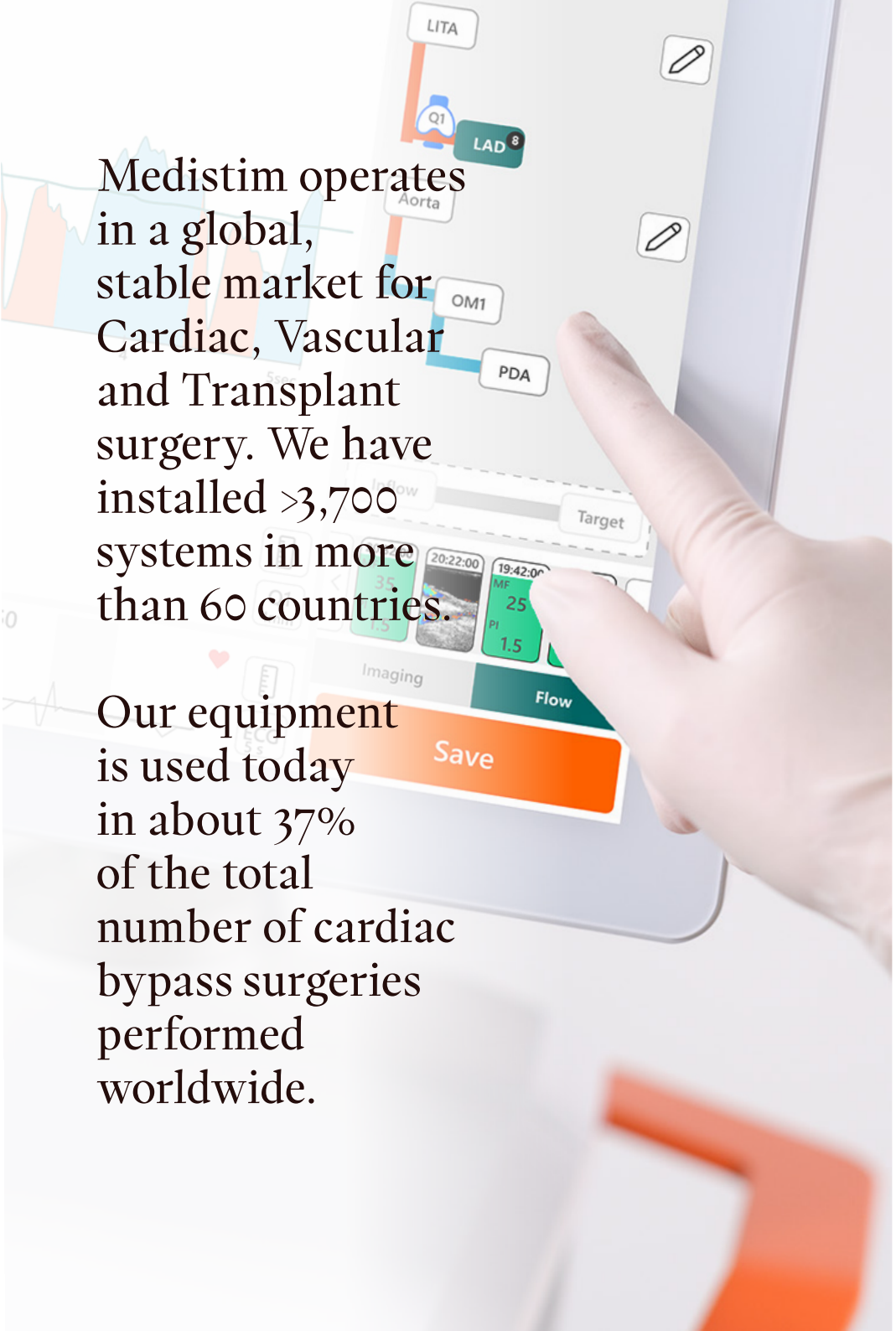
Q4 2024

Interim Report

FOURTH QUARTER AND PRELIMINARY
FINANCIAL RESULTS FOR 2024



Medistim operates in a global, stable market for Cardiac, Vascular and Transplant surgery. We have installed >3,700 systems in more than 60 countries.

Our equipment is used today in about 37% of the total number of cardiac bypass surgeries performed worldwide.

Highlights Q4 & Preliminary Financial Results for 2024

All time high quarter for sales revenues, ending at MNOK 151.1, 11.4% above fourth quarter last year (MNOK 135.6). Full year sales ended at MNOK 562.6, 6.9% above last year (MNOK 526.4).

Currency neutral sales of own products was up 9.7% for the quarter and 3.9% for the full year.

Recurring sales remained high at 71.5% (71.3%) for the quarter and 73.7% (69.3%) for the year.

AMERICAS delivered a strong quarter with 29.7% currency neutral growth. EMEA showed strong performance with currency neutral growth of 10.9%. APAC was down 24.4% for the quarter.

Operating profit (EBIT) for the quarter ended at MNOK 25.8 giving a 17.1% EBIT margin (MNOK 22.3, a 16.4% margin). For the full year, EBIT was at MNOK 131,1 (MNOK 131.4) giving a 23.3% EBIT margin (25.0%).

Third-party distributor sales in Scandinavia increased 10.4% for the quarter and 13.1% for the year.

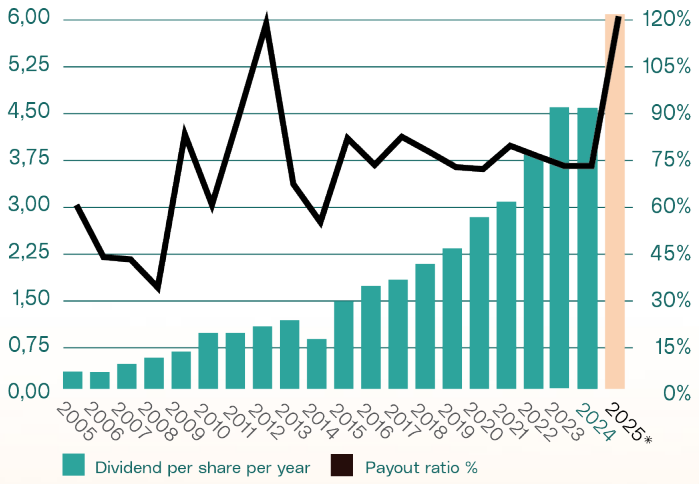
In December, Medistim launched its new MiraQ INTUI software platform for Cardiac surgery.

