribute SEK 2.25 per share for the 2022 financial year.
- Discharge from liability of the members of the Board of Directors and the President.
- Re-election of Mikael Worning, Christer Fåhraeus, Stefan Wolf and Ann-Charlotte Jarleryd and election of Louise Armstrong-Denby as board members. Re-election of KPMG AB as auditor.
- Fee to the Board of Directors, presented in the table on page 46 and in Note B6 of the Annual report.
- Principles for appointing Nomination Committee that were adopted at the 2020 Annual General Meeting shall also apply before the 2023 Annual General Meeting.
- Remuneration report for 2022.
- Guidelines for remuneration to senior management.

The minutes of the Annual General Meeting were presented on the website within a week of the Meeting. Material from the Meeting, such as the notice to attend, the minutes and information on the Nomination Committee is available on CellaVision's website. The full resolutions of the Meeting as above are available from the Company at the address Mobilvägen 12 in Lund and will be sent to any shareholder who so requests.

Nomination Committee

The main task of the Nomination Committee is to propose to the Annual General Meeting the composition of the Board of Directors, which is then decided by the Annual General Meeting. The work of the Nomination Committee starts by studying the evaluation of the work of the Board of Directors commissioned by the Board of Directors. The work of the Nomination Committee is characterized by transparency and discussion to achieve a well-balanced Board. The Nomination Committee then nominates members to the Board for the next term of office and submits proposals for remuneration to the Board of Directors and auditors and, where applicable, also for election of auditor.

Nomination Committee for the Annual General Meeting in 2024

In accordance with a resolution of the 2023 Annual General Meeting, CellaVision's Nomination Committee ahead of the 2024 Annual General Meeting shall consist of one representative of each of the four largest shareholders in terms of voting rights at the end of July 2023. The Chair of the Board convenes the first meeting of the Nomination Committee and is co-opted to the meetings of the Nomination Committee. The composition of the Nomination Committee was announced through press release on October 31, 2023. The members of the Nomination Committee and the shareholders who appointed them is presented in the table to the right. The chair of the Nomination Committee ahead of the 2024 Annual General Meeting is Emil Hjalmarsson.

In 2023 the Nomination Committee held four meetings as well as a number of email and telephone contacts. The Nomination Committee proposals are presented in the notice to attend the 2024 Annual General Meeting and are also available on the company's website together with an explanatory statement concerning the proposed Board of Directors.

The Nomination Committee has applied Rule 4.1 in the Swedish Code of Corporate Governance as a policy, which sets the principles for diversity on the Board. All nominations of board members are based on merit, the main purpose being to maintain and improve the board's overall efficiency. It is CellaVision's goal to have a fair, equal and balanced representation of different genders and other diversifying factors on the board as a collective. Furthermore, the board members appointed by the general meeting as a group must present diversity and breadth in terms of opinions, qualifications and experience.
The assessment is that the board as a whole possesses the necessary knowledge and experience of the social and business conditions that prevail where the company's main operations are conducted, and that it exhibits sufficient diversity and breadth in terms of characteristics and competence.

NAME/REPRESENTING	VOTING SHARE (31/12 2023)
Mikael Worning, Chair. adjungerad.	
Nicklas Hansen, William Demant Invest A/S	19.9 %
Emil Hjalmarsson, Grenlunden CEVI AB	10.0 %
Anette Andersson, SEB Investment Management	9.1 %
Christer Fåhraeus, Christer Fåhraeus comp.	8.1 %
TOTAL	**47.1 %**

Board of Directors

The Board of Directors and ultimately the President/CEO administers the affairs of the company on behalf of the shareholders. The Board of Directors appoints the President/CEO, who is responsible for the day-to-day management of the company. The division of duties and responsibilities between the Board of Directors and the President/CEO is clarified in the Board's Rules of Procedure and the Instructions to the President/CEO.

The Board of Directors is appointed by the shareholders at the Annual General Meeting with a term of office up to and including the next Annual General Meeting. The Board of Directors manages the company on behalf of the owners by establishing goals and strategy, evaluating the operative management and ensuring that there is an effective system for follow-up and control of the established goals. It is also the responsibility of the Board to ensure that the company's information provision is correct, relevant and reliable.

The Board of Directors forms a quorum when more than half of its members are present. Under CellaVision's Articles of Association the Board of Directors must consist of a minimum of three and a maximum of nine members with a maximum of two alternates. The Board holds an inaugural meeting directly after the Annual General Meeting.

Chair of the Board

CellaVision's Board of Directors has been chaired since 2021 by Mikael Worning. The Chair of the Board is appointed by the Annual General Meeting. The Chair of the Board organizes and leads the work of the Board, ensures that the Board regularly develops its knowledge of the company, communicates shareholders' views to the Board and is a support to the President/CEO. The Chair of the Board and the President/CEO prepare proposed agendas for the Board meetings. It is the responsibility of the Chair of the Board to verify that the Board's decisions are effectively implemented and that the work of the Board is evaluated annually and that the Nomination Committee is informed of the results of this evaluation.

The Board's Rules of Procedure

The Board of Directors adopts rules of procedure for its work annually. The current rules of procedure were adopted on May 5, 2023. In addition to that, the Rules of Procedure are revised as necessary. The Rules of Procedure include a description of the responsibilities and duties of the Board, the duties of the Chair of the Board, audit issues and specify the reports and financial information that the Board must receive before each ordinary Board meeting.

Evaluation of the Work of the Board

Under the leadership of the Chair, the Board conducts an annual evaluation of its work. The evaluation refers to forms of work and work climate, emphasis of the Board's work and access to and need for special competence in the Board. The evaluation is used as an aid for developing the work of the Board. In accordance with the Swedish Code of Corporate Governance, relevant parts of the results are made available to the Nomination Committee.

Composition of the Board of Directors in 2023

In 2023 the Board of Directors consisted of seven members, of which two were employee representatives (not elected by the AGM), with no alternates. At the 2023 Annual General Meeting Mikael Worning, Christer Fåhraeus, Stefan Wolf and Ann-Charlotte Jarleryd were re-elected and Louise Armstrong-Denby was elected as Board Members. Åsa Hedin left the Board of Directors. Mikael Worning was re-elected as Chair of the Board. Markus Jonasson Kristoffersson and Kent Stråhlen were appointed as board members by the unions.

The members of the Board have great experience and competence in medicine and technology as well as business and international operations.

The composition of the Board complies with the requirements of the Code regarding independent members. The information that is to be provided under point 10.2 of the Code concerning members of the Board can be found on page 42.

Work of the Board in 2023

In 2023 the Board of Directors of CellaVision held a total of ten minuted meetings, all of which were conducted as a combination of physical and digital. Four of the meetings were held in connection with the approval of the year-end bulletin and the interim reports. On occasions when any member has been prevented from attending the Chair of the Board has obtained views concerning the decision in advance. Important questions during the year included recruitment of a new President and CEO, strategy, market assessments and significant risks.

The company's President/CEO and CFO participate regularly in the Board meetings. Other senior executives participate in the Board meetings as necessary. The company's auditor participated in February and the October Board meeting when the interim report for January-September was approved.

NAME	INDEPENDENT OF THE COMPANY	INDEPENDENT OF MAJOR SHAREHOLDER	AUDIT COMMITTEE 2301-2305	AUDIT COMMITTEE 2305-2312	REMUNERATION COMMITTEE 2301-2305	REMUNERATION COMMITTEE 2305-2312	BOARD FEES, SEK T	ATTENDANCEAT BOARD MEETINGS
Mikael Worning, Chair of the Board	Yes	Yes	Member	Member	Chairman	Chairman	800	10/10
Louise Armstrong-Denby	Yes	Yes					130	4/5
Christer Fåhraeus	Yes	No			Member	Member	285	9/10
Åsa Hedin	Yes	Yes	Member		Member		168	2/3
Ann-Charlotte Jarleryd	Yes	Yes	Chairman	Chairman		Member	360	10/10
Stefan Wolf	Yes	Yes					260	7/10
Kent Stråhlen*	Yes	Yes					-	10/10
Markus Jonasson Kristoffersson*	Yes	Yes					-	6/10
Total							**2,003**	

* Non-paid employee representative. A more detailed presentation of the Board members can be found on page 42 and on the company's website www.cellavision.se

Audit Committee
Risks concerning CellaVision's financial reporting are monitored and evaluated by the Board's Audit Committee, whose main task is to support the Board in quality assurance of the financial reporting. The Audit Committee has no decision-making authority, it prepares and reports matters to the Board as a whole.

As of May 2023, the Audit Committee consists of two members who are both independent in relation to the company and Executive Management as well as being independent in relation to the company's major shareholders: Mikael Worning, and Ann-Charlotte Jarleryd, where Ann-Charlotte Jarleryd chairs the Committee. During the year the Committee met eight times. Other questions dealt with are mainly internal control, risks, audit planning and governance and follow-up of operations. The company's CEO, CFO and auditor participate regularly at the Audit Committee meetings.

Remuneration Committee
The Board of Directors also has a Remuneration Committee, whose main task is to propose principles for remuneration and other conditions of employment for the President/CEO and other senior management in the Group. Ahead of each Annual General Meeting the Committee submits its proposals, in accordance with Chapter 8, Section 51 of the Swedish Companies Act.

As of May 2023, the Remuneration Committee consisted of members of the Board Mikael Worning, Christer Fåhraeus and Ann-Charlotte Jarleryd, who are all independent of the company and Executive Management. Mikael Worning chairs the Committee. During the year the Committee held three minuted meetings, and conducted several telephone and email contacts. In addition to guidelines and principles of remuneration to the President/CEO and other senior management during the year the Committee discussed the company's incentive program for the President/CEO, Executive Management and other staff.

President/CEO and Executive Management
The President/CEO is appointed by and receives instructions from the Board of Directors. The President and Chief Executive Officer of CellaVision, Simon Østergaard is responsible for the day-to-day management of the company as well as strategic and operative issues, in accordance with the Board's guidelines and directions. The current Instruction to the President/CEO was adopted by the Board on May 5, 2023. The President/CEO prepares information and decision-making data for the Board meetings and is presenter at the meetings. The Board of Directors continuously evaluates the work of the President/CEO through monitoring against goals set. Once a year a formal evaluation is made, which is discussed with the President/CEO.

Composition of Executive Management in 2022
The President/CEO has appointed Executive Management to be responsible for various parts of the CellaVision business. At the end of the year, Executive Management consisted of five people besides the President/CEO:

- Chief Financial Officer (CFO)
- VP Business Development
- VP Global Marketing
- VP Devices & Software
- VP Reagents

Apart from VP Reagents, all the members of the Executive Management are at the company's head office in Lund, Sweden. Executive Management hold minuted meetings at which operative issues are discussed. Executive Management draw a business plan annually, which is adopted by the Board. A more detailed presentation of the President/CEO and Executive Management team can be found on page 43. The information on the President/CEO stipulated in item 10.2 of the Code can also be found there.

Auditor
The administration of the Board of Directors and the President/CEO and financial reporting is examined by the external auditor elected by the Annual General Meeting. The auditor is proposed by the Nomination Committee and elected by the Meeting for one year. At the 2023 Annual General Meeting KPMG was re-elected as auditor up to and including the 2024 Annual General Meeting.

The auditor in charge is authorized public accountant Jonas Nihlberg. The task of the auditor is to audit CellaVision's annual accounts, accounting records and the administration by the Board of Directors and President/CEO on behalf of the shareholders. Besides the annual audit, the auditor reviews at least one interim report per year. Remuneration to the auditor is payable in accordance with the approved invoice. For amounts please see Note B7.

Remuneration
Salaries, remuneration and other benefits to the Board of Directors, President/CEO and other senior management are reported in Note B6 in the annual report. Remuneration to the Board of Directors can also be followed in the table on page 46.

Guidelines for remuneration to senior management in 2023
Successful implementation of CellaVision's business strategy and safeguarding the company's long-term interests and sustainability requires that the company can recruit, retain and develop employees, including senior executives. These guidelines enable CellaVision to be able to offer senior executives a competitive total compensation. For more information on remuneration to senior management, refer to note B6.

The Annual General Meeting 2023 resolved to approve the Board's proposal with guidelines for remuneration to senior executives in CellaVision. The guidelines apply until the Annual General Meeting in 2027 at the latest. The guidelines do not cover remuneration decisions made by the General Meeting, such as stock-related incentive programs. The guidelines can be summarized as follows: "The company is to offer commercially based total remuneration that enables the recruitment and retention of senior management. The remuneration to Executive Management is to consist of fixed salary, benefits in kind, variable remuneration and pension. Fixed salary plus variable salary together constitute the individual's target salary. Variable pay may consist of short-term bonus programs and long-term cash-based incentive programs."

The fixed salary is to take account of the individual's areas of responsibility and experience and be reviewed annually. The distribution between the fixed salary and variable remuneration must be in proportion to the responsibility and authority of the person holding the position. The variable remuneration must always be subject to predetermined limits and be linked to predetermined and measurable performance criteria. The variable remuneration to the President/CEO must be based on individual targets established by the Board. These targets shall be linked to the company's overall targets including earnings, sales and/or cash flow. For other senior management variable remuneration is to be based on equivalent targets and targets within their own area of responsibility.

Pension conditions must be commercial in relation to market conditions applicable to others holding equivalent positions and must be based on defined contribution plan solutions. The retirement age is to be 65 years. Severance pay for a member of Executive Management can be payable in an amount equivalent to a maximum of 12 months' fixed salary. The total of the fixed salary during the period of notice and severance pay may not exceed an amount equivalent to two years' fixed salary for the member of Executive Management. No separate board fee is payable to a member of Executive Management holding a position as member or alternate in a group company Board of Directors. The Board of Directors may deviate from these guidelines if there are special grounds for this in an individual case.

Principles for long term incentive program for senior management
According to the guidelines for remuneration to senior executives adopted at the Annual General Meeting in 2023, the outcome of the program depends on how the annual average growth of the company's earnings per share develops. Maximum remuneration is paid if the annual average growth of the company's earnings per share over a period of three years starting on January 1, year one and ending on December 31, year three amounts to at least 17 percent.

The costs for the long-term incentive program amounts to a maximum of 60 percent of annual salary for the CEO, two monthly salaries for VP Global Sales and three monthly salaries for other senior executives participating in the incentive program during the period.

To take part in the outcome of an incentive program, the senior executive must be employed by the company as of December 31, year three. Any payment will be made in the fourth year (for example, if the incentive program runs from January 1, 2022 to December 31, 2024, then any payment will be made in 2025).

Long-term incentive program for senior management
CellaVision has an incentive program for senior management from 2021. The company's costs for the incentive program, which ran from January 1, 2021 to December 31, 2023, amounted to SEK 1.7 million (excluding social costs), with six senior executives participate in the incentive program.

For the program running from January 1, 2022, to December 31, 2024, the predetermined profitability and sales targets for 2021 were not achieved, which is why no payment is made for the long-term incentive program for the period from January 1, 2022, to December 31, 2024.
CellaVision has an incentive program for the company's Executive Management starting in 2023. The incentive program runs from January 1, 2023, to December 31, 2025. At maximum outcome, the company's costs would amount to 2.1 million Swedish kronor (excluding social costs), based on an unchanged salary level, and with seven senior executives participating in the incentive program.

Staff incentive program
The Board approved an incentive program for staff that ran from January 1, 2023 to December 31, 2023. Eligible staff were those who were not senior management, or covered by other incentive programs and who consequently were not eligible for the incentive program for senior management resolved by the 2022 Annual General Meeting.

The decision meant that at maximum outcome, the employee receive 4.2 percent of the annual salary. The size of the share depended on the company's performance and sales in 2023. To participate in the incentive program the employee had to have been employed for at least six months in 2023 and be employed on December 31, 2023. For the 2023 program, the costs for the company amounted to SEK 0.9 million (excluding social costs).

Proposed guidelines for remuneration to senior management in 2024
The Board of Directors proposes the guidelines for remuneration to senior management in 2024, as in last year's proposal.

The fixed salary is to take account of the individual's areas of responsibility and experience and be reviewed annually. The distribution between the fixed salary and variable remuneration must be in proportion to the responsibility and authority of the person holding the position. The variable remuneration must always be subject to predetermined limits and be linked to predetermined and measurable performance criteria. Severance pay for a member of Executive Management can be payable in an amount equivalent to a maximum of 12 months' salary. The total of the fixed salary during the period of notice and severance pay may not exceed an amount equivalent to two years' fixed salary for the member of Executive Management. No separate board fee is payable to a member of Executive Management holding a position as member or alternate in a group company Board of Directors. The Board of Directors may deviate from these guidelines if there are special grounds for this in an individual case.

The Board's Report on Internal Controls and Risk Management Referring to Financial Reporting

This report on internal control referring to financial reporting is submitted by the Board of CellaVision and has been drawn up in accordance with the Swedish Code of Corporate Governance.

Background

Under the Companies Act and the Swedish Code of Corporate Governance the Board is responsible for internal control.

Control environment

The basis of internal control is the overall control environment. A good control environment builds on an organization with clear decision lines where responsibility and authority are clearly defined. In CellaVision there are policies, guidelines and process descriptions for the different parts of the business flow.

In the company's financial and accounting manual, Administrative Guidelines, which is updated annually, these process descriptions are presented in all essentials. The company's financial policy, established by the Board, includes, among other things, instructions regarding the management of financial risks such as currency risk, interest rate risk, and the placement of surplus liquidity.

Risk assessment

The Board and the Audit Committee continuously assess risks related to financial reporting to ensure controls are in place, ensuring that financial reporting is appropriate and accurate as well as identify and address any errors in external reporting.

At present neither the size of the company nor its risk exposure warrants a separate internal audit function. The Board assesses that with the procedures in place for follow-up and control there is currently no necessity for this.