For vascular surgery, Medistim launched a multicenter study of TTFM and HFUS imaging as completion control in peripheral bypass.

Solid cash position at quarter end with MNOK 179.2 and no interest-bearing debt. The Board of Directors suggests a dividend of NOK 6.00 per share (NOK 4.5), total MNOK 109.8 (MNOK 82.4).

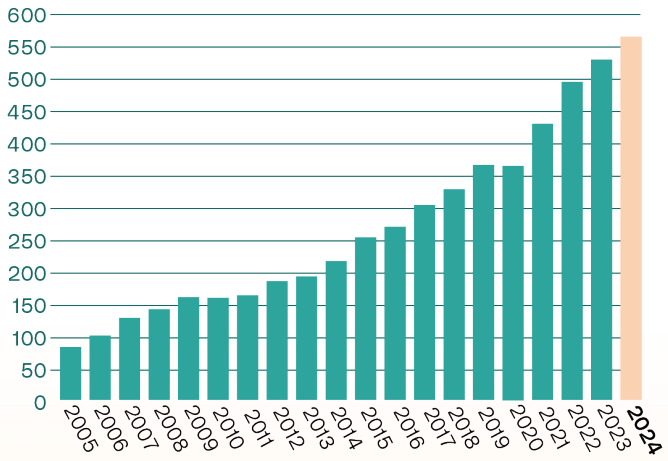
Medistim
track record

Dividend per share in NOK

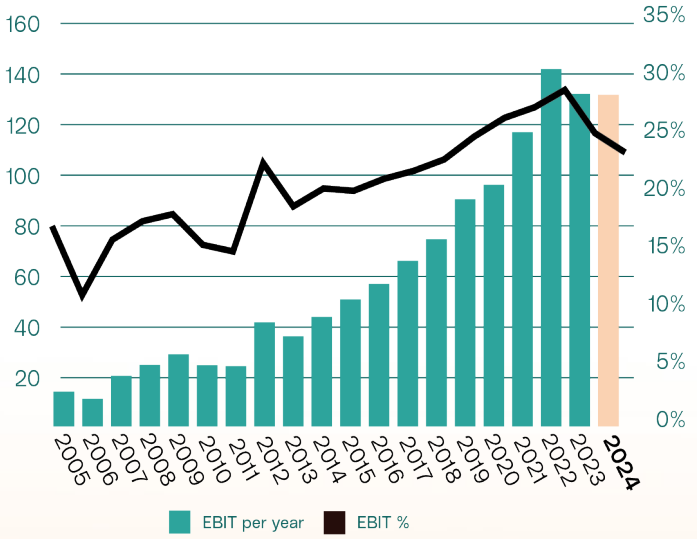


*) Suggested dividend by the Board of Directors

Sales per year in MNOK



EBIT in MNOK and EBIT %



Letter from the CEO

After a macroeconomically challenging 2023 that negatively impacted new healthcare technology investments, we anticipated a gradual acceleration in sales revenue growth as the economy recovered throughout 2024. I'm pleased to report that this expectation has been met, with **quarterly sales revenue reaching an all-time high of MNOK 151.1 in the fourth quarter—an increase of 11.4%** in NOK and 9.8% on a currency-neutral basis.

Our key growth driver, AMERICAS, maintained its positive momentum this quarter, achieving a 31.9% increase in NOK and 29.7% on a currency-neutral basis. In 2023 and the first half of 2024, we experienced a decline in unit sales of our higher-priced Flow-and-Imaging device and a decreased preference for the capital sales model, both of which impacted our revenue in the USA. However, in the second half of the year, we saw a strong rebound in capital sales, with over 50% involving the Flow-and-Imaging model. **By year-end, AMERICAS emerged as our fastest-growing region, with an annual growth rate of 13.5% in NOK and 11.6% currency neutral.**

EMEA continues to be a solid growth contributor, delivering currency-neutral growth of 10.9% for the quarter and 8.0% for the full year. Notably, the regions where we have established our own teams are performing exceptionally well. **Spain, Germany, and our newly direct market in Sweden are leading the way, driving robust regional growth.**

Throughout the year, the APAC region faced challenges due to the transition from distributor sales to direct operations in China, as well as under performance from our distributor in Japan. As noted in the Q3 report, our Japanese distributor was developing a promising pipeline for Q4, leading to quarterly sales in Japan nearing normal levels at MNOK 5.3. We are actively collaborating with our distributor to better understand market dynamics and are carefully evaluating strategies to optimize our business in Japan.

Although total sales revenues have strengthened throughout the year, **the EBIT margin remains impacted by continued investments in the business.** In the fourth quarter, activity levels were exceptionally high, largely due to the launch of the new MiraQ INTUI software platform for cardiac surgery. This product was prominently featured at the ICC conference exhibition, presented at a dedicated launch symposium, and highlighted at a Capital Markets Day, all in December. These efforts were in addition to ongoing investments in expanding production capacity, R&D, and new direct markets. Consequently, the fourth-quarter EBIT margin reached a moderate 17.1%, although up from 16.4% last year. **For the full year, EBIT totaled MNOK 131.1 compared to MNOK 131.4 in 2023, reflecting an EBIT margin of 23.3% versus 25.0% last year.**

It is our ambition to deliver EBIT margins at our historically higher levels, hence continued, accelerated growth is necessary as we continue to invest in clinical marketing and more. While AMERICAS and EMEA have delivered well in 2024, and APAC has the potential to come back strongly next year, we have taken actions to grow product volume sales from growing the number of new customers and increased utilization at current accounts. **The INTUI software launch, the PATENT study in vascular surgery, and a new Commercial Operations organization under the leadership of a new Chief Commercial Officer role, established in the first quarter of 2025, will be enablers to achieve this ambition.**

27th February, 2025
Kari E. Krogstad
President and CEO

FOURTH QUARTER AND FULL YEAR 2024
PRELIMINARY FINANCIAL RESULTS

The financial report as per December 31st 2024 has been prepared according to the IFRS (International Financial Reporting Standard) and follows IAS 34 for interim financial reporting, as do the comparable numbers for 2023.