Control activities

The main purpose of control activities is to prevent and discover errors as soon as possible in order to rectify any deficiencies. Procedures and activities have been designed to discover and deal with the most material risks related to financial reporting. Group companies are followed up by the CFO through regular reports and personal meetings with the management of the respective subsidiary. The Board receives monthly reports in which the CEO and CFO give an account of the past period regarding the Group's result and financial position. The work on monthly closings and annual accounts is well-defined and reporting is in accordance with standardized reporting templates including comments regarding all material income and balance sheet items. There are CFOs and controllers with functional responsibility for accounting, reporting and analysis at both parent company and subsidiaries. In this way the company's financial reports are checked several times, which reduces the risk of error.

Information and communication

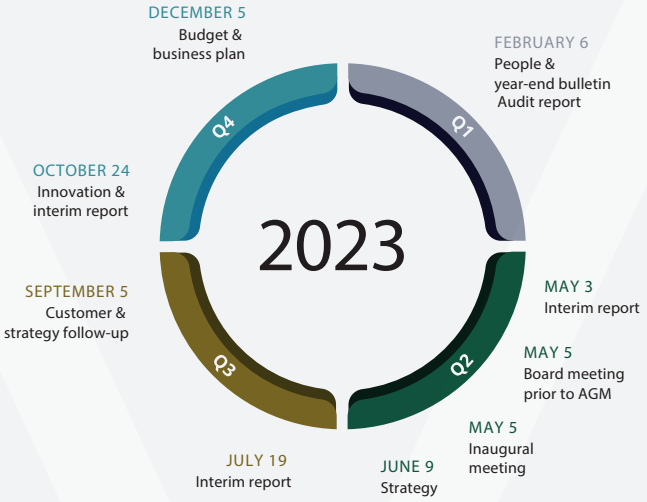
CellaVision's procedures and systems for provision of information are aimed at supplying the market with relevant, reliable, correct and current information about the company's development and financial position. The Board has adopted an information policy that specifies what is to be communicated, by whom and in what way the information is to be published, to ensure that external information is correct and complete. Financial information is published regularly in the form of interim reports, annual report and press releases on price-sensitive news. The material is published in Swedish and English on the company's website.

Follow-up

Compliance and effectiveness of internal controls are followed up regularly. The Group's financial results and position is dealt with at each Board meeting, when the Board receives detailed monthly reports regarding the financial position and development of operations. Each interim report is analyzed by the Audit Committee, discussed with the CEO and CFO and then approved by the Board before publication.

Activities in 2023

CellaVision works constantly to minimize risks by removing superfluous manual steps from the company's processes. In 2023, the process of risk analysis, controls, and self-assessment regarding financial reporting has been developed and strengthened. Through expansion and refinement of processes and controls, precision and reliability have increased. This effort has not only resulted in reduced risk of potential errors and deficiencies in financial reporting but has also enhanced the ability to identify and address risks at an early stage.



Auditor's Report on the Corporate Governance Statement

To the Annual General Meeting of CellaVision AB (publ),
Corporate Identity Number 556500-0998

Engagement and responsibility

It is the board of directors who is responsible for the corporate governance statement for the year 2023 on pages 44 - 49 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been 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.

Opinions

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act.

Malmö April 10 2024

KPMG AB

Annual General Meeting, Dividend and Calendar

Annual General Meeting

CellaVision's Annual General Meeting will be held on May 3, 2024 at 15.00 CEST at Mobilvägen 12 in Lund.

The full notice to attend is available at: cellavision.com/agm

Participation

Shareholders who wish to attend the AGM must be listed in the share register kept by Euroclear Sweden AB as of April 24, 2024, and must have given notice of their intention to attend by mail to:

CellaVision AB (publ)
c/o Fredersen Advokatbyrå
Birger Jarlsgatan 8
SE 114 34 Stockholm

or by email to:

cellavision@fredersen.se

The notification must include name, personal or corporate identity number, and the daytime telephone number. If applicable, the number of assistants (maximum two) must also be stated. If shareholders intend to be represented by a proxy, authorization and other authorization documents should be attached to the notification.

Nominee registered holdings

For entitlement to participate in the AGM shareholders with nominee-registered holdings must apply for temporary re-registration of the shares in their own name with Euroclear Sweden AB. Registration must have been affected at the latest by April 26, 2024 and should be requested in good time before that date.

Dividend

The Board of Directors proposes to the 2024 Annual General Meeting that a dividend of SEK 2.25 per share be distributed for the 2023 financial year.

Financial calendar

- Interim report Q1 2024, April 25
- Interim report Q2 2024, July 19
- Interim report Q3 2024, October 24
- Year-end bulletin 2024, February 6, 2025

Subscribe

Financial information and other relevant company information is published on the company's website. To subscribe and have access to the information automatically via email, register at: cellavision.com/agm.

ADELE HORN
Corporate Communications & Investor Relations Manager
adele.horn@cellavision.com

Administration Report

The Board of Directors and the President of CellaVision AB (publ), corporate identity number 556500- 0998, hereby submit the annual accounts and consolidated accounts for the financial year January 1, 2023 to December 31, 2023. Figures in parentheses refer to the previous year. All amounts are in millions of Swedish kronor (SEKm) unless otherwise stated. Risks and risk management as well as the corporate governance report are part of the administration report.

Activities

CellaVision develops and sells instruments, software and reagents for blood and body fluids analysis. The company automates parts of the sample preparation process and replaces manual microscopes with instruments based on digital image analysis technology and artificial intelligence. The solutions contribute to more effective workflows and higher quality in laboratory medicine. CellaVision applies an indirect sales model which means the company's customers consist of medical device companies that supply hospital laboratories with equipment. Thus, the end customers are hospital laboratories and commercial laboratories. CellaVision also sells to the considerably smaller veterinary market. The product offer consists of products and solutions for standardized laboratory diagnostics and improved performance for cellular image processing and systems for digital microscopy in hematology, consisting of reagents, instruments and supplementary software and peripheral equipment. Since 2019, RAL Diagnostics has been part of the Group with its base in Bordeaux, France. It constitutes a complete production plant producing reagents.

Sales

CellaVision products are sold globally via distribution partners who are suppliers of blood analysis equipment. The company's own market office supports the respective distribution partners' marketing. The revenues mainly come from sales of instruments equipped with software and reagents. Other software, spare parts, consumables and service account for a minor but increasing part of the company's total sales.

Research and Development

Improving healthcare through continuous innovation is a fundamental ambition of CellaVision. The company devotes considerable resources to research and development to lead technology transformation and offer innovative solutions that meet customer needs and improve laboratory workflows.

CellaVision continually conducts development projects in the morphology field to strengthen its customer offer. The Group primarily uses its internal resources to develop, but the strategy also includes development through cooperation with partners.

Research expenditure is expensed as it is incurred. Expenditure for development of future products is expensed up to and including the prototype stage. Expenditure thereafter and until commercialization is capitalized, to the extent it is probable that the product will be commercially viable. To handle this effectively, the company applies a project accounting system in which all research and development expenditure is allocated to projects. For more information, please refer to note A1.

Total research and development expenses amounted to SEK 138 m (134), corresponding to 20 percent (21) of net sales and 47 percent (48) of operating expenses. The Group continuously capitalizes expenses for product development. Capitalized development expenses for development projects during the year amounted to SEK 55 m (46), corresponding to 8 percent (7) of net sales.

The development of an analysis for bone marrow samples has progressed well during the year. Positive feedback from initial tests with external experts, highlighting the strength of both the analysis and image quality, propelled the project into the validation phase. The evaluation of an early product version by a European hospital has provided consistent feedback and prompted the implementation of significant improvements. The evaluation has now been expanded to include a second European laboratory.

Throughout the year, the development of Fourier Ptychography Microscopy (FPM) has intensified. The results have been very positive, and the work has generated a number of new patent applications. The new dedicated team, working on advancing the technology, have achieved significant milestones and successfully produced functional prototypes. FPM offers a combination of superior image quality and remarkable speed, applicable both within CellaVision's core business, hematology, and in new areas, such as cytology and pathology.

Patents

The CellaVision patent portfolio at the end of the period included 25 patented inventions (25) and 114 granted patents (114). Most of the company's patents are in the technology fields of image analysis as well as precision mechanics, reagents and sample preparation.

Product Supply and Manufacture

CellaVision does not have its own manufacturing of instruments, but manufacturing takes place with contract manufacturers. The production facility for reagents in Bordeaux, France, is owned by the company.

During the COVID-19 pandemic, CellaVision built a safety stock of components and instruments to ensure continuous supply to customers. As the supply chain has stabilized, reduction of safety stock for both instruments and components have been made throughout the year. To increase the flexibility of the supply chain and reduce the effect of geopolitical risks, several components have also been relocated to suppliers in Europe.

Legal Structure

CellaVision is a Group consisting of the parent company CellaVision AB and the five wholly-owned subsidiaries RAL Diagnostics (Bordeaux, France), CellaVision Inc. (Durham, USA), CellaVision Canada Inc. (Toronto, Canada), CellaVision Japan K.K. (Yokohama, Japan), and CellaVision International AB.

Apart from RAL Diagnostics that covers a complete production facility, producing reagents, the function of the subsidiaries is primarily market support to partners in the regional markets. For other markets where CellaVision operates, the company employs staff through Business Sweden and in that way can operate on these markets without establishing subsidiaries.

Employees

The number of employees of the Group, restated as full-time positions, was 228 (235) at the year-end. Of these, 105 (102) were women. There is more information in the sustainability section on pages 29-32.

Competition

In the healthcare sector manual microscopy is the most common method for blood and body fluid analysis. The market for digital microscopy is continually growing. Commercial competition in digital microscopy is limited to a few products and companies. Competition in sample preparation and reagents consists of several competing companies and the market can be regarded as mature, unlike the digital microscopy market.

Sustainability Report

In accordance with Chapter 6, Section 11 of the Swedish Companies Act, CellaVision has decided to include a Sustainability Report as part of the Annual Report. The Statutory Sustainability Report is available on pages 25-39.

Environment

Manufacture and sale of CellaVision-products is done in collaboration with selected, globally established partners and CellaVision continually follows up their work and policies regarding central sustainability issues. During the year CellaVision continued to develop the company towards more sustainable enterprise as regards environmental responsibility, human rights and social impact. The company's products contribute to improve people's health on a global level and the company's goal is for the business to always be managed responsibly with continuous improvements in sustainability work. The company's activities are not subject to licensing or reporting under Chapter 9, Section 6 of the Environmental Code (1998:808). More information can be found in the sustainability report on pages 33-35.

Significant Events During the Year

Åsa Hedin left the Board of Directors at the Annual General Meeting 2023. In accordance with the Nomination committee's proposal, re-election of Mikael Worning, Christer Fåhraeus, Ann-Charlotte Jarleryd new election of Louise Armstrong-Denby as Board members. Mikael Worning was also re-elected as the Chairman of the Board of Directors. The AGM resolved on re-election of the audit firm KPMG AB as auditor.

During the year progress has been made with the update of the the system software for blood analysis, which includes the digitization of the edge of the blood smear, the so called feathered edge. The software has undergone internal validation as well as validation by distribution partners and was successfully introduced to the market during the fourth quarter 2023.

The completion of the company's capacity expansion in Bordeaux, France marks a significant milestone. Reagent production began in the new facilities during the fourth quarter, reinforcing CellaVision's ability to sustain double-digit percentage growth.

Significant Events After the Reporting Period

CellaVision and Sysmex Corporation ("Sysmex") announced a Strategic Alliance Agreement to reinforce and extend their joint leadership position within hematology and seize new opportunities for optimized diagnostics.

The Group's Financial Development

Sales, performance and investments

CellaVision's operations may experience fluctuations in sales between individual quarters and between different geographical regions. Since sales in international markets are mainly in USD and EUR, the company's sales and earnings are also impacted by changes in these currencies.

Net sales for the Group increased by 6 percent to SEK 677 m (639) for 2023. Adjusted for positive currency effects of 7 percent, this corresponds to a negative organic growth of 1 percent compared to the full year 2022, see the reconciliation table on pages 99-100. The improved result meant an increase in earnings per share to SEK 5.46 (4.96). Gross profit increased by 6 percent to SEK 463 m (438), corresponding to a gross margin of 68 percent (69). The gross margin is affected by purchase prices for materials and components, the product mix, amortization of capitalized development expenses, inventory adjustments as well as currency effects. The Group's EBITDA for the year increased to SEK 207 m (198). The total operating expenses for the year increased by 6 percent to SEK 296 m (280), with most of the increase attributable to wage costs and inflation.

Liquidity and Cash Flow

The liquid funds at the disposal of the Group at the end of the year were SEK 122 m (108). The Group's cash flow from operating activities increased to SEK 196 m (137) for the year. The increase is attributed to an improved result as well as a reduction in working capital. Cash flow from investment activities amounted to SEK -86 m (-70) and is mainly related to capitalized development expenses and expansion of production capacity in France. Cash flow from financing activities amounted to SEK -97 m (-90) and in addition to amortization of bank loans and leasing includes dividends to shareholders of SEK -54 m (-48).

Sales Development in the Geographical Markets
Sales progressed steadily throughout 2023, rebounding from a weak first quarter impacted by inventory reductions at distribution partners to a strong finish in the last quarter. In the Americas sales were SEK 313 m (280), corresponding to an increase of 12 percent. Sales in EMEA were SEK 277 m (280), corresponding to a decrease of 1 percent. Sales in APAC were SEK 87 m (79), corresponding to an increase of 10 percent.

Parent Company

Parent company sales were SEK 523 m (517). Profit before tax was SEK 114 m (113). The parent company's investments in property, plant and equipment amounted to SEK 3 m (3) and cash flow for the year was SEK 17 m (-25). In other respects, please refer to the information for the Group.

Outlook for 2024

CellaVision has five strategic pillars – large laboratories, small and medium-sized laboratories, reagents, specialty analysis and new areas – that together aim to ensure the company achieves its financial targets of average organic growth of 15 percent over an economic cycle and an EBITDA margin exceeding 30 percent.

The global macroeconomic challenges at the beginning of 2023, gradually improved throughout the year, laying the foundation for a positive growth journey over time.

In 2023, the availability of components has stabilized, and lead times have returned to normal levels for large parts of the supply chain. However, production costs continue to increase due to high inflation and a weak Swedish krona.

The maturation of the Fourier Ptychographic Microscopy (FPM) technology has progressed well throughout the year. High resolution images have been presented significantly faster, which can be applied within hematology. It will also open commercial opportunities within adjacent areas like pathology and cytology.

The strengthened partnership with Sysmex, spanning innovation and collaborative commercialization, positions CellaVision well to execute on the company's mission.

Proposed Distribution of Profit

The company's dividend policy is that the dividend is to correspond to 30 to 50 percent of the Group's net earnings, taking into account the company's capital structure, acquisition requirements and long-term financing requirements. The Board of Directors proposes to the 2024 Annual General Meeting that a dividend of SEK 2.25 per share (2.25) be distributed for the 2023 financial year, which corresponds to 41 percent (45) of net profit.

Statement by the Board of Directors on the Proposed Dividend

In assessing the size of the dividend, the Board of Directors has taken into account the Group's investment needs, consolidation needs and financial position in other respects, as well as the Group's ability to develop in the future while retaining financial strength and maintaining sound freedom of action. Following the proposed dividend, the Group's equity ratio and liquidity are reassuring and means that all the Group's companies can fulfil their commitments in the short and long term. The proposed dividend can thus be defended taking into account the precautionary rule stated in the Swedish Companies Act (2005: 551), Chapter 17, Section 3, Paragraphs 2-3.

APPROPRIATION OF PROFITS (SEK)

The following are at disposal of the AGM	
Profit brought forward	410,448,302
Net profit/loss of the year	90,209,004
Total	**500,657,306**

The Board of Directors proposes that disposable earnings to be made available to the Annual General Meeting as follows (SEK):

Dividend to shareholders SEK 2.25 per share	53,665,981
On new account is transferred	446,991,325
Total	**500,657,306**

Risks and Risk Management

CellaVision is exposed to various risks that could impact the Group's development to varying degrees. These risks are primarily evaluated based on their potential effect on CellaVision's ability to achieve its set goals. Several of the risks may have either a negative or a positive impact on the company.

Assessment of potential probability and impact of risks is primarily based on Cellavision's ability to execute its strategic objectives. The responsibility for the long-term and overall management of risks of a strategic nature follows the company's delegation scheme, from Board of Directors to President/CEO. Analysis, monitoring and mitigation of risks are carried out in different parts of the organization and are reported and consolidated at least bi-annually by Executive Management.

Operational risks are primarily associated with product development, regulatory matters, and distribution. The execution of CellaVision's strategy and the sustainability of its earnings are dependent on the ability to continuously serve the market with innovative products that meet the customers' needs. Therefore, CellaVision makes considerable investments in product development and cooperate closely with distribution partners and end-customer to understand expectations and uncover new opportunities for innovation. The company's indirect sales model, relying on product distribution through partners, stress the importance of fostering a close and collaborative relationship with distribution partners. Regulatory affairs are an important area within product development as regulatory approvals must be obtained for product sales. Specialized resources work with quality and assurance on a running basis.

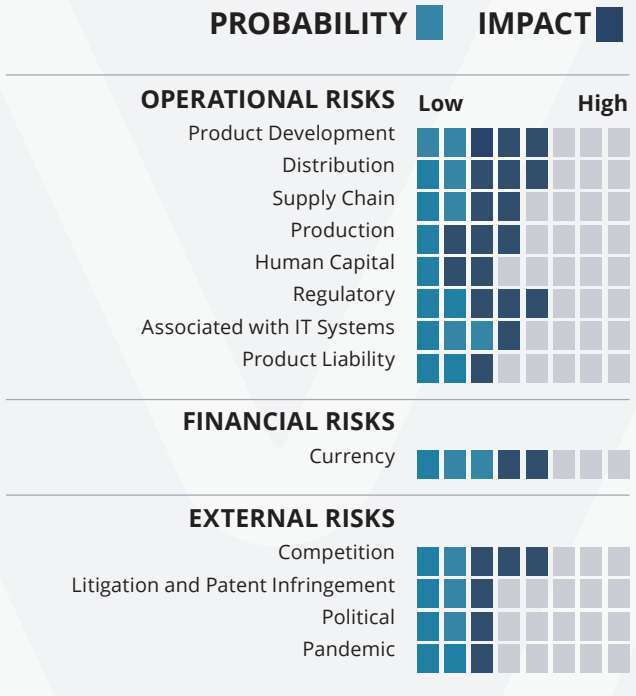
CellaVision is exposed to exchange rate fluctuations through its international operations and structure. Favorable development of the currencies that CellaVision trades in, primarily USD and EUR, impacts sales and earnings positively. Conversely, negative development of the currencies has a dampening effect on the company's financial performance.