FINANCIAL DEVELOPMENT

(Comparative numbers for 2023 in parenthesis.)

Sales and geographic split

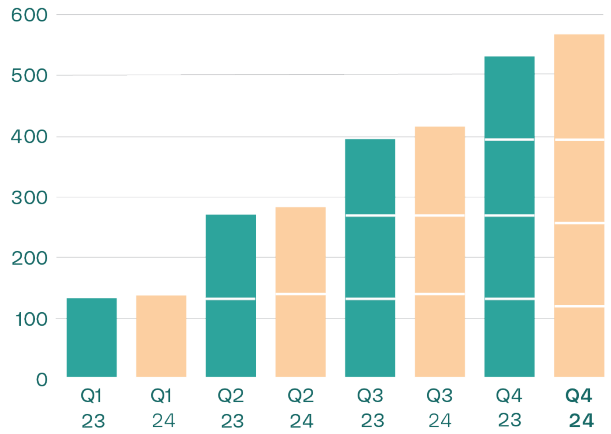
Sales revenues in the fourth quarter ended at MNOK 151.1 (MNOK 135.6), an 11.4% increase. Sales split in MNOK was as follows:

MNOK	Q4 2024	Q4 2023	CHANGE IN %
AMERICAS	61.7	46.8	31.9 %
APAC	22,1	28.7	-23.1 %
EMEA	44.8	39.7	12.9 %
THIRD PARTY	22.6	20.5	10.4 %
TOTAL	**151.1**	**135.6**	**11.4 %**

Sales revenues for the year ended at MNOK 562.6 (MNOK 526.4), a 6.9% increase. Sales split in MNOK was as follows:

MNOK	2024	2023	CHANGE IN %
AMERICAS	237.2	209.0	13.5 %
APAC	65.3	83.0	-21.3 %
EMEA	170.3	154.9	9.9 %
THIRD PARTY	89.8	79.4	13.1 %
TOTAL	**562.6**	**526.4**	**6.9 %**

Accumulated sales per quarter in MNOK



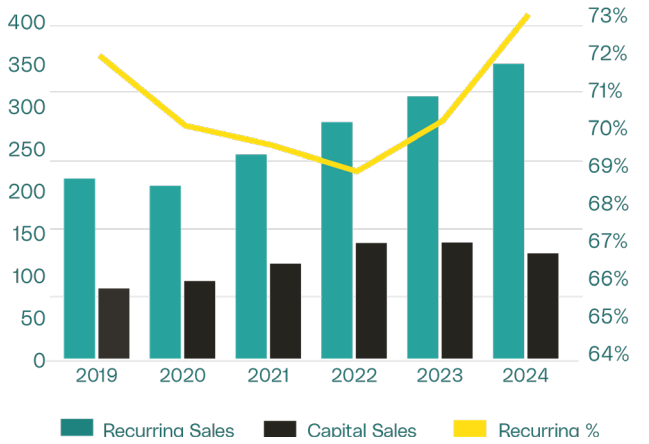
Currency effect

With the same foreign currency exchange rates as in 2023, sales would have amounted to MNOK 148.9 for the quarter, which represents a currency-neutral growth of 9.8%. Similar for the year, sales would have amounted to 554.6, which represent a currency neutral growth of 5.4%. Currency-neutral growth of own products was 9.7% for the quarter and 3.9% for the year. Third party products increased by 10.4% for the quarter and 13.1 % for the year.

Split between recurring sales and capital sales

Sales of Medistim's own products can be split into capital sales of systems and repeating sales of probes, smartcards, and lease revenue, which are all defined as recurring revenue. For the year 2023, recurring sales were 69,3% of total sales of own products. For 2024 recurring revenue represented 73.7%.

Split between recurring sales and capital sales in MNOK



Split of sales in own products and third party products

Sales of own products for the quarter amounted to MNOK 128.6 (MNOK 115.2), a growth of 11.6%. Sales of third-party products grew 10.4%, ending at MNOK 22.6 (MNOK 20.5).

Sales of own products in 2024 amounted to MNOK 472.8 (MNOK 446.9), a growth of 5.8%. Sales of third-party products grew 13.1%, ending at MNOK 89.8 (MNOK 79.4).

Split of sales in Cardiac and Vascular products

For the quarterly sales of own products, MNOK 105.5 (MNOK 92.3) was within the Cardiac segment and MNOK 23.1 (MNOK 22.9) was within the Vascular segment.

For year 2024, sales revenue from the Cardiac segment was MNOK 379.1 (MNOK 365.6). Sales revenue from the Vascular segment was MNOK 93.7 (MNOK 81.3), showing growth at 15.3%.

Over the past several years there has been a higher growth rate within Vascular sales compared to Cardiac sales. Vascular is becoming an increasing part of sales of own products, making up 19.8% of own products sales in 2024, compared to 18.2% and 16.7% for the full year 2023 and 2022.

Split of sales in Flow and Imaging products
For the quarter, sales revenue from Flow products was MNOK 94.4 (MNOK 84.3), showing growth at 12.0%. Sales revenue from Imaging products was MNOK 34.1 (MNOK 30.9) showing a 10.5% growth.

For the year 2024, sales revenue from Flow products was MNOK 348.0 (MNOK 313.0), showing growth at 11.2%. Sales revenue from Imaging products was MNOK 124.8 (MNOK 134.0), a decline of 6.9%.

Over the past several years, the Imaging product portfolio has experienced substantial growth, becoming a significant contributor to overall product sales. After several quarters through 2023 and 2024 when sales of the highest priced devices has been challenged by the high inflation and interest rates, it is encouraging to see that imaging sales is growing by 10.5% in this fourth quarter.

Cost of goods sold (COGS)
For the quarter, cost of material ended at MNOK 33.6 (MNOK 34.1) representing 22.2% of total sales 25.2%). This gives a gross margin of 77.8% (74.8%).

For the year 2024, cost of material ended at MNOK 113.7 (MNOK 112.2) representing 20.2% of total sales (21.3%). This gives a gross margin of 79.8% (78.7%).

Salary, social and other operating expenses
Salaries and social expenses ended at MNOK 48.8 (MNOK 35.6) for the quarter. Other operating expenses amounted to MNOK 32.7 (MNOK 26.1). See note 7.

For 2024, salaries and social expenses ended at MNOK 158.2 (MNOK 137.0). Other operating expenses amounted to MNOK 107.8 (MNOK 96.4). See note 7.

The rise in salaries and social expenses for the quarter and year reflects the impact of expanding headcount, driven primarily by the establishment of direct operations in Canada, China, and Sweden, the introduction of a second shift in production and expanding capacity in R&D and product innovation.

There was unusual high activity level in the fourth quarter with travel and exhibitions related to the MiraQ INTUI software upgrade launch and the Capital Markets Day held in London, partly explaining the increased cost level of other operating expenses.

R&D expenses
For the quarter, MNOK 11.0 (MNOK 8.7) was spent on research and development (R&D), of which MNOK 6.8 (MNOK 3.8) was capitalized in the balance sheet.

Year to date, MNOK 35.0 (MNOK 29.0) was spent on R&D, of which MNOK 18.6 (MNOK 13.3) was capitalized in the balance sheet.

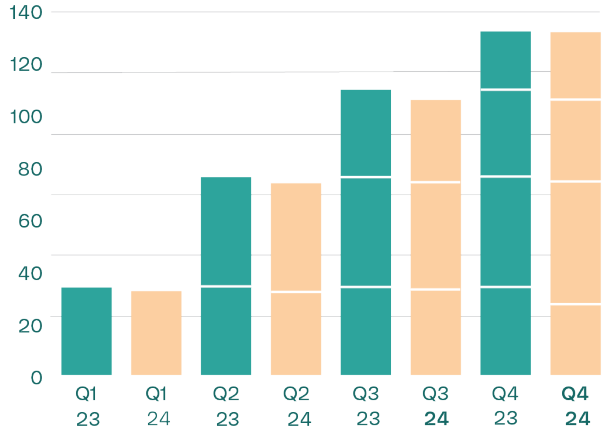
During the fourth quarter Medistim released the MiraQ INTUI software platform, based on cutting edge, future-proof software architecture, With its new user interface and features, INTUI sets a new standard for Medistim's MiraQ™ technology by offering simplified navigation, quicker access to critical data, and improved data interpretation–ultimately streamlining workflow and optimizing performance.

The INTUI project is one of two pivotal projects poised to boost offerings and reinforce commitment to innovation, see the 'Strategic Imperatives' chapter for further detail.

Earnings
Operating profit before interest, taxes, depreciation and amortization (EBITDA) for the quarter ended at MNOK 32.4 (MNOK 29.3). Profit before interest and taxes (EBIT) ended at MNOK 25.8 (MNOK 22.3).

EBITDA for the year was at MNOK 155.6 (MNOK 155.1). EBIT ended at MNOK 131.1 (MNOK 131.4).

Accumulated operating profit (EBIT) per quarter in MNOK:



Net finance ended positive with MNOK 2.5 for the quarter (positive MNOK 4.1). For the year, net finance ended positive with MNOK 3.2 (positive MNOK 3.8). Net finance was related to realized and unrealized gains or losses related to currency, cash in USD and EUR, and customer receivables.

The profit before tax was MNOK 28.3 (MNOK 26.4) for the quarter. Profit after tax was MNOK 21.3 (MNOK 19.1).

For the year, profit before tax was MNOK 134.2 (MNOK 135.2). Profit after tax was MNOK 103.8 (MNOK 103.8).

Earnings per share for the quarter was NOK 1.16 (NOK 1.04). For the year earnings per share was NOK 5.67 (NOK 5.67). Average number of shares outstanding was 18,314,219 (18,267,157) at the end of the year 2024.

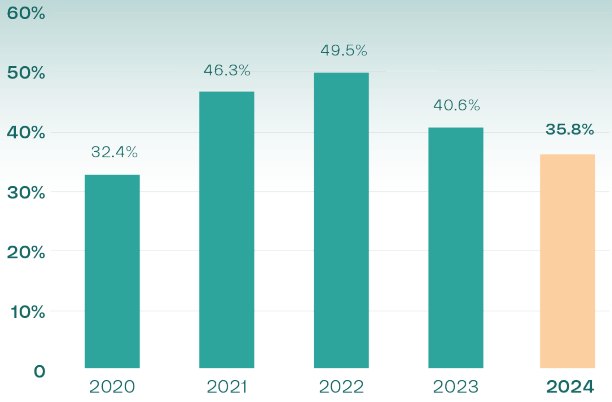
Balance sheet
Equity by the year 2024 was MNOK 436.6 (MNOK 397.9 by year end). This equals an equity ratio of 75.9% (78.7%). The reduction in equity ratio is related to increased total balance sheet. The value increase came after calling an option to add 5 more year to the lease contract for head offices in Oslo.

Inventory levels are high due to company policy of securing end of life components, building security stock of critical components and finished goods. From 30th of June to 31st of December total inventory was reduced from MNOK 164.4 to MNOK 160.5. In previous quarters inventory has increased related to previously committed purchase orders that was placed at the time where there was supply chain issues. Lead time on several of the components are from 12 to 18 months.

The cash position is strong and ended at MNOK 179.2 at year end (MNOK 153.9 at the end of 2023).
A dividend of MNOK 82.4 was paid to shareholders in the second quarter. The company's liabilities were related to lease contracts and deferred revenue from service contracts with a total of MNOK 42.7, where 33.4 was long term liability.

Return on invested capital (ROIC) was 35.8% by the end of December. Increased working capital has reduced the ROIC in %.

ROIC in %



OPERATIONAL STATUS

New product launched for Cardiac surgery (INTUI)
In December, Medistim launched the MiraQ INTUI software platform at the International Coronary Congress in London, UK. The product was exhibited at the conference and a launch symposium provided a thorough introduction to the new features and benefits. Medistim is receiving positive interest from cardiac surgeons and will start selling the new software in the first quarter of 2025.

New clinical study in Vascular surgery (PATENT)
In November, Medistim announced the commencement of the PATENT study, an open, prospective, multicenter trial aimed at evaluating the immediate clinical benefits and long-term prognostic value of intraoperative completion control using transit time flow measurement (TTFM) and high-frequency ultrasound (HFUS) imaging. The study focuses on patients undergoing bypass surgery for Critical Limb Threatening Ischemia (CLTI) below the knee. The study has the potential to be an accelerator of adoption of Medistim's technology in vascular surgery, much like how the REQUEST study was transformative for the adoption of HFUS in CABG surgery.