Financial risks are managed in accordance with the Group's financial policy, as adopted by the Board of CellaVision. The risks are identified and monitored on a continuous basis to ensure compliance with these guidelines. For more information on financial risk management, please refer to note A2.

CellaVision's global presence, with sales across various regions, inherently contributes to risk reduction, since companies in different parts of the world, at least to some extent, are exposed to different cyclical conditions. External risks such as reduced demand due to increased competition or deterioration in the investment climate constitute factors of uncertainty but not material risks to the company's operations.

Sustainability risks such as environmental damage, climate change or negative publicity due to events concerning business ethics also constitute factors of uncertainty but are not considered to be material risks. The company's operations do not involve significant exposure to extreme weather conditions. Regular risk assessments are also conducted to identify new risks within sustainable development. For more information on CellaVision's sustainability work and sustainability risk assessment, see page 25-39.

For a more detailed description of the operational, financial and external risks and uncertainties facing CellaVision, please refer to the risk summary in page 55-56.



Operational Risks

RISKS	COUNTERACTING FACTORS
PRODUCT DEVELOPMENT CellaVision's sustained earnings and competitiveness depends on the ability to develop new and innovative products and solutions for which there is demand from customers.	Investments in product development in accordance with the Company's strategy. Regular monitoring of hardware and software roadmaps.
DISTRIBUTION CellaVision sells via distributors and is dependent in the long term on the distributors' ability to sell the Company's products.	Close cooperation and countinuous development of the partnerships in accordance with the Company's strategy.
SUPPLY CHAIN The Company is dependent on the effectiveness and quality of third party manufacturers for production of analyzers and spare parts. Production of analyzers and spare parts is dependent on access to critical components.	CellaVision has considerable knowledge of production and quality control of the Company's products, which reduces dependency on third-party manufacturers. CellaVision monitors availability of critical components. CellaVision increased the number of suppliers to secure access to components.
PRODUCTION The Company is dependent on the effectiveness and quality of in house production of reagents. Production of reagents is dependent on an efficient production facility and compliance with regulations for EHS.	CellaVision invests in maintenance and equipment for the production environment. The Company regularly monitors production bottle necks to ensure a long-term output and quality. The company cooperates with union representatives and local authorities to ensure compliance with Environment, Health and Safety (EHS) regulations.
HUMAN CAPITAL CellaVision is dependent on access to competent engineers to ensure innovation and technological leadership in products and services.	CellaVision offers competitive terms and works with "employer branding". The Company forges links with higher education institutions and students for participation in project work.
REGULATORY Approval is required for sales in each respective market. The approval may be withdrawn if the Company does not meet applicable quality requirements. Delays in approval of new products entail income losses.	The Company regularly evaluates the resources available to maintain quality requirements and effectiveness in "regulatory affairs".
IT SYSTEMS CellaVision has identified three areas of risk associated with IT systems: • Operational security – availability of IT systems and data • Data security – risk of loss of data • Protection from breaches – by employees and external parties	CellaVision proactively manages its IT security efforts to adhere to the requirements set forth by partners and authorities, both presently and in the near future. The company adopts the National Institute of Standards and Technology, Cyber Security Framework (NIST CSF) to ensure a resilient risk management approach within IT security. • Operation of the central IT environment is outsourced to a third-party supplier that ensures high operational security and data security • CellaVision has procedures for data access and authorizations that ensure compliance with data integrity requirements • Continuous updating of IT security protection and IT security awareness training of personnel
PRODUCT LIABILITY CellaVision can incur costs for rectifying faults in products supplied. Claims for damages may arise if the company's products do not meet applicable quality requirements.	CellaVision limits product liability risks by following procedures for quality assurance and by carrying out extensive tests of the Company's products.

Financial Risks

RISKS	COUNTERACTING FACTORS
CURRENCY Exchange rate fluctuations may have a negative impact on the Company's earnings when income from sales and costs of production and purchasing are in different currencies (transaction risk). There may also be a negative impact on the Company's earnings on translation of foreign subsidiaries' earnings to SEK and on the Company's equity when foreign subsidiaries' net assets are translated into SEK (translation risk).	The Company's financial policy, adopted by the Board, includes guidelines for management of financial risks in the Company. The currency transaction risk is limited in the short term in that the Company has the possibility to apply forward cover to currency flows. The translation risks are limited by the fact that the subsidiaries' balance sheet totals are not significant.

External Risks

RISKS	COUNTERACTING FACTORS
COMPETITION CellaVision holds a dominant position in the market for digital image processing in hematology. The main competition is still from the manual microscope. CellaVision's earning capacity may decrease if the company is exposed to competition in the field of digital image analysis.	In line with the Company's strategic initiatives, CellaVision invests in product development to meet customers' needs for new innovative products and technical solutions. This is one of the most important conditions for the Company's future competitiveness.
LITIGATION AND PATENT INFRINGEMENT This risk applies to the costs the Company may incur as a consequence of bringing legal action, costs in connection with settlement and costs for damages awarded.	Existing patents are monitored in connection with product development to avoid involuntary patent infringement. In addition, the company's patents are monitored against infringement from others.
POLITICAL Political decisions can affect demand both positively and negatively.	The majority of CellaVision's sales are in countries where the risk of political decisions that drastically change market conditions is assessed to be relatively low.
PANDEMIC The spread of pandemics can have a negative impact on the development of the company's business, position and earnings.	CellaVision has routines to quickly adjust operations to national recommendations and rules that are put in place.

Financial Statements

Five Year Summary

INCOME STATEMENT, AMOUNTS IN SEK THOUSANDS	2023	2022	2021	2020	2019
Net sales	677,292	639,340	565,552	471,443	461,772
Cost of goods sold	-214,251	-201,023	-173,250	-158,402	-125,038
Gross profit	**463,040**	**438,317**	**392,303**	**313,041**	**336,734**
Selling expenses	-136,624	-117,962	-102,246	-100,549	-102,348
Administrative expenses	-76,032	-73,536	-63,077	-50,966	-51,394
Research and development costs	-83,333	-88,553	-64,248	-51,253	-56,417
Operating profit/loss	**167,051**	**158,266**	**162,733**	**110,273**	**126,575**
Profit/loss from financial items	-2,829	-9,837	-4,436	1,955	2,645
Tax	-33,913	-30,094	-32,958	-22,748	-30,048
Net profit/loss for the year	**130,309**	**118,335**	**125,339**	**89,480**	**99,172**

BALANCE SHEET, AMOUNTS IN SEK THOUSANDS	12/31/2023	12/31/2022	12/31/2021	12/31/2020	12/31/2019
Assets					
Intangible assets	433,223	399,229	358,160	300,883	299,668
Tangible fixed assets	125,503	110,035	80,326	47,428	54,494
Financial assets	4,396	5,340	22,007	21,648	22,295
Current assets	365,591	377,144	364,719	298,066	265,251
Total assets	**928,712**	**891,748**	**825,212**	**668,025**	**641,709**
Equity and liabilities					
Shareholders' equity	716,389	641,628	543,280	429,617	348,373
Non-current liabilities	93,168	117,029	147,432	134,263	167,472
Current liabilities	119,154	133,091	134,500	104,145	125,863
Total equity and liabilities	**928,712**	**891,748**	**825,212**	**668,025**	**641,709**

KEY RATIOS	2023	2022	2021	2020	2019
Equity, SEK ‘000	716,389	641,628	543,280	429,617	348,373
Operating Capital, SEK ‘000	655,703	630,787	529,846	438,672	418,094
Liabilities to credit institutions including leasing liability, SEK ‘000	64,703	102,494	136,655	132,778	173,693
Net investments, SEK ‘000	86,245	65,420	84,339	33,593	18,314
Cash flow from operating activities, SEK ´000	196,436	137,285	159,717	71,124	125,993
Cash flow for the year, SEK ‘000	13,867	-23,139	26,903	948	-67,326
Net debt/equity ratio	-0.08	-0.01	0.01	0.07	0.20
Equity-assets ratio, %	77	72	66	64	54
Return on equity, %	19	20	26	23	31
Return on operating capital, %	26	27	34	25	47
Average number of employees	242	242	201	182	125
Additional employees through acquisition	-	-	-	-	41
Number of employees at close of period	228	235	200	177	177

DATA PER SHARE	2023	2022	2021	2020	2019
Net result before and after dilution, SEK	5.46	4.96	5.25	3.75	4.16
Equity before and after dilution, SEK	30.04	26.90	22.78	18.01	14.61
Average weighted number of shares before and after dilution, thousands	23,852	23,852	23,852	23,852	23,852
Number of shares at end of period, thousands	23,852	23,852	23,852	23,852	23,852

For definitions see page 101.

Income Statement And Consolidated Statement Of Comprehensive Income, Group

SEK THOUSANDS	NOTE	2023	2022
Net sales	B1	677,292	639,340
Cost of goods sold		-214,251	-201,023
Gross profit		**463,040**	**438,317**
Selling expenses		-136,624	-117,962
Administrative expenses		-76,032	-73,536
Research and development expenditure		-83,333	-88,553
Operating profit/loss	B2, B4-B10, C1, C2	**167,051**	**158,266**
Profit/loss from financial items			
Interest income and other financial gains	B11	7,410	5,586
Interest expense and other financial losses	B12	-10,239	-15,423
Profit/loss before tax		**164,222**	**148,429**
Income tax	B13	-33,913	-30,094
Net profit for the year		**130,309**	**118,335**
Other comprehensive income:			
Components not to be reclassified to net profit:			
Effect on revaluation of pensions		133	855
Tax effect on revaluation of pensions		-32	-212
Sum of Components not to be reclassified to net profit:		**101**	**642**
Components to be reclassified to net profit:			
Translation differences			
Exchange rate differences on translation of subsidiaries		-1,983	27,074
Total components to be reclassified to net profit:		**-1,983**	**27,074**
Total other comprehensive income		-1,882	27,716
Total comprehensive income for the year		**128,427**	**146,052**
Earnings per share, before and after dilution (SEK)		5.46	4.96
Number of shares in issue (thousands)		23,852	23,852
Average number of shares in issue (thousands)		23,852	23,852

Net profit for the year is in total attributable to the parent company's shareholders.
Total comprehensive income for the year is in total attributable to the parent company's shareholders.

Balance Sheet, Group

SEK THOUSANDS	NOTE	12/31/2023	12/31/2022
ASSETS			
Non-current assets			
Capitalised expenditure for development	C1	209,864	162,709
Goodwill	C1	123,780	124,141
Trademarks, customer relationships and other intangible assets	C1	99,579	112,380
Land and buildings	C2	95,253	86,813
Plant and machinery	C2	20,476	13,605
Equipment, tools, fixtures and fittings	C2	9,774	9,616
Financial assets	C4	4,396	5,340
Total non-current assets		**563,121**	**514,604**
Current assets			
Inventories	C3	126,038	142,571
Current receivables			
Trade receivables	C6	97,797	97,630
Current tax receivables		5,781	7,113
Other receivables		6,268	15,079
Prepayments and accrued income	C7	8,061	6,698
Total current receivables		**117,908**	**126,520**
Cash and cash equivalents	A2	121,645	108,053
Total current assets		**365,591**	**377,144**
TOTAL ASSETS		**928,712**	**891,748**

Balance Sheet, Group

SEK THOUSANDS	NOTE	12/31/2023	12/31/2022
EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	C8	3,578	3,578
Other contributed capital		10,800	10,800
Reserves		17,451	19,333
Accumulated profit/loss including profit for the year		684,560	607,917
Total equity attributable to the parent company's shareholders		**716,389**	**641,628**
Non-current liabilities			
Deferred tax liability	B13	59,560	52,925
Long-term debt, interest-bearing	C9	28,664	60,364
Other provisions	C10	4,945	3,740
Total non-current liabilities		**93,168**	**117,029**
Current liabilities			
Short-term debt, interest-bearing	C9	36,039	42,131
Trade payables		32,534	47,864
Warranty provisions	C10	1,953	2,843
Current tax liabilities		651	58
Other current liabilities		2,453	2,372
Accrued expenses and deferred income	C11	45,523	37,825
Total current liabilities		**119,154**	**133,092**
TOTAL EQUITY AND LIABILITIES		**928,712**	**891,748**

Cash Flow Statement, Group

SEK THOUSANDS	NOTE	2023	2022
Operating activities	A1		
Profit/loss before tax		164,222	148,429
Adjustments for non-cash items	C13	49,382	44,788
Paid tax		-27,561	-27,127
Cash flow from operating activities before changes in working capital		**186,043**	**166,090**
Change in inventories		12,625	-26,323
Change in operating receivables		7,250	-3,330
Change in operating liabilities		-9,483	849
Cash flow from changes in working capital		**10,393**	**-28,804**
Cash flow from operating activities		**196,436**	**137,285**
Investing activities			
Capitalisation of development expenditure	C1	-54,707	-45,751
Purchase/disposal of intangible assets	C1	-	-201
Purchase/disposal of tangible fixed assets	C2	-31,769	-23,482
Acquisition of financial assets		944	-581
Cash flow from investing activities		**-85,532**	**-70,014**
Financing activities			
Amortization of loans	C9	-31,421	-31,935
Amortization of leasing debts	C9	-11,949	-10,772
Dividend to shareholders		-53,666	-47,703
Cash flow from financing activities		**-97,036**	**-90,410**
Cash flow for the year		13,867	-23,139
Cash and cash equivalents (opening balance)		108,053	130,286
Exchange rate fluctuations in cash and cash equivalents		-275	906
Cash and cash equivalents (closing balance)		**121,645**	**108,053**
Supplementary disclosures, cash flow statement			
Interest received during the year	B11	898	200
Interest paid during the year	B12	-3,260	-2,340

Changes In Equity, Group

SEK THOUSANDS	Share capital	Other contributed capital	Other reserves	Translation reserve	Hedging reserve	Retained earnings	Total shareholders' equity
Opening balance at 1 January 2022	3,578	10,800	-213	-8,094	-76	537,285	543,280
Comprehensive Income							
Net profit for the year						118,335	118,335
Other Comprehensive Income							
Revaluation of pensions after tax			642				642
Cash flow hedges, after tax							
Exchange rate differences, after tax				27,074			27,074
Total Other Comprehensive Income	**-**	**-**	**642**	**27,074**	**-**	-	**27,716**
Total Comprehensive Income	**-**	**-**	**642**	**27,074**	**-**	**118,335**	**146,052**
Dividend to Parent Company's shareholders						-47,703	-47,703
Closing Balance at 31 December 2022	**3,578**	**10,800**	**429**	**18,980**	**-76**	**607,917**	**641,628**
Opening balance at 1 January 2023	3,578	10,800	429	18,980	-76	607,917	641,628
Comprehensive Income							
Net profit for the year						130,309	130,309
Other Comprehensive Income							
Revaluation of pensions after tax			101				101
Cash flow hedges, after tax							-
Exchange rate differences, after tax				-1,983			-1,983
Total Other Comprehensive Income	**-**	**-**	**101**	**-1,983**	**-**	**-**	**-1,882**
Total Comprehensive Income	**-**	**-**	**101**	**-1,983**	**-**	**130,309**	**128,427**
Dividend to Parent Company's shareholders						-53,666	-53,666
Closing Balance at 31 December 2023	**3,578**	**10,800**	**530**	**16,998**	**-76**	**684,560**	**716,389**

Income Statement, Parent Company

SEK THOUSANDS	NOTE	2023	2022
Net sales	B1, B3	523,473	517,207
Cost of goods sold		-118,814	-121,438
Gross profit		**404,659**	**395,769**
Selling expenses		-98,223	-87,311
Administrative expenses		-60,862	-59,976
Research and development expenditure		-131,734	-126,842
Operating profit/loss	B3-B9, C1, C2	**113,840**	**121,640**
Profit/loss from financial items			
Interest income and other financial gains	B11	8,955	4,876
Interest expense and other financial losses	B12	-8,877	-13,838
Profit/loss before tax		**113,919**	**112,678**
Income tax	B13	-23,710	-23,575
Net profit for the year	C14	**90,209**	**89,103**
Statement of Comprehensive Income			
Net profit for the year		**90,209**	**89,103**
Other Comprehensive Income		-	-
Sum of Other Comprehensive Income		**-**	**-**
Total Comprehensive Income for the year		**90,209**	**89,103**

Balance Sheet, Parent Company

SEK THOUSANDS	NOTE	12/31/2023	12/31/2022
ASSETS			
Non-current assets			
Capitalised expenditure for development	C1	3,068	3,609
Other intangible assets	C1	26,867	29,317
Plant and machinery	C2	2,139	1,041
Equipment, tools, fixtures and fittings	C2	3,631	3,829
Shares in subsidiaries	C5	259,361	259,361
Deferred tax assets	B13	496	733
Receivables from group companies	C4	35,507	22,257
Deposits	C4	3,772	4,546
Total non-current assets		**334,841**	**324,692**
Current assets			
Inventories	C3	86,815	108,240
Current receivables			
Trade receivables	C6	71,930	71,485
Receivables from group companies		3,329	1,169
Current tax receivables		3,856	5,258
Other receivables		4,509	9,745
Prepayments and accrued income	C7	9,238	7,886
Total current receivables		**92,862**	**95,544**
Cash and bank		110,397	93,903
Total current assets		**290,074**	**297,687**
TOTAL ASSETS		**624,915**	**622,379**

Balance Sheet, Parent Company

SEK THOUSANDS	NOTE	12/31/2023	12/31/2022
EQUITY AND LIABILITIES			
Shareholders' equity			
Restricted equity			
Share capital	C8	3,578	3,578
Statutory reserve		10,780	10,780
Non-restricted equity			
Profit brought forward		410,448	375,012
Net profit for the year		90,209	89,103
Total shareholders' equity		**515,015**	**478,472**
Non-current liabilities			
Long-term debt, interest-bearing	C9	4,500	26,529
Other provisions	C10	457	718
Total non-current liabilities		**4,957**	**27,247**
Current liabilities			
Short-term debt, interest-bearing	C9	21,974	28,373
Trade payables		20,315	34,148
Liabilities to group companies		25,623	23,712
Warranty provisions	C10	1,953	2,843
Other current liabilities		2,356	2,319
Accrued expenses and deferred income	C11	32,722	25,264
Total current liabilities		**104,943**	**116,659**
TOTAL EQUITY AND LIABILITIES		**624,915**	**622,379**

Cash Flow Statement, Parent Company

SEK THOUSANDS	NOTE	2023	2022
Operating activities	A1		
Profit/loss before tax		113,919	112,678
Adjustments for non-cash items	C13	18,252	7,825
Paid tax		-23,472	-23,756
Cash flow from operating activities before changes in working capital		**108,698**	**96,747**
Change in inventories		17,625	-24,487
Change in operating receivables		951	7,669
Change in operating liabilities		-11,885	-2,231
Cash flow from changes in working capital		**6,691**	**-19,049**
Cash flow from operating activities		**115,390**	**77,697**
Investing activities			
Acquisition of financial assets	C4	-12,476	-23,141
Purchase/disposal of tangible fixed assets	C2	-3,200	-3,081
Cash flow from investing activities		**-15,676**	**-26,222**
Financing activities			
Amortization of loans	C9	-29,024	-28,373
Dividend to shareholders		-53,666	-47,703
Cash flow from financing activities		**-82,690**	**-76,076**
Cash flow for the year		17,024	-24,601
Cash and cash equivalents (opening balance)		93,903	118,215
Exchange rate fluctuations in cash		-529	289
Cash and cash equivalents (closing balance)		**110,397**	**93,903**
Supplementary disclosures, cash flow statement			
Interest received during the year	B11	2,500	148
Interest paid during the year	B12	-1,963	-899

Changes In Equity, Parent Company

SEK THOUSANDS	Share capital	Other contributed capital	Retained earnings	Total shareholders' equity
Opening balance at 1 January 2022	3,578	10,780	422,715	437,073
Net profit for the year			89,103	89,103
Other Comprehensive Income				
Other Comprehensive Income			-	-
Total Other Comprehensive Income			**-**	**-**
Total Comprehensive Income			**89,103**	**89,103**
Dividend to Parent Company's shareholders			-47,703	-47,703
Closing Balance at 31 December 2022	**3,578**	**10,780**	**464,115**	**478,472**
Opening balance at 1 January 2023	3,578	10,780	464,115	478,472
Net profit for the year			90,209	90,209
Other Comprehensive Income				
Other Comprehensive Income			-	-
Total Other Comprehensive Income			**-**	**-**
Total Comprehensive Income			**90,209**	**90,209**
Dividend to Parent Company's shareholders			-53,666	-53,666
Closing Balance at 31 December 2023	**3,578**	**10,780**	**500,657**	**515,015**

Note A1. General Information, Accounting Policies And Valuation Principles

Accounting Policies

CellaVision AB's consolidated accounts were prepared in accordance with the Annual Accounts Act (ÅRL), International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations from the IFRS Interpretations Committee approved for use within the EU. The Swedish Financial Reporting Board recommendation RFR 1 "Supplementary accounting rules for groups" has also been applied. The parent company's annual accounts were prepared in accordance with the Annual Accounts Act and the Swedish Financial Reporting Board recommendation RFR 2 "Accounting for legal entities". The consolidated and annual accounts are stated in SEK thousands and refer to the period January 1 - December 31 for income statement related items and December 31 for balance sheet related items. Assets and liabilities are recorded in accordance with the historical cost method with the exception of certain financial assets and liabilities recorded at fair value via the Group's statement of comprehensive income.

New and amended standards and interpretations in 2023

New and amended standards and improvements that came into force in 2023 have not had any impact on the Group's financial reporting for the financial year.

New and amended standards and interpretations not yet in force

The International Accounting Standards Board (IASB) has issued a number of new and amended standards which have not yet come into force. None of these have been applied prematurely and are not expected to have any material impact on the Group's financial reporting.

Consolidation Principles

Consolidated accounts

CellaVision is a Swedish public limited liability company with its registered office in Lund at the address Mobilvägen 12. The consolidated accounts include the parent company CellaVision AB 556500–0998 and the whollyowned subsidiaries CellaVision Inc., USA, CellaVision Canada Inc., CellaVision Japan K.K., CellaVision International AB, RAL Diagnostic SAS in France (RAL).

The consolidated accounts were prepared in accordance with the acquisition accounting method. This implies that consolidated subsidiaries' identifiable assets, liabilities and contingent liabilities are recognized at fair value at the time of acquisition. If the cost of acquisition exceeds net assets recorded as above, the difference constitutes goodwill. Internal invoicing and internal transactions within the Group are eliminated in the consolidated accounts.

Translation of foreign operations

The functional currency is determined for each foreign operation. The foreign subsidiaries which have a functional currency different from CellaVision's functional currency, which is Swedish kronor, are translated at the closing day rate for all balance sheet items and at the average rate for income statement items. The translation differences thereby arising are an effect partly of the net profit/loss being translated at different rates in the income statement and balance sheet respectively, and partly of the net assets being translated at a different rate at the end of the year than at the beginning of the year. Translation differences are reported in "Other comprehensive income". For other exchange rate differences please see under the heading "Exchange rate gains and losses".

Revenue recognition

For sales of analyzers and/or software the revenue includes both the analyzer and/or the software. The entire revenue referring to the system, analyzer plus software, is recognized when the significant risks and rewards associated with the analyzer are transferred to the customer, which normally coincides with delivery to the customer. The same principles are applied for revenue recognition of reagents, spare parts and consumables. For services to end consumers the revenue constitutes payment for servicing the analyzer. This revenue is accrued over the period of the service agreement. When upgrading software (new functions, technologies or applications) for end customers, the revenue constitutes payment for upgrading of software and is recognized in revenue at the time of delivery or distribution of license key.

Provision for warranty reserve 12 months is made for all instruments sold.

Interest income is recognized on a time-proportion basis using the effective interest method. Effective interest is the interest rate that makes the present value of the total future cash flows during the interest rate fixing period equal to the carrying amount of the receivable.

Operating segments

An operating segment is a component of a company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are reviewed regularly by the company's chief operating decision-maker, and for which discrete financial information is available. The company's reporting of operating segment is in line with the internal reports submitted to the chief operating decision maker. The chief operating decision maker is the function that assesses the performance of the operating segments and decides on allocation of resources. The company's assessment is that the President and CEO is the chief operating decision maker. CellaVision's operations only comprise one operating segment; automated microscopy systems and reagents in the field of hematology, and therefore reference is made to the income statement and balance sheet regarding operating segment reporting. More information on segment reporting is provided in Note A6.

Expenditure on research and development
Research expenditure is expensed as it is incurred. Expenditure for development of future products is expensed up to and including the prototype stage. Expenditure thereafter and until commercialization is capitalized, to the extent it is probable that the product will be commercially viable. Expenditure for developing already existing applications and hardware platforms is expensed as it arises. In order to handle this effectively, the company applies a project accounting system in which all research and development expenditure is allocated to projects.

Examples of such expenditure are:
• Goods and materials
• Consultant fees for conception and design
• Salaries and payroll overheads

Depreciation on equipment and computer equipment is not capitalized. The financial expenses reported in the Group are not attributable to development activities and their financing.

Exchange rate gains and losses
Realized and unrealized exchange rate differences attributable to operating costs and transactions are reported among other operating income or expenses. Exchange rate differences referring to short-term and long-term financial transactions are recorded as financial items.

Leases
CellaVision applies IFRS 16, meaning that the Group reports, with the exception of assets of lower value and short-term contracts of less than 12 months, all right of use assets and leasing liabilities in the balance sheet. The right of use assets are reported in the balance sheet under the heading Tangible fixed assets and is amortized on a straight-line basis over the shorter of the asset's expected useful life and the length of the leasing agreement. Leasing liabilities are reported under the headings Long-term financial liabilities or Short-term financial liabilities. The lease liability is valued at accrued acquisition value according to the effective interest method. Leasing fees attributable to the agreements that are not reported in the balance sheet are expensed in the income statement on a straight-line basis over the leasing period. The Group's leasing agreements refer mainly to premises, vehicles and certain office equipment. For more information on leasing, see note B8.

Employee benefits
Employee benefits in the form of salaries, bonus, paid holiday, paid sick leave etc., are recognized as they are earned. Pensions and other post-employment benefits are classified as defined contribution or defined benefit pension plans. Only a small part of the Group's pensions are classified and recognized as defined benefit plans.

Defined contribution pension plans
A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate legal entity. The Group has no legal or constructive obligation to pay further contributions if this legal entity does not have sufficient assets to pay all employee benefits associated with the employees' service in the current or prior periods. The Group's payments for defined contribution pension plans are recognized as an expense in the income statement for the period they refer to.

Defined benefit pension plans
A defined benefit pension plan is a plan that defines an amount of pension benefit that an employee will receive on retirement, based on factors such as age, years of service and salary. The liability recognized in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. Regarding defined benefit plans, the liability is calculated using the "projected unit credit method" in a way that allocates the cost over the employee's working lifetime. The calculation is made by actuaries, who also revalue the pension plans' commitments. These commitments are measured at the present value of the expected future payments using a discount rate that corresponds to the interest rate on first-class corporate bonds or government bonds with a remaining maturity approximately equivalent to the commitments in question. Actuarial gains and losses as a result of experience adjustments and changes in actuarial assumptions are reported in other comprehensive income in the period in which they arise.

Part of the ITP plans in Sweden are financed through insurance premiums to Alecta. This is a defined benefit plan that covers several employers. As the Group has not had access to such information as will make it possible to report this plan as a defined benefit plan it is therefore reported as a defined contribution plan.

Other incentive programs
Long-term incentive program
The Group has a long-term incentive program for the company's senior executives based on the growth of earnings per share. Any compensation is paid in the year after the program closes. At the close of each reporting period the company reviews the fair value of the debt including provision for social security contributions. The change in the debt corresponding to the incremental amount at the close of each reporting period is recognized in the income statement. The following programs have been adopted and refer to:

Maturity	Refers to
2021–2023	Executive Group Management
2023–2025	Executive Group Management

Short-term incentive program
Apart from the long-term program, the Group has a bonus program covering all employees in which any payment is made the year after the vesting period. At the close of each reporting period the company evaluates the debt including provision for social security contributions. The debt corresponding to the incremental amount at the close of each reporting period is recognized in the income statement.

Income taxes
Income tax recognized in revenue includes tax to be paid or received for the current year, adjustments of previous years' current tax and changes in deferred tax. The valuation of all tax liabilities/assets is at nominal amounts and is done in accordance with the tax regulations and tax rates that have been adopted. Deferred tax is estimated in accordance with the balance sheet method on all temporary differences existing between the reported and tax base values for assets and liabilities. Deferred tax assets referring to loss carry forwards or other future tax-related deductions are only reported to the extent that it is probable that they can be applied in the future.

Intangible assets
Intangible assets consist of capitalized expenditure for development, goodwill and trademarks, customer relations and other intangible assets.

Capitalized expenditure for development
Capitalized expenditure for development is recognized at cost of acquisition less accumulated amortization. Development expenditure recognized as an asset is amortized over the estimated useful life of five to ten years. CellaVision's products are replaced by new models at intervals of about five to ten years. Depreciation is started when the respective product is introduced into the market.

Goodwill
Goodwill is the part of the purchase price on acquisition of the shares of a subsidiary that exceeds the market value of the identifiable net assets less liabilities and reported contingent liabilities. The reported goodwill has an indefinite useful life, and therefore it is tested at least once a year to identify any impairment loss. Any impairment loss on goodwill is recognized in the income statement

Trademark, customer relations and other intangible assets
The trademark is recognized at cost of acquisition and has an indefinite useful life due to it is established for a long time ago and there are currently no known legal or competitive factors limiting the useful life. Trademark in the same way as goodwill is tested once a year for impairment loss. Customer relations are recognized at cost of acquisition less accumulated amortization. Amortization is proportionate over the expected useful life. Other intangible assets consist of licensed rights, acquired technology and internally generated technology. Amortization is proportionate over the expected useful life.

An intangible asset is removed from the balance sheet on retirement or disposal or when no future economic benefit is expected from the use or retirement/disposal of the asset. The gain or loss arising when an intangible asset is removed from the balance sheet, consisting of the difference between the net disposal proceeds and the asset's carrying amount, is recognized in the income statement when the asset is removed from the balance sheet.

Tangible fixed assets
Tangible fixed assets, consisting of land and buildings, machinery, analyzers, equipment and computer equipment, is reported at cost of acquisition less accumulated depreciation.

The carrying amount of an item of property, plant and equipment is removed from the balance sheet on retirement or disposal, or when no future economic benefit is expected from the use or retirement/sale of the asset. The gain or loss arising on retirement or disposal of the asset, consisting of the difference between any net disposal proceeds and its carrying amount, is recognized in the income statement in the period when the asset is removed from the statement of financial position.

Depreciation/amortization
Depreciation for non-right-of-use assets is based on the assets' cost of acquisition and estimated useful life as follows:
- Computer equipment 4 years
- Equipment, tools, fixtures and fittings 5 years
- Plant and machinery 5 years
- Analyzers 5 years
- Technology 5 years
- Development projects 5-10 years
- Licensed rights 10-13 years
- Customer relations 14 years
- Buildings and land improvements 5-30 years

Impairment of property, plant and equipment and intangible assets
On each balance sheet date, the Group analyzes the carrying amounts for property, plant and equipment and intangible assets to establish whether there is any indication of value impairment. If this is the case, the asset's recoverable amount is calculated in order to establish the value of any impairment loss. Where it is not possible to calculate the recoverable amount for an individual asset, the Group calculates the recoverable amount for the cash generating unit to which the asset belongs.

Intangible assets with an indefinite useful life and intangible assets not yet ready for use must be tested for impairment annually, or when there is an indication of impairment.

The recoverable amount is the higher of fair value less selling costs and value in use. When calculating value in use estimated cash flows are discounted to present value using a discount rate before tax that reflects the current market assessment of the time value of money and the risks associated with the asset.

If the recoverable amount of an asset (or cash generating unit) is established as a lower value than the carrying amount, the carrying amount of the asset (or cash generating unit) is written down to the recoverable amount. An impairment loss must be recognized immediately in the income statement.

When an impairment loss is subsequently reversed, the carrying amount of the asset (cash generating unit) is increased to the revalued recoverable amount, but the increased carrying amount may not exceed the carrying amount that would have been determined if no impairment loss had been recorded for the asset (cash generating unit) in previous years.

A reversal of an impairment loss is recognized immediately in the income statement. Impairment of goodwill is not reversed.

Inventories
Inventories are recorded at the lower of cost of acquisition/production according to the first-in, first-out method (FIFO) and net realizable value (lower of cost or market). The value of own production includes raw materials, direct labor, other direct costs and production-related costs. Inventories include raw materials, semi-finished products and finished products.

Statement of cash flows
The cash flow statement is prepared in accordance with the indirect method. Cash and bank balances are counted as cash and cash equivalents.

Classification of assets and liabilities
Non-current assets and liabilities consist in all essentials only of amounts expected to be recovered or paid more than twelve months after the balance sheet date. Current assets and liabilities consist in all essentials only of amounts expected to be recovered or paid within twelve months of the balance sheet date.

Provisions
A provision is recognized when an obligation exists as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation and when a reliable estimate can be made of the amount. Warranty provisions are made for products sold. The warranty period is one year. Warranty costs are reported under "Cost of goods sold".

Related party transactions
For reporting any transactions with related parties please refer to Note B3.

Financial instruments
The Group's financial instruments mainly comprise trade receivables, cash and cash equivalents, Long-term interest-bearing debt, trade payables and other current liabilities.

A financial asset or financial liability is recognized on the balance sheet when the company becomes a party to the contractual provisions of the instrument. A financial asset or part of a financial asset is to be removed from the balance sheet when the contractual rights are realized, expire or when the company loses control over it. A financial liability or part of a financial liability is to be removed from the balance sheet when the obligation in the contract is discharged or otherwise cancelled.

Fair value of financial instruments
The fair value of financial assets and financial liabilities are determined as follows:

The fair value of financial assets and liabilities with standard terms and conditions traded on an active market is determined with reference to the quoted market price (level 1).

The fair value of other financial assets and liabilities is determined in accordance with generally accepted valuation models based on data obtained from observable current market transactions (level 2).

The fair value is determined on the basis of valuation models in which material inputs are based on non-observable data (level 3). The Group has no financial instruments classified at level 3.

For all financial assets and liabilities, the carrying amount is assessed to be a good approximation of its fair value, unless otherwise stated in subsequent notes.

Amortized cost
Amortized cost refers to the amount at which the asset or liability was initially recognized less principal repayments, plus or minus cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction for impairment.

The effective interest rate is the rate that exactly discounts estimated future cash flows through the expected life of the financial instrument to the initial carrying amount of the financial asset or financial liability.

Offset of financial assets and liabilities
Financial assets and liabilities are offset and recognized net in the balance sheet when there is a legally enforceable right to set off the recognized amounts and an intention to settle them on a net basis, or to realize the asset and settle the liability simultaneously.

Financial assets, IFRS 9
Cash and cash equivalents
Cash and cash equivalents include cash funds and bank balances and other short-term investments that can easily be converted to cash and that are subject to an insignificant risk of changes in value. For classification as cash and cash equivalents the original maturity may not exceed three months. Cash funds and bank balances are held within the hold to collect business model and thus measured at amortized cost. Since bank balances are payable on demand the amortized cost is equivalent to the nominal amount. Cash and cash equivalents are covered by the general model for impairment. For cash and cash equivalents the exemption for low credit risk is applied. An impairment reserve for credit risk in cash and cash equivalents is considered immaterial.