AMERICAS (USA, Canada and Latin America)
For the quarter, AMERICAS sales revenues in NOK increased by 31.9% ending at MNOK 61.7. Currency neutral, sales increased with 29.7%.

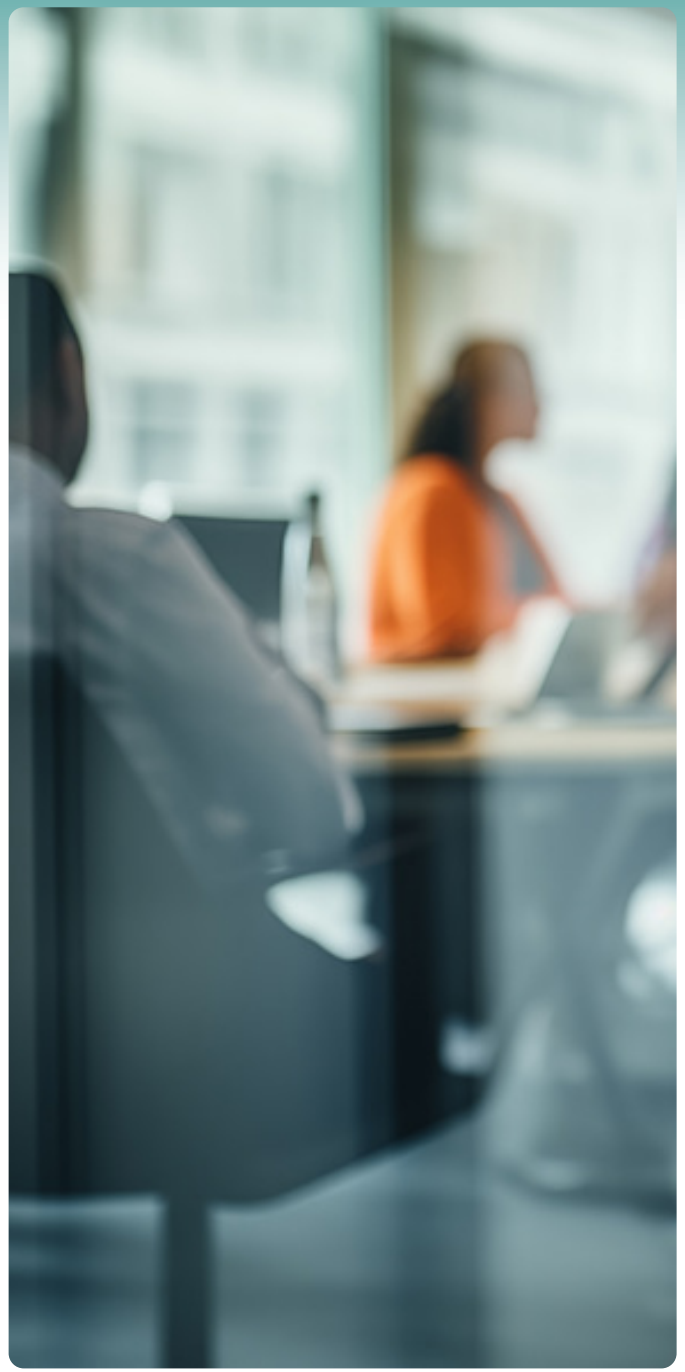
USA increased with 31.2% while sales in Canada and Latin America increased 39.9% in the fourth quarter. 13 capital systems were sold in the USA vs 7 in Q4 2023. Sales of imaging systems and flow systems increased from respectively 5 to 7 and 2 to 6 units. There were two new lease customers in the fourth quarter vs 1 last year.

For the full year, AMERICAS sales revenues in NOK increased by 13.5% ending at MNOK 237.2. Currency neutral, sales increased with 11.6%. 50 capital systems have been sold vs 39 last year. The lower revenue from these system sales is explained by the fact that 15 of the systems was sold outside of USA vs 3 last year, and Medistim achieves higher prices in a direct market like the USA.

In addition, 9 units have been outplaced on lease contracts compared to 4 units last year.

The largest target market for Medistim is the USA, which is representing about 90% of sales in the AMERICAS region for the quarter and 91.2% year to date. In the USA, Medistim offers several business models, including sales of procedures (Pay Per Procedures or 'PPP'), leasing, and capital sales.

During 2024, USA have experienced a gradual increase in sales of capital devices, which may be a consequence of improvements in the US economy. The fourth quarter is the strongest growth quarter so far in 2024, showing double digit growth.



For the sake of calculating market penetration in the USA, we count Flow procedures from both PPP smartcards and capital probes sold, see table below. Note that these numbers must be seen as estimates for utilization, as they count procedures sold to end-users, and don't consider the timing of actual utilization.

There is a higher number of procedures sold to capital customers compared to PPP/lease customers for both the quarter and for the year.

NUMBER OF PROCEDURES FROM:	Q4 2024	Q4 2023	CHANGE IN %
PPP or lease flow	5 400	6 678	-19.1 %
Flow probes to capital customers	11 382	10 676	6.6 %
Total flow procedures	**16 782**	**17 354**	**-3.3 %**
PPP or lease imaging	1 767	1 907	-7.3 %
Imaging probes to capital customers	1 900	1 200	58.3 %
Total imaging procedures	**3 667**	**3 107**	**18.0 %**
Total flow and imaging procedures	**20 449**	**20 461**	**-0.1 %**

NUMBER OF PROCEDURES FROM:	2024	2023	CHANGE IN %
PPP or lease flow	23 535	26 058	-9.7 %
Flow probes to capital customers	46 147	43 706	5.6 %
Total flow procedures	**69 682**	**69 764**	**-0.1 %**
PPP or lease imaging	7 475	8 042	-7.1 %
Imaging probes to capital customers	5 300	5 500	-3.6 %
Total imaging procedures	**12 775**	**13 542**	**-5.7 %**
Total flow and imaging procedures	**82 457**	**83 306**	**-1.0 %**

Number of procedures sold in the USA

Medistim's new direct sales operation in Canada has had a strong year to date and has delivered sales of MNOK 14.0 (MNOK 6.7). Latin America has also had a good year with sales at MNOK 6.9 (MNOK 5.1).