Trade receivables
Trade receivables are held within the hold to collect business model and measured at amortized cost. However, the expected maturity of trade receivables is short and therefore the value has been recognized at the nominal amount without discounting. Trade receivables are covered by the simplified approach for impairment. The expected credit losses for trade receivables are calculated using the provision matrix based on earlier events, current circumstances and forecasts of future economic conditions and the time value of money if applicable.

Financial liabilities, IFRS 9

Trade payables

Trade payables are categorized as "Financial liabilities measured at amortized cost". However, the expected maturity of trade payables is short, and therefore the value has been recognized at the nominal amount without discounting.

Amounts owed to credit institutions

The total loans from credit institutions were SEK 64,703 thousand (102,494), of which SEK 30,947 thousand (37,884) refers to liabilities attributable to leases under IFRS 16. The Group has a guaranteed credit facility of SEK 30,000 thousand (30,000), which is unused.

Parent Company's Accounting Policies

The parent company applies the Annual Accounts Act and the Swedish Financial Reporting Board Recommendation RFR 2 Accounting for legal entities. Application of RFR 2 means that the parent company as far as possible applies all the IFRS adopted by the EU within the framework of the Annual Accounts Act and the Act on Safeguarding Pension Obligations, taking into account the relationship between accounting and taxation.

The differences between the accounting policies of the parent company and Group are described below:

Classification and formats

The parent company's income statement and balance sheet follow the format of the Annual Accounts Act schedules. The difference in relation to IAS 1 Presentation of Financial Statements applied when preparing the Group's financial statements mainly concerns reporting of equity and the existence of provisions under a separate heading.

Intangible assets

Before January 1, 2016 expenditure for product development was capitalized in the parent company, but as of January 2016 this is expensed.

Leased assets

The Parent Company applies the exemption in RFR 2 on IFRS 16 for leased assets. Utilization rights and lease liabilities are not recognized in the balance sheet as these are recognized as a cost on a straight-line basis over the lease period.

Participations in group companies

Participations in group companies are recorded at cost of acquisition in the parent company's financial statements. Acquisition related costs for group companies that are recognized in the consolidated accounts, are included as part of the cost of acquisition of participations in group companies.

Amendments to RFR 2 and the Annual Accounts Act that have not yet come into force

Approved amendments to RFR 2 that have not yet come into force are not expected to have any material impact on the parent company's financial statements on initial application.

Note A2. Financial Risk Management

In its operations, the Group is exposed to various types of financial risk such as market risk, liquidity risk and credit risk. Market risk mainly consists of currency risk when interest rate risk is limited. The Board of Directors of the company is ultimately responsible for exposure, management and follow-up of the Group's financial risks.

CellaVision works continually to balance its capital and financing risk by means of timely establishment of sufficient credit facilities for the needs that can be foreseen, monitoring cash flows, and working to optimize working capital. The overall goal is to ensure a capital structure that supports long-term profitable growth. Given that the company's operations have good profitability, the company's financial position is satisfactory. In the view of the Board, the company's financing and capital structure does not prevent the company from meeting its commitments in the short and long term, nor from implementing necessary investments.

Market Risks

Currency risk

Currency risk refers to the risk that fair value or future cash flows will fluctuate as a result of changed exchange rates. Exposure to currency risk mainly derives from payment flows in foreign currency, called transaction exposure, and from translation of balance sheet items in foreign currency as well as translation of foreign subsidiaries' income statements and balance sheets to the Group's presentation currency, which is Swedish kronor, called balance sheet exposure.

The Group operates internationally and is exposed to currency risk from various currency exposures, mainly in USD and EUR. The company's purchases are mainly in SEK and EUR. Sales are predominantly in USD and EUR. The Group can use currency forwards to hedge contracted inflows of foreign currency to reduce currency exposure. In accordance with CellaVision's risk management strategy 0–70 per cent of currency exposure in net flows 12 months forward and a further 0–40 percent for months 13–24 continuously hedges. Balance sheet exposure is not hedged. During the financial year and the previous financial year, the group has not utilized any currency derivatives.

Currency exchange rate fluctuations in EUR and USD is calculated to affect the groups revenue and operating profit according to the table below (SEKm):

		EURO			
		10,5	**10,8**	**11,1**	**11,4**
USD	**9,4**	639/185	651/191	663/197	675/203
	9,7	646/190	658/196	670/202	682/208
	10,0	653/195	665/201	677/207	689/213
	10,3	661/200	673/206	684/212	696/218

Interest rate risk

Interest rate risk is the risk that the value of financial instruments will vary due to changes in market interest and that the Group's interest expense will increase as a consequence of increased market rates. The Group's financial assets mainly consist of deposits provided. A low risk is considered to exist since the deposits provided are of less value. The Group has interest-bearing liabilities in the form of a bank loan denominated in EUR and SEK.

Interest rates	**2023**	**12/31/2023**	**2022**	**12/31/2022**
KSEK	**IMPACT ON EARNINGS**	**IMPACT ON EQUITY**	**IMPACT ON EARNINGS**	**IMPACT ON EQUITY**
Financial expenses +1%	-268	-268	-513	-513
Financial expenses -1%	268	268	513	513

Interest rate risk refers to the risk that fair value or future cash flows fluctuate as a result of changed market interest rates. The Group is mainly exposed to interest rate risk through its loan financing. The loans run at variable interest rates, which means that the Group's future financial costs are affected by changes in market interest rates.

According to the Group's financial policy, interest rate risk should not be hedged.

The sensitivity anslysis for interest rate risk shows the Group's sensitivity to an increase and a decrease of 1 percent of the market interest rate, respectively. Interest rate sensitivity is based on the effect on profit after tax of a change in market interest rates, both in terms of interest income and costs and unrealized value changes in derivatives.

Liquidity and financing risk

Prudence in management of liquidity risk entails holding sufficient liquid assets and realizable securities or agreed lines of credit to be able to fulfil obligations. CellaVision minimizes this risk by holding sufficient cash. At present the liquidity risk is deemed to be reasonably low, mainly due to the Group's liquidity. There is also an unused overdraft of SEK 30 million.

Nominal amounts, Maturity structure of the Group

KSEK	**0–12 MONTHS**		**1–5 YEARS**	
	2023	**2022**	**2023**	**2022**
Liabilities to credit institutions	23,709	30,792	10,048	33,817
Financial leasing liabilities	12,331	11,338	18,616	26,546
Trade payables	32,534	47,864	-	-
Other liabilities	8,374	7,271	-	-
Total financial liabilities	**76,947**	**97,265**	**28,664**	**60,364**

Credit and counterparty risk

Credit risk refers to the risk that the counterparty in a transaction will cause loss to the Group by not fulfilling its contractual obligations. The Group's exposure to credit risk mainly refers to trade receivables and liquid funds. CellaVision collaborates with triple A distributors and established hematology companies. In the Nordic countries the customers are publicly funded hospitals. There is some concentration of credit risk relating to trade receivables but historically these customers have not had any payment difficulties.

The credit risk in liquid funds is limited because the Group's counterparties are banks with high credit rating.

The Group's and the parent company's maximum exposure to credit risk is assessed to correspond to book values of all financial assets.

Classification of financial instruments

Classification of financial assets and liabilities and their fair value is presented below. There have been no reclassifications between the valuation categories above during periods.

Fair value measurement of financial instruments

Financial liabilities measured at fair value in the balance sheet consist only of bank loan denominated in EUR. As of December 31, 2023, there are no currency forwards. For other financial assets and financial liabilities the carrying amounts are assessed to be a good approximation of the fair values because the maturity and/or interest rate fixing is less than three months, which means that a discount based on current market conditions is not expected to have any material effect.

12/31/2023	FINANCIAL ASSETS MEASURED AT AMORTIZED COST	FINANCIAL LIABILITIES MEASURED AT AMORTIZED COST	TOTAL CARRYING VALUE	FAIR VALUE
Trade receivables	97,797	-	97,797	97,797
Other receivables	6,268	-	6,268	6,268
Cash and cash equivalents	121,645	-	121,645	121,645
Total financial assets	**225,711**	**-**	**225,711**	**225,711**
Liabilities to credit institutions	-	33,757	33,757	33,757
Lease liability	-	30,947	30,947	30,947
Trade payables	-	32,534	32,534	32,534
Other liabilities	-	8,374	8,374	8,374
Total financial liabilities	**-**	**105,611**	**105,611**	**105,611**

12/31/2022	FINANCIAL ASSETS MEASURED AT AMORTIZED COST	FINANCIAL LIABILITIES MEASURED AT AMORTIZED COST	TOTAL CARRYING VALUE	FAIR VALUE
Trade receivables	97,630	-	97,630	97,630
Other receivables	15,079	-	15,079	15,079
Cash and cash equivalents	108,053	-	108,053	108,053
Total financial assets	**220,763**	**-**	**220,763**	**220,763**
Liabilities to credit institutions	-	64,610	64,610	64,610
Lease liability	-	37,884	37,884	37,884
Trade payables	-	47,864	47,864	47,864
Other liabilities	-	7,271	7,271	7,271
Total financial liabilities	**-**	**157,629**	**157,629**	**157,629**

Note A3. Important Estimates And Assumptions For Accounting Purposes

Establishment of reports and application of different accounting policies are often based on management's estimates or assumptions considered to be reasonable under the current circumstances. These assumptions and estimates are often based on experience but also on other factors, including expectations of future events. For CellaVision, the following areas are worth noting:

Capitalized development expenditure
The recoverable amount of capitalized development costs is determined based on the estimated economic life and volume. This calculation is based on estimated future cash flow based on financial forecasts approved by management and reflects product lifecycles.

Trademarks
The carrying value of a brand is contingent on future profitability of the products the brand refers to and the value is tested annually. If it has not been possible to test the impairment requirement for an individual brand, the recoverable amount has been calculated on the cash-generating unit to which the brand is allocated. Calculating the cash-generating unit's recoverable value for assessing possible impairment of the brand, several assumptions about future conditions and estimations of parameters are made.

Goodwill
The carrying amount of goodwill is contingent on future profitability of the cash-generating units in CellaVision. CellaVision, only consists of one operating segment and goodwill is tested in total for all CellaVision's operations unless there is an indication of impairment within any individual cash-generating unit.

Impairment
The calculation of recoverable amount is based on CellaVisions operations since there is only one operating segment. The recov-erable amount for the operating segment is determined based on value-in-use calculations. These calculations are based on esti-mated future cash flows based on financial budgets approved by executive management for the coming year. Thereafter, estimates have been made covering a five-year period. Cash flows beyond the five-year period are calculated based on retained profitability and limited growth. The most important variables in calculating the value in use are operating margin, growth, and the discount rate.

The operating margin has been forecast to reach the average for the most recent business cycle in five years. The transition from the current level to the level in 5 years has been assumed to be linear. Considerations has been taken regarding the company's assessments of capacity utilization.

Demand for products has historically followed the economic trend. Expected market growth is based on a transition from the current economic situation to the expected long-term growth. Current market share has been assumed for future periods.

The discount rate after tax has been determined using standard tools for calculating the return requirement on equity valued at market value and a weighted average of the return requirement for the company's total capital. The discount rate is based on the interest rate on the 10-year Swedish government bond as of end of the financial year, market risk premium for Sweden, beta and capital structure in line with a selected group of comparable listed companies and a specific risk premium.

Further information on the intangible fixed assets and their impairment test, see Note C1.

Note A4. Capital Structure

CellaVision defines managed assets as the sum of the Group's net debt and equity. At the end of 2023 managed assets were SEK 659,447 thousand (636,070).

The Group's objectives regarding capital structure are to secure the Group's ability to continue operations to generate returns for shareholders and benefits to other stakeholders and to ensure that the capital structure is optimal considering the cost of capital.

When managing the capital, the Group follows up on metrics such as sales growth and operating margin. The objective is to in-crease sales by an average of 15 percent per year with an EBITDA-margin exceeding 30 percent over a business cycle. In 2023 the company achieved sales growth of 6 percent (13) and the EBITDA-margin was 31 per cent (31).

CellaVision has a strong financial position that allows investment in product development as well as geographic market expan-sion. The dividend policy states that the dividend must correspond to 30-50 percent of net income, but always consider the Com-pany's and the Group's financial position, capital structure, acquisitions and long-term financing needs.

Note A5. Operational Risk Factors

Business model
CellaVision's strategy is to establish strategic alliances with global players in medical technology. CellaVision operates through distributors in all markets. This means that CellaVision's future expansion depends on successful distributors. Our main market channel operates through Sysmex, where there is a long-term strategic partnership agreement. In addition to this, sales are made through other distributors within hematology and other related areas. Despite CellaVision having well-functioning and extensive contractual relationships with the distributors, these collaborations can be terminated. There is no guarantee that the distributor will enter into a new agreement with CellaVision. Terminating a partnership with a distributor could have a negative impact on CellaVision's turnover and results. The current partnership agreement with Sysmex lasts until the year 2038.

Supply chain
The company's strategy is to enter strategic partnerships, in which the partners handle the manufacturing of the instruments. This means that CellaVision will be dependent on several suppliers of key components such as chip for camera, optics and control equipment as well as companies that manage the assembly and final inspection of the systems. The company has collaborated with a contract manufacturer since 2006 and has long-term cooperation and contracts with its most important subcontractors. Despite this, contracts can be terminated. There is no guarantee that the suppliers will subsequently decide to sign a new agreement with the company. Suspension of deliveries due to delivery problems of components, terminated contracts or discontinued cooperation with a subcontractor may have a negative impact on CellaVision's sales and earnings. The supply chain for reagents differs from that of instruments as manufacturing takes place in-house.

Some strategic components come from a few suppliers, which can create a risk in the supply chain that may have a negative impact on the production and sales of reagents. This risk is mitigated through safety stocks and continuous monitoring of inventory levels while seeking additional suppliers for the strategic components.

Dependence on key personnel
CellaVision has a distinct high tech specialization and is therefore dependent on being able to recruit and retain highly qualified employees.

Cost savings in health care
For economic and political reasons, measures are being taken to reduce costs in the health care sector in Western Europe and the US, for example. Ongoing changes and rationalization, despite CellaVision's efforts at developing cost effective solutions, may have a negative impact on the company's future sales and earnings.

Product development
Continued development of existing and new products and solutions is of great importance to CellaVision. If the company's ability to develop products ceases, or if products cannot be introduced in accordance with established schedules, or if the market reception is worse than expected, this may result in a negative impact on CellaVision's sales and earnings.

Competition
There is a risk that new competitors with a greater resource base in terms of skills and capital may establish themselves in CellaVision's market and offer better methods and more effective products than CellaVision. Increased competition could result in price pressure on CellaVision products. In order to counteract this, the company continuously works with product development as well as monitors competition.

Product liability
Testing, marketing and selling medical devices and solutions entails a risk of claims for damages and there is no guarantee that claims for compensation linked to product liability will not be made against CellaVision. The company has extensive insurance coverage for such claims.

Patents and rights
CellaVision conducts an active patent strategy to protect investments in core technology by applying for patents for new inventions. However, it cannot be guaranteed that current or future patent applications will lead to patents or that approved patents will offer sufficient protection against competitors. In addition, there is always a risk that disputes referring to patent infringement and other intellectual property rights may be started against or by CellaVision. The company has extensive insurance coverage for such claims.

Legislation and regulatory framework
Manufacturing, marketing and distribution of medical devices and equipment takes place on a regulated market where such bodies as the FDA (US Food and Drug Administration) and the EU have rules for clinical evaluation, approval and quality testing. CelllaVision meets the current requirements in Europe and USA for CellaVision DM. If CellaVision's operations were to be subject to restrictions by government agencies or if the company did not receive necessary future official approval, it could have a negative impact on CellaVision commercially and financially.

Note A6. Information On Operating Segments

CellaVision's operations comprise only one segment; analyzers for microscopy systems and production of reagents in the field of hematology, and therefore reference is made to the consolidated statement of comprehensive income and financial statement regarding segment reporting. CellaVision sells analyzers in which software is included and reagents for sample preparation. The software does not function as stand-alone products and the reagents are sold to the same customer base as the instruments. Other sales such as spare parts, service etc. is each less than 10% of total sales. CellaVision has a centralized business model. Most of the business is linked to the parent company through global customer contracts. One subsidiary produces reagents, and the role of the other subsidiaries is only of a marketing nature. Follow-up of sales by geographical region and product line is of interest to the company, but overheads and operating margin are monitored at the central level.

Note A7. Information On Major Customers

CellaVision's products are sold globally through partners and, in selected markets, also through its own sales companies. Two customers accounted for ten percent or more of the group's total revenue in 2023. CellaVision's sales to the largest individual customer amounted to SEK 498 m (422). Sales to the second largest customer amounted to SEK 75 m (74). The disclosures assume that multiple customer companies controlled by the same party are considered a single customer.

Note A8. Employees

	2023		2022	
AVERAGE NUMBER OF EMPLOYEES	AVERAGE NUMBER OF EMPLOYEES	OF WHOM MEN	AVERAGE NUMBER OF EMPLOYEES	OF WHOM MEN
Parent company, Sweden	167	99	172	106
Subsidiary, USA	5	3	5	3
Subsidiary, Canada	1	1	1	1
Subsidiary, Japan	3	3	3	3
Subsidiary, France	66	24	61	25
Total	**242**	**130**	**242**	**138**

NUMBER OF WOMEN IN SENIOR MANAGEMENT	BOARD OF DIRECTORS	OTHER POSITIONS	BOARD OF DIRECTORS	OTHER POSITIONS
Parent company	2	-	2	1
Share of the total	40%	-	40%	14%
Subsidiaries	-	-	-	-
Total	**2**	**-**	**2**	**1**

Note A9. Events After The Balance Sheet Date

CellaVision and Sysmex Corporation ("Sysmex") have announced a Strategic Alliance Agreement to reinforce and extend their joint leadership position within hematology and seize new opportunities for optimized diagnostics.