APAC (China, Japan and rest of Asia Pacific)
For the quarter, sales revenues in NOK were down 23.1%, ending at MNOK 22.1. Currency neutral, sales decreased with 24.4%. Sales to Japan is back to normal for the quarter after several weak quarters in 2024. Sales ended at MNOK 5.3 compared to last year MNOK 6.6. Sales to China was down 14.6 % and ended at MNOK 14.3 However, fourth quarter last year for China was a strong comparable.

For the full year, sales revenues in NOK were down 21.3% and currency neutral sales declined 22.7%. Last year was boosted by the final sales push from the former distributor to China. In addition, weak sale in Japan is the main reason for the decrease compared to 2023.

In this region, Medistim has its strongest position in China representing 53% of sales and Japan representing about 18% of sales in the region in 2024. Sales to both regions are expected to improve entering 2025.

EMEA (Europe, Middle East and Africa)
For the quarter, EMEA sales revenues in NOK increased by 12.9% ending at MNOK 44.8. Currency neutral, sales increased with 10.9%. Medistim's direct operations in EMEA (Germany, Spain, UK, Norway, Denmark and Sweden) delivered another strong quarter with 14.7% growth. Sales through distributors increased with 11.4%.

For the full year, sales revenues increased 9.9% in NOK and 8.0% currency neutral. The sales increase was driven by growth in sales in the direct markets with 21.9%, while sales through distributors were down 6.4%.

More than 95% of sales from the region comes from Europe in 2024. 65% of the sales was through the direct channel and 35% of sales was through distributors.

THIRD PARTY PRODUCTS
(Norway, Denmark and Sweden)
For the quarter, revenues from third party sales reached MNOK 22.6 (MNOK 20.5), growing 10.4% compared to last year. For the full year, sales of third-party products ended at MNOK 89.8, growing 13.1%.

Third party products are distributed through Medistim's subsidiaries in Norway, Denmark and Sweden, where we established direct sales office in late 2023. This direct presence in all three countries strengthens the company's position for securing new agencies across Scandinavia.

RISKS

Exposure towards currency
The company is exposed to EUR and USD currency fluctuations. Exposure can vary depending on the share of its revenues and costs in USD and EUR relative to its total income and expenses. For 2024, a 10% change in the exchange rate against USD and EUR would result in an 8.5% change in sales and a 14% change in operating result. The company partly secures its positions with hedging contracts.

Global macro-economic uncertainties
Macro-economic turmoil with inflation pressure, high interest rates, cost levels and the threat of higher import tariffs, may impact capital investments. Medistim has been experiencing prolonged sales cycles, fewer capital deals and fewer higher priced Flow-and-Imaging deals. We believe these are signs of a conservative and cautious approach to investing in new medical equipment in the more challenging economic times.
However, the company is financially solid to face future challenges, with no interest-bearing debt and an equity ratio of 75%.

Other risk factors
The group risk and uncertainty factors remain the same as described in the annual report for 2023.

SHAREHOLDER INFORMATION

The company had 23,117 Medistim shares by the end of December 2024. The share price was NOK 149.50 per share on the 31st of December 2024. For comparison, entering 2024 the share price was 214.00 per share.

The number of shares sold in 2024 totaled 3,297,149. The five largest shareholders were Acapital Medi Holdco AS with 1,900,219 shares, Odin Fondene with 1,780,000 shares, Øyvin Brøymer via Fløtemarken AS og Intertrade Shipping AS 1,360,000 shares, State Street Bank with 1,298,844 shares, and Follum Invest with 970,000 shares.

Transactions with related parties
There were no transactions between related parties in the period except for the share program to management approved by the General meeting the 24th of April last year and the announced purchases of shares by board members during the year.

Dividend
The Board of Directors have decided to suggest a dividend to the General Assembly of NOK 6.00 per share, a total of MNOK 91.6 in dividend payment. This is based upon the 2024 results and the positive outlook for continued positive cash flow. The General Assembly will be held the 8th of May 2025.

Responsibility statement
The financial report per 31st of December 2024 has been prepared according to the IFRS (International Financial Reporting Standard) and follows IAS 34 for interim financial reporting, as do the comparable numbers for 2023. The board of Directors and CEO confirm to the best of our knowledge that the condensed set of financial statements for the period 1st of January to 31st of December 2024 has been prepared in accordance with IAS 34 "Interim Financial Reporting" and gives a true and fair view of the groups assets, liabilities, financial position and result for the period viewed in their entirety.

The board of Directors and CEO confirm that the interim management report includes a fair review of any significant events that arose during the year and their effect on the financial report, any significant related parties' transactions, and description of the principal risks and uncertainties for the year.

STRATEGIC IMPERATIVES

Vision

Emerging from Norway's esteemed ultrasound technology ecosystem, Medistim is firmly rooted in its ambition to maintain a dominant global standing within our specialized niche of surgical guidance and quality assessment. At our core, we remain unwavering in our commitment to spearhead the advancement of pioneering products crafted to align with the demands of surgeons specializing in Cardiac, Vascular, and Transplant surgery.

Our vision is that Medistim's solutions shall represent the "standard of care" in clinical practice across the globe. We envision a future where blood flow measurements and intraoperative ultrasound imaging become universally accessible, delivering optimal outcomes for each patient, and enriching the practice of every surgeon, fostering a culture of excellence in healthcare.

Sustainability and corporate social responsibility are integral pillars of Medistim's operations across the entire value chain. Our commitment is driven not only by our mission to enhance human health through advanced surgery but also by our dedication to product stewardship for minimal environmental impact, ethical business practices, and fostering a workplace culture where equal opportunities, collaboration, and innovation thrive.

Market position and outlook

The Cardiac Market

Building upon our established leadership in graft patency assessment for Cardiac bypass surgery (CABG), Medistim continues its journey towards further growth and innovation. The global market size is stable with over 700,000 cardiac bypass surgeries performed annually worldwide. However, procedure volumes are shifting, by notably declining in Western countries but ascending in emerging markets like China and India.