The Annual Report was adopted by the board and approved for publication on April 10, 2024.

Note B1. Net Sales By Geographical Area

	GROUP				PARENT COMPANY			
2023	INSTRUMENTS	REAGENTS	SOFTWARE & OTHER	TOTAL	INSTRUMENTS	REAGENTS	SOFTWARE & OTHER	TOTAL
Americas	204,806	2,078	106,476	**313,360**	204,530	-	101,975	**306,505**
EMEA	103,634	119,958	53,577	**277,169**	94,113	-	42,756	**136,869**
APAC	72,032	5,937	8 ,794	**86,763**	72,106	-	7,993	**80,099**
Total	**380,472**	**127,973**	**168,847**	**677,292**	**370,749**	**-**	**152,724**	**523,473**

	GROUP				PARENT COMPANY			
2022	INSTRUMENTS	REAGENTS	SOFTWARE & OTHER	TOTAL	INSTRUMENTS	REAGENTS	SOFTWARE & OTHER	TOTAL
Americas	176,464	2,234	101,594	**280,292**	177,437	-	97,704	**275,142**
EMEA	122,453	94,106	63,588	**280,147**	114,136	-	54,821	**168,957**
APAC	58,572	3,485	16,844	**78,901**	57,556	-	15,552	**73,108**
Total	**357,489**	**99,825**	**182,026**	**639,340**	**349,130**	**-**	**168,078**	**517,207**

Out of the group's total revenues of 677,292 kSEK (639,340), 280,489 kSEK (256,496) pertains to sales to customers in the USA, 139,559 kSEK (116,067) pertains to sales to customers in France, and 60,824 kSEK (109,050) pertains to sales to customers in Germany.

Sales at a given time in the Group were SEK 677,292 thousand (636,340) and revenues distributed over time were SEK 0 thousand (3,000). Revenues distributed over time refer to service contracts. The value of accrued income attributable to revenue distributed over time amounted to SEK 0 thousand (0). Other refers to spare parts and consumables.

Note B2. Expenses Classified By Nature Of Expense

	GROUP	
	2023	2022
Depreciation, amortization and impairment (Note B9, C1, C2)	39,763	40,097
Costs for remuneration to employees (Note B4, B5, B6)	224,332	189,707
Changes in inventories of finished goods and work in progress	3,139	-3,227
Raw materials	163,426	165,847
Transport costs	10,334	8,705
Capitalized expenses	-54,707	-45,751
Premises costs	4,254	4,222
Travel expenses	13,097	10,704
External services	35,936	39,038
Other expenses	70,667	71,732
Total cost of goods sold, sales, administrative and R&D expenses	**510,240**	**481,074**

Note B3. Intra-Group And Related Party Transactions

Of the parent company's invoicing, SEK 2,382 thousand (3,319) refers to subsidiaries. SEK 1,038 thousand (720) refers to instruments, SEK 1,090 thousand (2,298) refers to spare parts and SEK 255 thousand (301) refers to software. Invoicing from subsidiaries to parent company refers to market support and amounted to SEK 32,992 thousand (27,529) on market terms. For information on subsidiaries, see Note C5. The remuneration paid to senior executives is stated in Note B6. There have been no other related party transactions in 2023 other than those described above.

Note B4. Salaries And Other Remunerations, Distributed

	2023		2022	
SALARIES AND OTHER REMUNERATION	BOARD, CEO	OTHERS	BOARD, CEO	OTHERS
Parent company	9,056	102,526	8,040	82,080
Subsidiaries	-	47,974	-	42,590
Total	**9,056**	**150,500**	**8,040**	**124,670**

Until the year 2022, compensations for marketing support personnel abroad, whose administration has been handled by an external party, have been reported as consulting expenses and have not been part of the reported costs for salaries and other compensations. Starting from 2023, compensations for marketing personnel are reported as salaries and included in the basis for the note. For the year 2023, these salaries amount to SEK 6 million. Accrued costs related to provisions for staff bonuses amount to SEK 9 million (4).

Note B5. Social Security And Pension Costs

	2023		2022	
	SOCIAL SECURITY COSTS	OF WHICH PENSION COSTS	SOCIAL SECURITY COSTS	OF WHICH PENSION COSTS
Parent company	44,772	12,953	41,487	14,117
Subsidiaries	20,003	2,150	15,387	838
Total	**64,775**	**15,103**	**56,874**	**14,955**

During 2023, the allocation of the President/CEO´s pension, which constituted 30 percent of the fixed base salary, was renegotiated, and starting from May 1, 2023, the pension premiums are replaced by a gross salary supplement. The cost of the gross salary supplement is cost-neutral for CellaVision compared to the previous pension allocation.

For other employees in Sweden the pension obligations of the defined benefit ITP 2 Plan for old-age and family pension (or family pension) are vested through insurance with Alecta. According to a statement by the Swedish Financial Reporting Board, UFR10 Classification of ITP Plans financed through insurance in Alecta, this is a defined benefit plan covering several employers. For the 2023 financial year the company has not had access to information that makes it possible to report its proportionate share of the plan obligations, plan assets and costs, which means that it is not possible to report the plan as a defined benefit plan. The ITP 2 pension plan, which is vested through insurance with Alecta, is therefore reported as a defined contribution plan. The premium for the defined benefit old-age and family pension is calculated individually and depends among other things on salary, accrued pension and expected remaining working life. Expected contributions in the next reporting period for ITP 2 insurance with Alecta amount to SEK 4.3 million (3.8).

The collective solvency level comprises the market value of Alecta's assets as a percentage of its insurance commitments calculated in accordance with Alecta's actuarial methods and assumptions, which do not comply with IAS 19. Normally the collective solvency level should be allowed to vary between 125 and 175 percent. If Alecta's collective solvency level falls short of 125 percent or exceeds 175 percent measures must be taken to allow the solvency level to return to its normal interval. If the solvency level is low, one measure could be to increase the agreed price for writing of new business and increasing existing benefits. If the solvency level is high one measure could be to introduce premium reductions. At the end of 2023 Alecta's surplus in the form of the collective solvency level was 158 percent (172).

There are defined benefit pensions in France and the liability recognized in the balance sheet for this is the present value of the defined benefit obligation on the balance sheet date less the fair value of plan assets. The calculations are made by actuaries, who also re-evaluate the pension plans' commitments. The debt amounts to SEK 3.3 million (3.0), where the majority of the debt falls due for payment in excess of 5 years and no part for the next 12 months.

Note B6. Remuneration To Senior Management

	2023			
SALARIES, REMUNERATION AND OTHER BENEFITS	FIXED SALARY	VARIABLE RENUMERATION	OTHER BENEFITS	PENSION
Board of Directors:				
Mikael Worning	800	-	-	-
Christer Fåhraeus	285	-	-	-
Åsa Hedin	168	-	-	-
Louise Armstrong-Denby	130	-	-	-
Ann-Charlotte Jarleryd	360	-	-	-
Stefan Wolf	260	-	-	-
CEO	5,969	881	203	328
Other senior management	8,636	1,072	591	2,636
Totalt	**16,608**	**1,953**	**794**	**2,964**

	2022			
SALARIES, REMUNERATION AND OTHER BENEFITS	FIXED SALARY	VARIABLE RENUMERATION	OTHER BENEFITS	PENSION
Board of Directors:				
Mikael Worning	680	-	-	-
Christer Fåhraeus	265	-	-	-
Åsa Hedin	290	-	-	-
Anna Malm Bernsten	123	-	-	-
Niklas Prager	133	-	-	-
Jurgen Riedl	113	-	-	-
Ann-Charlotte Jarleryd	180	-	-	-
Stefan Wolf	243	-	-	-
CEO	5,632	172	211	609
Other senior management	8,115	169	551	2,453
Total	**15,772**	**341**	**762**	**3,061**

Board of Directors
In accordance with a resolution of the Annual General Meeting, remuneration is payable to the Board of Directors of SEK 1,740 thousand (1,740), of which SEK 700 thousand (700) to the Chairman of the Board and SEK 260 thousand (260) to each of the other board members. In addition, the board members in the audit committee receive SEK 100 thousand (100) for being chairman and SEK 50 thousand (50) for board members. The board members in the renumerations committee receive SEK 50 thousand (50) for being chairman and SEK 25 thousand (25) for board members. No other remunerations have been paid. There are no agreements on pensions, severance pay or other benefits. Since the annual general meeting held in May, 2023 the Board of Directors comprised of 7 (7) members of which 2 (2) employee representatives.

Note B6. Remuneration To Senior Management Cont'd

President/CEO
In 2023, the President/CEO was entitled to a fixed salary, including remuneration for paid leave, of SEK 5,969 thousand (5,632), plus benefits valued at SEK 203 thousand (211). The fixed salary amount included a temporary component of SEK 1,867 thousand which constituted the last of three equal installments for the years 2021-2023. The temporary amount did not entitle to pension allocation.

The President/CEO was covered by the short-term bonus program for 2023 and the long-term incentive programs for the periods 2021-2023 and 2023-2025 introduced for the CellaVision group management. The total of the short-term bonus program for 2023 and the long-term incentive program for the period 2021-2023 is limited to 60 percent of the annual fixed base salary, with half of the amount allocated to the short-term bonus program and the other half to the long-term incentive program. The long-term incentive program for the period 2023-2025 is limited to 60 percent of the annual fixed base salary. In 2023, a provision for variable compensation to the President/CEO amounted to SEK 881 thousand (172).

The President/CEO period of notice is twelve months for termination by the company and six months for termination by the President/CEO. For termination by the company, or by the President/CEO for material breach of contract by the company, the President/CEO is entitled to severance pay equivalent to twelve months' salary. No further severance pay is payable.

Other senior management
Besides the President/CEO, there were 6 (6) other members of senior management during 2023. Other senior executives in the management group were during 2023 paid total fixed salaries of SEK 8,636 thousand (8,115) plus benefits mainly comprising car benefits valued at SEK 591 thousand (551). In addition to fixed salary, a provision for variable remuneration of SEK 1,072 thousand was expensed (169). There are two types of incentive programs for senior management; a short-term bonus program and a long-term incentive program over a three-year period. The short-term bonus program stipulates the right to a certain bonus, given that some goals pertaining to operating profit and turnover as well as certain individual target are fulfilled during the financial year. The outcome of the long-term incentive program that ended on December 31, 2023 was dependent on the average yearly growth of the company's earnings per share during 2021-2023. The outcome is capped at 5 months' fixed salary per participant whereof 40 percent refers to the short-term bonus program and 60 percent refers to the long-term incentive program, except for VP Sales where 60 percent referes to the short-term bonus program and 40 percent refers to the long-term incentive program. The remaining long-term incentive program for other senior management is for the period 2023-2025. Refer also to the description in the corporate governance report, page 47-48.governance report, page 47-48.

Note B7. Audit Fees

	2023		2022	
FEES TO THE COMPANY'S AUDITORS, KMPG (DELOITTE)	GROUP	PARENT COMPANY	GROUP	PARENT COMPANY
Audit	746	554	686	456
Addition to the audit engagement	100	50	100	50
Tax advisory	-	-	9	9
Total	**846**	**604**	**795**	**515**

The audit assignment includes review of the annual report and accounts, as well as administration of the board and the chief executive officer. The audit assignment also includes other tasks that is the responsibility of the company's auditor to perform, as well as advice or other assistance that is caused by obervations in such auditing or implementation of such other tasks.

Note B8. Leasing

	2023	2022
AMOUNTS RECOGNIZED IN THE INCOME STATEMENT	GROUP	GROUP
Buildings and land	10,255	10,308
Plant and machinery	-	294
Equipment, tools, fixtures and fittings	1,701	1,211
Depreciation on right of use	**11,956**	**11,813**
Interest expenses for leasing liabilities	734	858
Costs attributable to short-term and leasing contracts of low value	4,769	4,425

As of December 31, 2023, the Group has obligations regarding short-term and leasing agreements of low value of SEK 5,241 thousand (3,982).

	2023	2022
CASH FLOW	GROUP	GROUP
Amortization of leasing liabilities	11,949	10,772
Interest expense leasing liabilities	734	858
Short-term leasing and low value leasing	4,769	4,425
Total cash flow	**17,452**	**16,055**

The weighted average marginal loan rate was 3 percent (2). The lease period for the Group's rental premises varies between 1-5 years. Extension of the lease at the end of the lease period may be at what the Group considers to be a fair market value rent. In some cases, the rent is index-adjusted according to the CPI and the majority of lease agreements are extended with existing terms unless the agreement has been terminated for change of terms. The leasing period for various office equipment varies between 1-3 years. The total of the year's expens related to depreciation and interest for leases amounts to SEK 17,459 thousand (17,096) in the Group. The parent company's leasing fees for the year amounted to SEK 13,696 thousand (11,873).

Changes in the book value of right of use assets are presented in note C2.

The Group leases a number of assets, primarily buildings, machinery and cars. The average lease term is 3 years (3).

An estimated one quarter of the leases for buildings, machines and cars expired during the current financial year. The expired leases were replaced by new leases for the underlying assets. New acquisitions for the year amounted to SEK 5 million (2).

	12/31/2023	12/31/2022
MATURITY ANALYSIS OF LEASE LIABILITIES	GROUP	GROUP
- Within one year	16,817	15,394
- Later than one but within five years	19,371	27,793
- Later than within five years	-	-
Total	**36,188**	**43,187**

Including short-term as well as low-value leasing agreements.

Note B9. Depreciation/Write-Downs

	2023		2022	
DEPRECIATION	GROUP	PARENT COMPANY	GROUP	PARENT COMPANY
Intangible assets	19,321	2,991	18,744	2,825
Property, plant and equipment	20,442	2,299	17,984	2,280
Total	**39,763**	**5,290**	**36,728**	**5,105**

	2023		2022	
WRITE-DOWNS	GROUP	PARENT COMPANY	GROUP	PARENT COMPANY
Intangible assets	-	-	3,363	900
Property, plant and equipment	-	-	-	-
Total	**-**	**-**	**3,363**	**900**

Depreciation/Write-Downs Per Function

	2023		2022	
DEPRECIATION PER FUNCTION	GROUP	PARENT COMPANY	GROUP	PARENT COMPANY
Cost of goods sold	16,293	541	14,979	578
Selling expenses	9,758	502	9,025	555
Administrative expenses	4,207	503	3,681	554
Research and development expenses	9,504	3,744	9,043	3,418
Total	**39,763**	**5,290**	**36,728**	**5,105**

	2023		2022	
WRITE-DOWNS PER FUNCTION	GROUP	PARENT COMPANY	GROUP	PARENT COMPANY
Cost of goods sold	-	-	-	-
Selling expenses	-	-	-	-
Administrative expenses	-	-	-	-
Research and development expenses	-	-	3,363	900
Total	**-**	**-**	**3,363**	**900**

Note B10. Exchange Rate Effects

	2023		2022	
EXCHANGE RATE EFFECTS HAVE BEEN REPORTED IN THE INCOME STATEMENT AS FOLLOWS	GROUP	PARENT COMPANY	GROUP	PARENT COMPANY
Exchange rate gain in operating profit	-	-	18,386	18,386
Exchange rate loss in operating profit	5,811	5,811	-	-
Total	**5,811**	**5,811**	**18,386**	**18,386**

Note B11. Interest Income And Other Similar Profit/Loss Items

	2023		2022	
INTEREST INCOME AND OTHER SIMILAR PROFIT/LOSS ITEMS	GROUP	PARENT COMPANY	GROUP	PARENT COMPANY
Interest income	898	2,500	200	148
Exchange differences	6,512	6,455	5,386	4,728
Total	**7,410**	**8,955**	**5,586**	**4,876**

Of the parent company's interest income, is 1 710 kSEK intra-group (118). Of the parent company´s exchange differences, 6 455 kSEK (4,728) are related to intra-group.

Note B12. Interest Expenses And Other Similar Profit/Loss Items

	2023		2022	
INTEREST INCOME AND OTHER SIMILAR PROFIT/LOSS	GROUP	PARENT COMPANY	GROUP	PARENT COMPANY
Interest expenses	3,260	1,963	2,340	899
Exchange differences	6,979	6,914	13,083	12,939
Total	**10,239**	**8,877**	**15,423**	**13,838**

No part of the interest expense is directly attributable to development activities and their costs. All interest expenses refer to financial debts that are valued at acquisition value. Of the parent company´s exchange differences, 6 144 kSEK are related to intra-group (7,567).

Note B13. Taxes

	2023		2022	
TAX ON RESULT FOR THE YEAR	GROUP	PARENT COMPANY	GROUP	PARENT COMPANY
Current tax	-27,209	-23,408	-27,325	-23,569
Adjustments current year due to prior year current tax	-142	-64	-83	-187
Deferred tax expenses	-6,562	-237	-2,685	181
Total tax on result for the year	**-33,913**	**-23,710**	**-30,094**	**-23,575**
Deferred tax				
Temporary differences:				
Provisions	-237	-237	181	181
Inventory	-135	-	544	-
Capitalised expenditure for development	-9,453	-	-6,931	-
Other immaterial assets	1,801	-	2,201	-
Land and buildings	198	-	-	-
Leasing	73	-	163	-
Customer relationships	1,108	-	1,026	-
Other temporary differences	82	-	130	-
Total deferred tax	**-6,562**	**-237**	**-2,685**	**181**
Deferred tax asset/liability				
Temporary differences:				
Provisions	2,795	496	2,825	733
Inventory	513	-	648	-
Capitalised expenditure for development	-40,501	-	-31,047	-
Other immaterial assets	-1,182	-	-2,763	-
Land and buildings	-4,542	-	-	-
Leasing	553	-	479	-
Trademarks	-6,746	-	-6,766	-
Customer relationships	-10,450	-	-11,555	-
Other temporary differences	-	-	-4,747	-
Total carrying amount for deferred tax liability/asset	**-59,560**	**496**	**-52,925**	**733**

	2023		2022	
RECONCILIATION, TAXATION	GROUP	PARENT COMPANY	GROUP	PARENT COMPANY
Accounting profit/loss before tax	164,222	113,919	148,429	112,678
Tax at current tax rate	-33,830	-23,467	-30,576	-23,212
Tax effect of:				
-Effect of different tax rates in foreign subsidiaries	-101	-	-136	-
-Non taxable income	897	-	903	-
-Non-deductible expenses	-737	-178	-260	-177
-Utilization of tax loss defecits where deferred tax assets is not recognized	-	-	58	-
Total	**-33,771**	**-23,645**	**-30,011**	**-23,389**
Adjustments current year due to prior year current tax	-142	-64	-83	-186
Reported tax expense for the year	**-33,913**	**-23,710**	**-30,094**	**-23,575**

The majority of the companies in the group operate in countries that have adopted the new legislation to implement the global minimum tax, Pillar 2.

Note C1. Intangible Assets

	2023		2022	
CAPITALIZED EXPENDITURE FOR DEVELOPMENT	GROUP	PARENT COMPANY	GROUP	PARENT COMPANY
Opening cost of acquisition	225,167	41,612	179,561	41,612
Capitalized during the year	54,707	-	45,751	-
Reclassification	-1,764	-	-	-
Translation difference	-177	-	-145	-
Closing accumulated cost of acquisition	**277,933**	**41,612**	**225,167**	**41,612**
Opening depreciation	-62,458	-38,003	-53,286	-37,425
Depreciation for the year	-7,395	-541	-6,709	-578
Write-down for the year	-	-	-2,463	-
Reclassification	1,764	-	-	-
Disposals	20	-	-	-
Closing accumulated depreciation	**-68,069**	**-38,544**	**-62,458**	**-38,003**
Closing carrying amount	**209,864**	**3,068**	**162,709**	**3,609**

	2023		2022	
GOODWILL	GROUP	PARENT COMPANY	GROUP	PARENT COMPANY
Opening cost of acquisition	124,141	-	114,085	-
Translation difference	-360	-	10,056	-
Closing accumulated cost of acquisition	**123,781**	-	**124,141**	**-**
Closing carrying amount	**123,780**	**-**	**124,141**	**-**

	2023		2022	
TRADEMARKS	GROUP	PARENT COMPANY	GROUP	PARENT COMPANY
Opening cost of acquisition	27,064	-	24,872	-
Translation difference	-79	-	2,192	-
Closing accumulated cost of acquisition	**26,985**	**-**	**27,064**	**-**
Closing carrying amount	**26,985**	**-**	**27,064**	**-**

	2023		2022	
CUSTOMER RELATIONSHIPS	GROUP	PARENT COMPANY	GROUP	PARENT COMPANY
Opening cost of acquisition	60,204	-	55,328	-
Translation difference	-175	-	4,876	-
Closing accumulated cost of acquisition	**60,029**	**-**	**60,204**	**-**
Opening depreciation	-13,986	-	-8,904	-
Depreciation for the year	-4,431	-	-4,105	-
Translation difference	188	-	-977	-
Closing accumulated depreciation	**-18,229**	**-**	**-13,986**	**-**
Closing carrying amount	**41,800**	**-**	**46,218**	**-**

	2023		2022	
OTHER INTANGIBLE ASSETS	GROUP	PARENT COMPANY	GROUP	PARENT COMPANY
Opening cost of acquisition	81,287	32,474	78,947	1,121
Acquisition during the year	-	-	201	-
Reclassification	-	-900	-1,057	31,353
Disposals	-32	-	-	-
Translation difference	-143	-	3,196	-
Closing accumulated cost of acquisition	**81,112**	**31,574**	**81,287**	**32,474**
Opening depreciation	-42,190	-3,158	-32,443	-11
Depreciation for the year	-7,495	-2,450	-7,930	-2,247
Write-down for the year	-	-	-900	-900
Reclassification	-	900	1,882	-
Translation difference	-633	-	-2,799	-
Closing accumulated depreciation	**-50,318**	**-4,708**	**-42,190**	**-3,158**
Closing carrying amount	**30,794**	**26,867**	**39,097**	**29,317**

	12/31/2023		12/31/2022	
INTANGIBLE ASSETS BY GEOGRAPHICAL AREA BASED ON THE ASSETS PHYSICAL LOCATION	GROUP	PARENT COMPANY	GROUP	PARENT COMPANY
Sweden	229,180	29,935	185,875	32,926
France	204,043	-	213,354	-
EMEA	**433,223**	**29,935**	**399,229**	**32,926**
Americas	-	-	-	-
APAC	-	-	-	-
Total	**433,223**	**29,935**	**399,229**	**32,926**

Note C1. Intangible Assets, Cont'd

Capitalized expenditure for development
Expenditure on research and development was SEK 138 million (134), which corresponds to 20 percent (21) of net sales. Of this expenditure SEK 55 million (46) has been capitalized and the remaining SEK 83 million (89) has been charged to the result for the year. The reported value of capitalized development costs not yet subject to depreciation amounts to SEK 161 million (112). The year's development work refers to development aimed at strengthening the product portfolio in relation to customers in the sub-field of hematology.

Goodwill
Goodwill attributable to the acquisition of RAL Diagnostics amounted to SEK 118 million at the time of acquisition. At the end of the period, the carrying amount of goodwill amounted to SEK 124 million (124). There has been no write-down of goodwill during the financial year.

Trademarks, customer relationships and other intangible assets
The reported value of trademarks with an indefinite useful life amounted to SEK 27 million (27) at the end of the period and are attributable to the acquisition of RAL Diagnostics. There has been no write-down of brands during the financial year.
The closing reported value for customer relationships for the period amounts to SEK 42 million (46) and is attributable to the acquisition of RAL Diagnostics. Depreciation for the period has been done according to plan.

Other intangible assets mostly relate to exclusive rights to a patent portfolio SEK 27 milion (30) and acquired technology attributable to RAL Diagnostics SEK 4 million (10). The license rights relate to a new microscopy technology, Fourier Ptychographic Microscopy. Depreciation has taken place in accordance with the plan.

Impairment testing assets that have not been depreciated
The company management has set budgeted gross margins based on its expectations of market developments. The weighted average rate of growth used is in line with forecasts in industry reports. The management's assessment is that no reasonable changes in the important assumptions will result in the estimated total recoverable value of the operating unit being lower than the brand's total carrying value. Taking the above into account, the company management considers that no impairment loss exists.

The sensitivity analysis shows that an increase in the discount rate of 0.5 percentage points, or a change in the operating margin by -1 percentage point gives a good margin between value in use and reported value.

Used discount rate (WACC, Weighted Average Cost of Capital) amounts to 10,1 percent (12,2 percent before tax). Terminal growth rate of 2 percent has been used in the test and corresponds to a long-term assumption of real growth of 2 percent. See also note A3 regarding assumptions about goodwill and trademark.

Note C2. Tangible Fixed Assets

Right of use assets	2023	2022
LAND AND BUILDINGS	GROUP	GROUP
Opening cost of acquisition	66,363	69,554
Year's acquisitions	226	-
Change of contract	2,899	-3,456
Translation difference	-58	265
Closing accumulated cost of acquisition	**69,430**	**66,363**
Opening depreciation	-31,312	-24,249
Depreciation for the year	-10,255	-10,308
Change of contract	-	3,470
Translation difference	36	-225
Closing accumulated depreciation	**-41,530**	**-31,312**
Closing carrying amount	**27,900**	**35,051**

Right of use assets	2023	2022
EQUIPMENT, TOOLS, FIXTURES AND FITTINGS	GROUP	GROUP
Opening cost of acquisition	4,820	3,759
Year's acquisitions	2,375	1,696
Change of contract	-1,337	-897
Translation difference	-8	262
Closing accumulated cost of acquisition	**5,849**	**4,820**
Opening depreciation	-1,883	-1,376
Depreciation for the year	-1,701	-1,211
Change of contract	873	804
Translation difference	18	-100
Closing accumulated depreciation	**-2,694**	**-1,883**
Closing carrying amount	**3,155**	**2,937**

Right of use assets	2023	2022
PLANT AND MACHINERY	GROUP	GROUP
Opening cost of acquisition	-	984
Change of contract	-	-1,023
Translation difference	-	39
Closing accumulated cost of acquisition	-	-
Opening depreciation	-	-701
Depreciation for the year	-	-294
Change of contract	-	1,023
Translation difference	-	-28
Closing accumulated depreciation	**-**	**-**
Closing carrying amount	**-**	**-**

Tangible fixed assets that are not right of use assets	12/31/2023		12/312022	
LAND AND BUILDINGS	GROUP	PARENT COMPANY	GROUP	PARENT COMPANY
Opening cost of acquisition	63,407	-	26,259	-
Year's acquisitions	19,016	-	13,902	-
Reclassification	-	-	19,553	-
Translation difference	-815	-	3,693	-
Closing accumulated cost of acquisition	**81,608**	**-**	**63,407**	**-**
Opening depreciation	-11,645	-	-9,175	-
Depreciation for the year	-2,735	-	-1,587	-
Translation difference	125	-	-883	-
Closing accumulated depreciation	**-14,256**	**-**	**-11,645**	**-**
Closing carrying amount	**67,352**	**-**	**51,762**	**-**

Note C2. Tangible Fixed Assets Cont'd

Tangible fixed assets that are not right of use assets	2023		2022	
PLANT AND MACHINERY	GROUP	PARENT COMPANY	GROUP	PARENT COMPANY
Opening cost of acquisition	28,401	2,962	20,971	2,979
Year's acquisitions	10,101	1,604	6,003	536
Reclassification	-	-	-554	-554
Translation difference	-482	-	1,981	-
Closing accumulated cost of acquisition	**38,020**	**4,566**	**28,401**	**2,962**
Opening depreciation	-14,796	-1,921	-11,961	-1,757
Depreciation for the year	-3,050	-505	-1,811	-256
Reclassification	-	-	90	92
Translation difference	303	-	-1,114	-
Closing accumulated depreciation	**-17,544**	**-2,427**	**-14,796**	**-1,921**
Closing carrying amount	**20,476**	**2,139**	**13,605**	**1,041**

Tangible fixed assets that are not right of use assets	2023		2022	
EQUIPMENT, TOOLS, FIXTURES AND FITTINGS	GROUP	PARENT COMPANY	GROUP	PARENT COMPANY
Opening cost of acquisition	19,160	14,106	17,495	12,772
Year's acquisitions	2,653	1,596	3,577	2,545
Disposals/ retirements	-232	-	-1,766	-1,765
Reclassification	-	-	-558	554
Translation difference	-42	-	412	-
Closing accumulated cost of acquisition	**21,539**	**15,702**	**19,160**	**14,106**
Opening depreciation	-12,481	-10,276	-11,234	-9,928
Depreciation for the year	-2,701	-1,794	-2,773	-2,024
Reversal of acc. depreciation on disposals/retirements	232	-	1,766	1,766
Reclassification	-	-	-90	-90
Translation difference	29	-	-150	-
Closing accumulated depreciation	**-14,921**	**-12,071**	**-12,481**	**-10,276**
Closing carrying amount	**6,619**	**3,631**	**6,680**	**3,829**

Tangible fixed assets by geographical area based on the assets physical location	12/31/2023	12/31/2022
	GROUP	GROUP
Sweden	34,959	40,173
France	90,353	69,496
EMEA	**125,312**	**109,668**
Americas	-	**-**
Japan	191	366
APAC	**191**	**366**
Total	**125,503**	**110,034**

Note C3. Inventories

	2023		2022	
INVENTORIES	GROUP	PARENT COMPANY	GROUP	PARENT COMPANY
Raw materials and consumables	19,744	2,882	19,429	3,646
Finished goods	98,501	76,140	115,637	97,088
Payments on account for goods	7,793	7,793	7,505	7,505
Total	**126,038**	**86,815**	**142,571**	**108,240**

Inventories recognized as an expense during the year amount to SEK 163,426 (165,847) thousand in the Group and SEK 114,111 (120,437) thousand in the parent company. This year's cost includes a write-down of inventory by SEK 3,800 thousand for the group and SEK 3,800 thousand for the parent company.

Note C4. Financial Assets

	2023		2022	
DEPOSITS	GROUP	PARENT COMPANY	GROUP	PARENT COMPANY
Opening cost of acquisition	5,153	4,546	4,215	3,662
Recovered deposit	-941	-774	-184	-178
Additional deposits	17	-	1,081	1,062
Translation differences for the year	-22	-	39	-
Closing carrying amount	**4,208**	**3,772**	**5,153**	**4,546**

	2023		2022	
OTHER FINANCIAL ASSETS	GROUP	PARENT COMPANY	GROUP	PARENT COMPANY
Opening cost of acquisition	188	22,257	222	-
Additional other financial assets	-	13,315	-	22,257
Divested asset	-	-	-53	-
Translation differences for the year	-	-65	19	-
Closing carrying amount	**188**	**35,507**	**188**	**22,257**
Total financial assets	**4,396**	**39,279**	**5,340**	**26,803**

Additional other financial assets in the parent company refer to loans to subsidiaries

Note C5. Shares And Participations In Subsidiaries

			2023			2022		
COMPANY	CORPORATE IDENTITY NUMBER	REGISTERED OFFICE	NUMBER OF PARTICIPATIONS	SHARE OF EQUITY (%)	BOOK VALUE	NUMBER OF PARTICIPATIONS	SHARE OF EQUITY (%)	BOOK VALUE
CellaVision International AB	556573-4299	Lund, Sweden	1,000	100	100 kSEK	1,000	100	100 kSEK
CellaVision Inc., Canada	1724445	Toronto, Canada	1,000	100	6 kSEK	1,000	100	6 kSEK
CellaVision Inc., USA	06-1624895	Delaware, USA	10	100	1 SEK	10	100	1 SEK
CellaVision Japan K.K.	0104-01-074862	Yokohama, Japan	2,790	100	1 SEK	2,790	100	1 SEK
RAL Diagnostics SAS	449 261 403	Martilllac, France	901,515	100	259,255 kSEK	901,515	100	259,255 kSEK

Note C6. Trade Receivables

	2023		2022	
TRADE RECEIVABLES OVERDUE BUT NOT WRITTEN DOWN	GROUP	PARENT COMPANY	GROUP	PARENT COMPANY
1–30 days overdue	21,006	19,182	27,651	22,055
31–60 days overdue	2,385	423	1,728	853
61–90 days overdue	12	0	533	1
91–120 days overdue	131	-40	112	6
More than 120 days overdue	504	-	1,082	269
Total	**24,038**	**19,565**	**31,105**	**23,185**

As at December, 31 2023 trade receivables of SEK 24,038 thousand (31,105) were due for payment in the Group, but no impairment loss is identified. These trade receivables are for the most part related to a few partners. The company's assesment is that there are no significant credit risks for these partners who previously have not had any payment difficulties. The age analysis for the Group relating to these trade receivables is illustrated above. Of these receivables SEK 12,542 thousand (26,975) were settled at the end of January 2024. Reserve for doubtful trade receivables have been calculated based on historical data. The calculation model is shown in the table below. The provision for doubtful trade receivables was SEK 0 thousand (0) as at December, 31 2023. There are no pledges as collateral for receivables.

Risk matrix Group

ALL AMOUNT IN ' 000 SEK	1–30	31–60	61–90	91–120	>120	TOTAL
Aging accounts receivable	21,006	2,385	12	131	504	24,038
Percent at risk	0%	0%	0%	0%	0%	0%
Amount at risk	**-**	**-**	**-**	**-**	**-**	**-**

Risk matrix Parent company

ALL AMOUNT IN ' 000 SEK	1–30	31–60	61–90	91–120	>120	TOTAL
Aging accounts receivable	19,182	423	0	-40	-	19,565
Percent at risk	0%	0%	0%	0%	0%	0%
Amount at risk	**-**	**-**	**-**	**-**	**-**	**-**

Note C7. Prepaid Expenses And Accrued Income

	2023		2022	
	GROUP	PARENT COMPANY	GROUP	PARENT COMPANY
Office rent	53	3,332	53	3,070
Pension premiums	-	-	-	-
Insurance premiums	1,169	1,136	973	949
Market activity costs	687	687	872	872
License fees	2,716	2,716	2,735	2,735
Other	3,436	1,365	2,065	260
Total	**8,061**	**9,238**	**6,698**	**7,886**

Note C8. Share Capital

The registered share capital in the parent company was distributed, as at December 31, 2023, among 23,851,547 shares with a quotient value of SEK 0.15 (0.15) each. The number of shares in issue is unchanged compared with the same period in the previous year. Each share entitles the holder to one vote and each person entitled to vote at a general meeting of shareholders may vote for the full number of shares owned and represented by her or him without limit to the voting right. All shares confer an equal right to share in the company's assets and profits. No shares are held by the company itself. There has been a value transfer in 2023 to shareholders of SEK 53,666 thousand (47,703) attributable to dividends of SEK 2.25 per share (2.00).

Note C9. Reconciliation Of Liabilities Attributable To Financing Activities

The table below presents this year's change in the Group's liabilities linked to financing the business. The table includes current and non-current liabilities. The part that falls due for payment within: 1 year amounts to SEK 36,039 thousand (42,131), 1-5 years SEK 28,664 thousand (60,364).

GROUP	LIABILITIES TO CREDIT INSTITUTIONS	LEASE LIABILITY	TOTAL
As of December 31, 2022	64,610	37,884	102,495
Cash items			
Acquired loans	-	-	-
Amortization of loans	-31,421	-	-31,421
Amortization of leases	-	-11,949	-11,949
Non-cash items			
Leases at the start of the year	-	5,401	5,401
Effect of changes in exchange rates	568	-389	179
As of December 31, 2023	**33,757**	**30,947**	**64,704**

The table below presents this year's change in the Parent company's liabilities linked to financing the business. The table includes current and non-current liabilities. The part that falls due for payment within: 1 year amounts to SEK 21,974 thousand (28,373) and 1-5 years SEK 4,500 thousand (26,529). No part is due for payment exceeding 5 years.