While advancements in medications like GLP-1 agonists combating obesity may influence trends, we anticipate a sustained to growing global market for our products. This projection is backed by the many other risk factors for cardiovascular disease, and the advent of cutting-edge diagnostic technologies such as AI-supported coronary CT-FFR, alongside a demographic tide swelling the population aged 60 and above.

The CABG market segment presents an annual sales potential exceeding 2 billion NOK for Medistim, complemented by an additional 1 billion NOK opportunity within other open-heart surgeries. Presently, Medistim serves approximately 37% of CABG procedures through Transit Time Flow Measurement (TTFM) adoption. However, our share of the total CABG market opportunity remains notably lower, with revenues from this segment reaching MNOK 379 in 2024.

In summary, substantial growth opportunities exist within the CABG market, propelled by several strategic imperatives. These include geographic expansion efforts, growing adoption of TTFM technology, and the transition towards combined utilization of TTFM and High-Frequency Ultrasound Imaging (HFUS) technology.

The Vascular Market

While Cardiac bypass surgery has historically been Medistim's primary focus since the introduction of the first flowmeter in 1994, the relevance of TTFM and HFUS technologies extends far beyond this domain. Indeed, these technologies hold considerable promise across various applications within the Vascular surgery landscape.

Medistim targets several key segments within the Vascular surgery realm, including Peripheral Bypass Surgery, Carotid Endarterectomy, AV (arteriovenous) access surgery, and Liver transplant surgery. Collectively, these segments present an even larger market size and growth potential than CABG alone, encompassing over 1.3 million procedures globally and offering an annual sales opportunity exceeding 4 billion NOK for Medistim.

Competition

In CABG, direct competition remains limited, with only one alternative supplier offering a Flow-only product, and no contenders presenting a combined Flow-and-Imaging solution. Thus, our primary competition arises from the entrenched practices of surgeons, who traditionally rely on finger palpation of grafts—a practice infested with subjectivity and unreliability.

Conversely, within Vascular procedures, surgeons are more accustomed to leveraging technology for guidance and procedural control, such as Doppler technology or angiography. Here, Medistim anticipates demonstrating a competitive edge over alternatives by delivering products capable of not merely estimating, but precisely measuring blood flow. Additionally, our solutions eliminate the necessity for hazardous substances like x-rays or contrast media, further enhancing their appeal and safety profile.

Strategy

Backdrop

With our state-of-the-art products already established in the market and a mature operation in place to sustain ongoing innovation, the accelerated growth we aspire to achieve hinges upon effective commercialization strategies. This entails fostering close connections with both potential and existing customers through a highly competent and efficient sales and marketing organization. By maintaining proactive engagement with our clients and leveraging their insights, we aim to optimize our commercial efforts, drive adoption of our solutions, and propel Medistim towards sustained profitable growth and success.

Geographical Adaptation of the Strategic Approach: Conversion to Flow-and-Imaging

Our strategic approach is finely attuned to the regional adoption rates of flow measurement in CABG procedures. Geographically, there is a wide variance in adoption rates, and our strategy accounts for these disparities. Notably, regions such as Japan, China, and numerous European countries exhibit robust adoption rates surpassing 70%. In markets where flow measurement is already widely adopted, our objective shifts towards converting the market from a flow-only paradigm to a comprehensive flow-and-imaging approach.

This transition enhances clinical value by furnishing surgeons with two complementary modalities that together offer an optimal foundation for decision-making and ensure the viability of grafts. In instances where

sub-optimal flow values are observed, the inclusion of HFUS imaging aids in investigating the anatomical morphology of the graft anastomosis. This enables surgeons to detect whether any technical imperfections necessitate corrective measures before concluding the procedure, thereby preventing unnecessary revisions, and optimizing patient outcomes.

From a business standpoint, the pricing of a flow-and-imaging system typically amounts to twice that of a flow-only system. Consequently, the conversion to a comprehensive approach presents significant growth opportunities in both Cardiac and Vascular procedures, underscoring the strategic imperative of accelerating this evolution.

Central to both our TTFM adoption and HFUS conversion strategies are a focus on clinical marketing, which entails collaborative partnerships with key opinion leaders and prominent teaching institutions. Through educational initiatives and clinical studies, we engage with the medical community, foster knowledge dissemination, and cultivate a deep understanding of the clinical benefits offered by our technologies.

By leveraging the expertise and influence of thought leaders in the field, we ensure high levels of awareness and interest in our innovative solutions. These collaborative endeavors serve as pillars in driving widespread adoption, empowering healthcare professionals with the insights and confidence needed to embrace our technologies and integrate them seamlessly into their clinical practice.

Global Reach with the US Market as Primary Target and China and India as Runners Up
Presently, Medistim maintains a direct presence in key markets across the Americas, Europe, and Asia, including the USA, Canada, China, Germany, Spain, the UK, Denmark, Sweden, and Norway. Additionally, our reach extends to over 60 other countries through strategic distributor partnerships.

Our strategic roadmap includes establishing a direct presence in new geographic territories when the business size and growth potential align to deliver a favorable return on investment. This approach ensures a prudent allocation of resources while maximizing our global footprint and market impact.

The USA stands as the largest individual market for Medistim's products, representing nearly one-third of the global market. Within this pivotal market, the adoption of TTFM in CABG procedures is estimated to encompass approximately 40% of the 200,000 annual procedures conducted. Of this adoption, Medistim accounts for approximately 35%.

Our strategy to expedite TTFM adoption in the USA remains anchored in clinical marketing and education initiatives. By collaborating closely with key stakeholders and educational institutions, we aspire to elevate awareness, promote understanding, and drive uptake of our technologies among healthcare professionals.

In the USA, our objective is to secure guideline support, which may lead to establishing discrete reimbursement codes for the utilization of the TTFM technology. Presently, reimbursement frameworks in the USA cover the total surgical procedure, such as CABG or Peripheral Bypass, and in addition, CPT codes are available for physician reimbursement, for the use of TTFM and HFUS for both cardiac and vascular procedures. To advance this goal, we are actively considering new clinical studies that could serve as catalysts for policy development and reimbursement reform, thereby enhancing accessibility to our solutions and fortifying our position in this critical market. Looking ahead, Medistim anticipates significant growth opportunities in Asian markets, particularly in high-growth regions like China and India. In China, we have established a strong foothold with TTFM, serving approximately 70% of the estimated 60,000 CABG procedures conducted annually. With the strategic establishment of a direct sales operation last year, Medistim is poised for sustained growth in the coming years. India presents another promising market for future growth, with an annual CABG procedure volume exceeding 100,000 and surpassing the global market average growth rate.