PARENT COMPANY	LIABILITIES TO CREDIT INSTITUTIONS	TOTAL
As of December 31, 2022	54,902	54,902
Cash items		
Acquired loans	-	-
Amortization of loans	-29,024	-29,024
Non-cash items		
Effect of changes in exchange rates	596	596
As of December 31, 2023	**26,474**	**26,474**

Note C10. Provisions, Guarantees And Bonuses

	2023		2022	
LONG-TERM PROVISIONS	GROUP	PARENT COMPANY	GROUP	PARENT COMPANY
Opening amount	3,740	718	3,636	232
Allocated/dissolved during year	1,256	-261	528	486
Reversed provisions	-42	-	-724	-
Translation difference	-9	-	300	-
Total	**4,945**	**457**	**3,740**	**718**
Provisions fall due for payment				
- Within one year	-	-	-	-
- Later than one but within five years	1,681	457	760	718
- Later than five years	3,264	-	2,980	-
Total	**4,945**	**457**	**3,740**	**718**

	2023		2022	
WARRANTY PROVISIONS	GROUP	PARENT COMPANY	GROUP	PARENT COMPANY
Opening amount	2,843	2,843	2,450	2,450
Allocated during year	1,953	1,953	2,843	2,843
Reversed provisions	-1,813	-1,813	-1,325	-1,325
Utilized	-1,030	-1,030	-1,125	-1,125
Total	**1,953**	**1,953**	**2,843**	**2,843**
Provisions fall due for payment				
- Within one year	1,953	1,953	2,843	2,843
- Later than one but within five years	-	-	-	-
Total	**1,953**	**1,953**	**2,843**	**2,843**

Long-term provisions for the Parent Company as a whole consist of bonus reimbursement to the company's management. Provisions for pensions will also be added for the Group. The pension provision is based on actuarial calculations that are based on assumptions about discount rates, future salary increases and expected inflation.

Note C11. Accrued Expenses And Deferred Income

	2023		2022	
ACCRUED EXPENSES	GROUP	PARENT COMPANY	GROUP	PARENT COMPANY
Holiday liability	19,141	13,086	16,767	11,209
Consultant fee	1,265	1,265	1,861	1,861
Social security contributions	12,056	9,272	11,416	9,076
Staff costs	1,984	1,363	1,903	613
Incentive program	8,501	6,337	3,512	1,433
Other	2,576	1,400	2,366	1,073
Total	**45,523**	**32,722**	**37,825**	**25,264**

	2023		2022	
DEFERRED INCOME	GROUP	PARENT COMPANY	GROUP	PARENT COMPANY
Opening balance deferred income	-	-	3,006	3,006
Recognized revenue during the year	-	-	-3,006	-3,006
Closing balance deferred income	**-**	**-**	**-**	**-**

Note C12. Pledged Assets And Contingent Liabilities

	2023		2022	
PLEDGED ASSETS	GROUP	PARENT COMPANY	GROUP	PARENT COMPANY
Floating charge	29,559	12,500	29,609	12,500
Total	**29,559**	**12,500**	**29,609**	**12,500**
Contingent liabilities	None	None	None	None

Note C13. Non-Cash Items

GROUP	2023	2022
Depreciation/impairment	39,763	40,097
Inventory impariment	3,800	-
Change in accruals and provisions	6,651	-3,136
Unrealized exchange differences	-832	7,827
Total	**49,382**	**44,788**

PARENT COMPANY	2023	2022
Depreciation/impairment	5,290	6,003
Inventory impariment	3,800	-
Change in accruals and provisions	4,954	-3,110
Unrealized exchange differences	4,208	4,932
Total	**18,252**	**7,825**

Note C14. Appropriation Of Company Profits

	2023	2022
THE FOLLOWING PROFITS ARE AT DISPOSAL AT THE AGM	PARENT COMPANY	PARENT COMPANY
Profit brought forward	410,448	375,012
Net profit/loss for the year	90,209	89,103
Total	**500,657**	**464,114**
The Board of Directors proposes the AGM the following		
Dividend to shareholders SEK 2.25 (2.25) per share	53,666	53,666
To be carried forward	446,991	410,448
Total	**500,657**	**464,114**

Approval Of The Annual Report

Approval of the annual report
The annual accounts and consolidated accounts were approved by the Board of Directors on April 10, 2024. The Group's statement of comprehensive income, statement of financial position and the parent company's income statement and balance sheet will be submitted to the Annual General Meeting for approval on May 3, 2024.

The Board of Directors and President/CEO hereby certify that the annual accounts have been prepared in accordance with the Annual Accounts Act and the Swedish Financial Reporting Board recommendation, RFR 2 and give a true and fair view of the company's financial position and performance and that the administration report gives a fair review of the development of the company's business, financial position and performance and describes material risks and uncertainties to which the company is exposed.

The Board of Directors and President/CEO hereby certify that the consolidated accounts have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, the Annual Accounts Act and the Swedish Financial Reporting Board recommendation RFR 1, and give a true and fair view of the Group's financial position and performance and that the administration report for the Group gives a fair review of the development of the Group's business, financial position and performance and describes material risks and uncertainties to which the companies in the Group are exposed.

Annual General Meeting
The Annual General meeting will be held on May 3, 2024 at 15.00 CEST at CellaVision's premises, Mobilvägen 12 in Lund.

Dividend per share
The Board of Directors proposes to the Annual General Meeting that a dividend of SEK 2.25 per share be distributed for 2023.

Lund, April 10 2024

Mikael Worning
Chairman of the Board of Directors

Christer Fåhraeus
Member of the Board

Louise Armstrong-Denby
Member of the Board

Ann-Charlotte Jarleryd
Member of the Board

Stefan Wolf
Member of the Board

Kent Stråhlen
Member of the Board
Employee representative

Simon Østergaard
President and CEO

Our audit report was submitted on April 10, 2024
KPMG AB

Jonas Nihlberg
Authorized public accountant
Auditor in charge

Tobias Lindberg
Authorized public accountant

Auditor's Report

TO THE GENERAL MEETING OF THE SHAREHOLDERS OF CELLAVISION AB, CORP. ID 556500-0998

Report on the Annual Accounts and Consolidated Accounts

Opinions

We have audited the annual accounts and consolidated accounts of CellaVision AB for the year 2023. The annual accounts and consolidated accounts of the company are included on pages 52-94 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 the parent company as of 31 December 2023 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 2023 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 44-49 and sustainability report on pages 25-39. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting approve the income statement and balance sheet for the parent company as well as the report on comprehensive income and the balance sheet for the group.

Our opinions in this report on the 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) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) 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.

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.

Capitalization and valuation of development expenditure

See disclosure A3 on Important estimates and assumptions for accounting purposes, disclosure C1 on Capitalized development expenditures and accounting principles on pages 71-75 in the annual account and consolidated accounts for detailed information and description of the matter.

Description of key audit matter

As of December 31, 2023, the group reports balanced development expenses of SEK 210 million. Identification of the research and development phase is important to ensure whether balanced expenses can be capitalized. The value of the reported assets is dependent on the future return on the products to which the development expenditure relates. The management also evaluates the development projects on an ongoing basis to identify any write-down needs. The company also performs impairment testing of assets with an indefinite useful life. Capitalized development costs are also included in such a test. See further description of the area Valuation of goodwill and brand with indefinite useful life.

Incorrect assessment and assumptions can have an impact on the Group's results and financial position.

Response in the audit

We have reviewed the company's capitalized expenses and the management's assessments regarding capitalization to ensure that these comply with current accounting rules. We have also interviewed the management about their ongoing evaluation of possible indications of write-down needs regarding the development projects.

We have reviewed the company's impairment test. See further description of the area Valuation of Goodwill and Trademarks with indefinite useful life.

We have also evaluated the completeness of the information in the annual report.

Valuation of Goodwill and Trademarks with indefinite life

See disclosure A3 on Important estimates and assumptions for accounting purposes, disclosure C1 on Goodwill and Trademarks and accounting principles on pages 71-75 in the annual account and consolidated accounts for detailed information and description of the matter.

Description of key audit matter

As of December 31, 2023, the group reports goodwill and brand with an indefinite useful life of SEK 151 million. These refer to surplus values that have arisen in connection with acquisitions. Assets with an indefinite useful life must be subject to at least one impairment test annually, which contains both complexity and significant elements of judgment from the management of the group.
According to current regulations, the test must be carried out according to a method where management makes future assessments of the business's internal and external conditions

and plans. Examples of such assessments are future cashflows, which, among other things, require assumptions about future market conditions. Another important assumption is which discount rate should be used to take into account that future estimated payments are associated with risk and are thus worth less than the cash and cash equivalents that are directly available to the group.
Incorrect assessment and assumptions can have an impact on the Group's results and financial position.

Response in the audit
We have analysed tge company's impairment test to assess whether it has been prepared tin accordance with an approproate method.
Furthermore, we have assessed the reasonableness of the future cashflows as well as the discount rate by reviewing and evaluating management's written documentation and plans. We have also interviewed the management and evaluated previous years' assessments in relation to actual outcomes.
We have consulted our own valuation specialist in order to ensure experience and competence in the field.
An important part of our work has also been to evaluate how changes in assumptions can affect the valuation, that is, to critically evaluate the group's sensitivity analysis.
We have also evaluated the completeness of the information in the annual report and assessed whether it is consistent with the assumptions that the company has applied in its impairment test and whether the information is comprehensive enough to understand Group management's assessments.

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 1-49 and 99-103. The other information comprises also of the remuneration report which we obtained prior to the date of this auditor's report. The Board of Directors and the Managing Director are responsible for this other information.
Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.
In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.
If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director
The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS Accounting 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.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's, use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our

conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, measures that have been taken to eliminate the threats or related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

Report on Other Legal and Regulatory Requirements

Auditor's audit of the administration and the proposed appropriations of 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 CellaVision AB for the year 2023 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

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

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner.

The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and

violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

The auditor's examination of the Esef report
Opinion
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 CellaVision AB for year 2023.
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 CellaVision AB 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 the preparation of the Esef report 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 obtain 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 International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination 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 and consolidated 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 examination also includes an evaluation of the appropriateness and reasonableness of the assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHTML format 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 consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

Malmö 10 April 2024
KPMG AB

Jonas Nihlberg
Authorized Public Accountant
Auditor in charge

Tobias Lindberg
Authorized Public Accountant

Reconciliation

The company presents certain financial measures in the annual report which are not defined according to IFRS. The financial metrics are used by the company's management to evaluate relevant trends, and the company believes that they can provide valuable supplementary information to investors. CellaVision's definitions of these measures may differ from other companies' definitions of the same terms. These financial measures should therefore be seen as a supplement rather than as a replacement for measures defined according to IFRS. Definitions of measures which are not defined according to IFRS and which are not mentioned elsewhere in the annual report are presented below. Reconciliation of these measures is shown in the tables below.

Net sales

KSEK	JAN–DEC	2023 JAN–DEC	JAN–DEC	2022 JAN–DEC
Last period		639,340		565,552
Organic growth	-1%	-5,979	4%	20,657
Currency effect	7%	43,931	9%	53,131
Current period	**6%**	**677,292**	**13%**	**639,340**

EBITDA

KSEK	2023 JAN–DEC	2022 JAN–DEC
Operating profit/loss	167,051	158,266
Depreciation	39,763	40,097
EBITDA	**206,814**	**198,363**

Gross margin

KSEK	2023 JAN–DEC	2022 JAN–DEC
Net sales	677,292	639,340
Gross profit	463,040	438,317
Gross margin	**68.4%**	**68.6%**

Operating margin

KSEK	2023 JAN–DEC	2022 JAN–DEC
Net sales	677,292	639,340
Operating profit/loss	167,051	158,266
Operating margin	**24.7%**	**24.8%**

Return on equity

KSEK	2023 JAN–DEC	2022 JAN–DEC
Profit/loss for the period	130,309	118,335
Average equity	679,009	592,454
Return on equity	**19%**	**20%**

Return on operating capital

KSEK	2023 JAN–DEC	2022 JAN–DEC
Operating profit/loss	167,051	158,266
Average operating capital	643,245	580,316
Return on operating capital	**26%**	**27%**

Equity-asset ratio

KSEK	12/31/2023	12/31/2021
Equity	716,389	641,628
Balance sheet total	928,712	891,748
Equity ratio	**77%**	**72%**

Net investments

KSEK	2023 JAN-DEC	2022 JAN-DEC
Tangible assets	31,770	23,482
Intangible assets	54,707	43,895
Disposals	-232	-1,957
Net investments	**86,245**	**65,420**

Equity per share

SEK	12/31/2023	12/31/2022
Equity	716,389,331	641,628,200
Number of shares	23,851,547	23,851,547
Equity per share	**30.04**	**26.90**

Net debt/equity ratio

KSEK	12/31/2023	12/31/2022
Liabilities to credit institutions including leasing liability	64,703	102,494
Cash and bank	121,645	108,053
Sum net debt	**-56,942**	**-5,559**
Equity	716,389	641,628
Net debt/equity ratio	**-0.08**	**-0.01**

Reconciliation Cont'd

Calculation of operating capital

KSEK	12/31/2023	12/31/2022
Balance sheet total	**928,712**	**891,748**
Deducted:		
Cash and bank	121,645	108,053
Other long-term receivables	4,396	5,340
Other current liabilities, not interest-bearing	2,453	2,372
Trade payables	32,534	47,864
Warranty provisions	1,953	2,843
Accrued expenses and deferred income	45,523	37,824
Other provisions	4,945	3,740
Defferred tax liability	59,560	52,925
Sum, operating capital	**655,704**	**630,787**

Financial Definitions

Average number of employees
The number of employees at the end of each month, divided by twelve.

EBITDA
Measure of a company's overall financial performance before interest, taxes, depreciation and amortization.

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

Equity per share after full dilution
Equity after dilution divided by the number of shares at year-end, as though full dilution had taken place.

Net investments
Investments in property, plant and equipment and intangible assets adjusted for disposals.

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

Earnings per share after full dilution
Profit/loss for the year divided by the average weighted number of shares plus the additional number for full dilution.

Equity-assets ratio
Equity as a percentage of the balance sheet total.

Net debt/equity ratio
Net loan liability in relation to equity. (Net loan liability is calculated as loan liability minus cash at the end of the period.)

Return on equity
Net earnings divided by average equity.

Return on operating capital
Profit/loss before financial income and financial expenses divided by average operating capital.

Interest coverage ratio
Operating profit plus interest income divided by interest expense.

Operating capital
Balance sheet total less cash and cash equivalents, financial assets, deferred tax assets and non-interest-bearing liabilities.

Cash flow for the year
Profit/loss after financial items plus amortization/depreciation and other non-cash items, less tax paid, adjusted for decrease/increase in working capital excluding cash and cash equivalents and less net investment in non-current assets, change in loans raised/repaid and dividend paid.

Glossary

Algorithm
A systematic procedure in mathematics and data processing that specifies in a finite number of steps how a calculation is performed or solves a given problem.

Anemia
Deficiency of red blood cells. Too low a count of hemoglobin, the blood's oxygen carrier, which is found in red blood cells.

Artificial intelligence/Artificial neural networks
Mathematical model that mimics the brain's method of learning.

Biomedical analyst
A licensed professional category working at laboratories and physiological units. Biomedical analysts specialized in laboratory medicine perform various types of laboratory analysis, such as of blood or tissue. The analysis is done for example to make a diagnosis, monitor the course of an illness or assess treatment.

Blood platelets
Colloquial term for thrombocytes. Their main purpose is to stop bleeding in the body's blood vessels by plugging open wounds that have arisen. If that does not stop the bleeding the thrombocytes activate blood coagulation.

Cerebrospinal fluid
Clear fluid that surrounds the brain and spinal cord.

Cell counter
When a hematological disease is suspected a complete blood count is the first test ordered by healthcare services. A complete blood count is routinely used to obtain an overall status of different cells in the blood. Most of the samples are analyzed using a cell counter. Samples showing any type of abnormality are sent on for further examination in CellaVision's analyzer, where the blood is smeared and stained on a microscope slide. Without access to CellaVision's analyzers, the sample is examined manually in a microscope.

Cytology
The science of cells. Examination mainly of liquid-based samples, such as from spinal fluid, lung fluid and synovial fluid, for the purpose of finding bacteria, cancer cells and blood cells. Perhaps the most frequent cytology test is a Pap smear test from the cervix, which is used to detect malignant or premalignant cell changes.

Digital Cell Morphology
The automation and digital imaging of cell morphology.

Food and Drug Administration (FDA)
The authority in the USA that regulates food and drugs.

Hematology
Means "the science of blood and its diseases" and is a medical specialty that researches and treats diseases of the blood and blood-forming organs.

In vitro
The branch of medical technology that refers to samples analyzed outside the body.

Clinical chemistry
Medical specialty with the task of producing, further developing and providing healthcare services with chemical analyses of blood or other bodily fluids, cell analyses and immunological analyses.

Leukemia/blood cancer
Leukemia is a general term for several cancer-like blood disorders in the blood-building bone marrow where the white blood cells change and multiply in an uncontrolled way in the bone marrow and blood.

Neural networks
Mathematical theory that mimics the brain's method of learning.

Pathology
The science of the cause and development of diseases, in particular with reference to structural changes in the morphological structure of cells, tissues and organs. Microscopic studies of tissue sections and biopsies, which can be paraffin-embedded or frozen. Examples of pathology analyses are biopsies of suspected breast cancer tissue.

Red blood cells (erythrocytes)
Have the task of carrying oxygen to the cells, and carbon dioxide from them to the lungs. Normally the most abundant cell type in the blood.

State Food and Drug Administration of the People´s Republic of China (SFDA)
The authority in China that regulates food and drugs.

White blood cells (leucocytes)
Their most important task is to defend the body against infections. In a healthy person there are normally five classes of white blood cells: neutrophils, eosinophils, basophils, monocytes and lymphocytes.


EVOLVING MICROSCOPY
ELEVATING HEALTHCARE