Adding Vascular Targets: Enhancing Sales Force Productivity and Growth Opportunities
In regions where our foothold in Cardiac surgery is firmly established, with a significant portion of heart centers already in our customer portfolio, our strategic focus shifts towards targeting Vascular departments and hospitals to cultivate new client relationships. This deliberate approach not only amplifies sales productivity but also unlocks substantial growth opportunities.

The familiarity of our sales teams with vascular technologies, products, and procedures aligns with the customer acquisition process and accelerates market penetration. Moreover, Vascular surgery departments often share resources, equipment, and administrative infrastructure with Cardiac surgery departments, facilitating seamless integration and collaboration.

Product Innovation: Enhancing Value and Ease-of-Use
At the forefront of our product innovation endeavors lies a singular objective: to enhance value and ease-of-use for our customers and improve outcomes for the patients. Every facet aimed at reducing barriers for customers to explore, learn, and appreciate the clinical value of our products is meticulously considered in our innovation process.

Our commitment extends beyond merely enhancing functionality; we strive to make our products more user-friendly, intuitive, and accessible. This includes improvements that simplify handling, storage, cleaning, and disposal processes, ensuring a seamless experience throughout the product lifecycle.

By prioritizing customer needs and feedback, we continuously refine and evolve our offerings, empowering users to leverage our technologies with confidence and expertise. Through relentless innovation, we strive to redefine standards, elevate user experiences, and drive meaningful advancements in healthcare delivery.

Medistim is currently spearheading two pivotal projects poised to boost our offerings and reinforce our commitment to innovation:

1. Impactful Software Upgrade: These initiatives are aimed at delivering enhanced data interpretation, documentation, and reporting capabilities. Leveraging a completely new and future-proof software architecture platform, this upgrade promises to elevate ultrasound image quality while streamlining workflow efficiency. In the fourth quarter of 2024, the company launched the first product in this pipeline; MiraQ INTUI for Cardiac users.

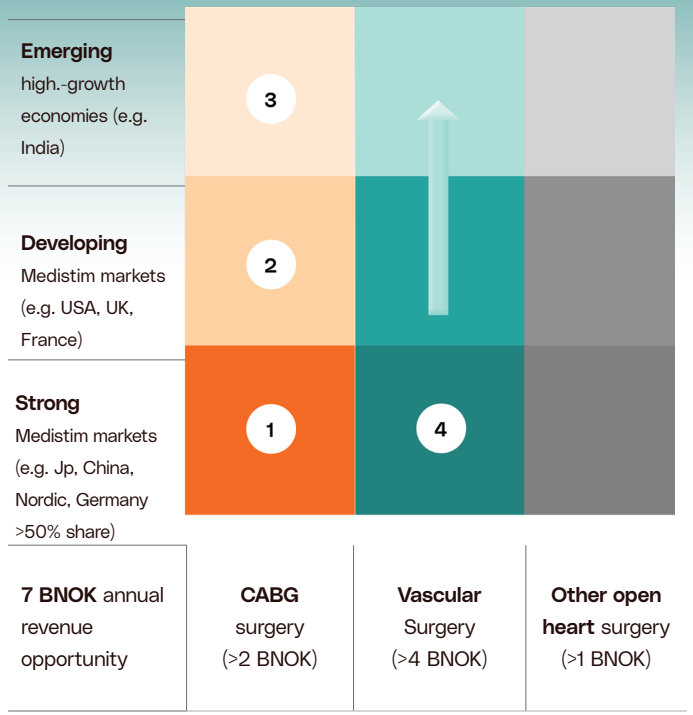
2. Next Generation Medistim Device Proof-of-Concept: In tandem, we are diligently advancing the proof-of-concept for our Next Generation Medistim device. This project represents a forward-looking undertaking to develop cutting-edge solutions that anticipate and address evolving clinical needs.

At Medistim, we have embraced a novel approach to product innovation characterized by rapid prototyping and piloting. A dedicated team collaborates closely with surgeon users to swiftly iterate and refine concepts, while a larger R&D team assumes responsibility for formal development and design review processes. We look forward to unveil the outcomes of this transformative change, which promises to expedite the journey from concept to market, allowing us to more efficiently introduce groundbreaking solutions that enhance patient care and redefine standards of excellence in cardiovascular surgery.

Production Productivity: Enhancing Gross Margins through Scale and Sustainability

At our Operations site in Horten, Norway, Medistim is dedicated to the meticulous assembly of both the MiraQ ultrasound devices and the flow probe product families. The production of flow probes entails intricate tasks involving gluing and soldering of tiny components under microscope scrutiny. While our manual processes ensure precision, they also impose limitations on scalability and productivity.

To address this challenge, we have embarked on a transformative project aimed at redesigning the probes and revamping the manufacturing process through automation implementation. This endeavor holds the promise of significantly enhancing productivity while maintaining the quality standards synonymous with Medistim's products. Improved sustainability requirements are part of the project charter. Moreover, upon completion, this project is expected to yield substantial positive impacts on product cost, further bolstering our competitive edge in the market.



1. **Convert high-penetrated Flow-only CABG market**s to Flow-and-Imaging and the New-Standard-of-Care
   - Early adopter & KOL support
   - REQUEST study
   - Ease conversion with the upgradable MiraQ

2. **Grow adoption in under-penetrated markets**
   - Clinical marketing, Guidelines, Education
   - Product innovation for ease of use

3. **Flexible pricing and business models**
   - Entry-level solution in price sensitive markets
   - Price-per-procedure model

4. **Build position in Vascular surgery**
   - Dedicated system MiraQ Vascular & probes
   - Build position with societies and KOLs

5. **Expand direct market coverage**
   - Get closer to the customer

Oslo, February 27th, 2025
Board of Directors and CEO of Medistim ASA

Øyvin A. Brøymer Chair *Sign.*	Anna Ahlberg Board member *Sign.*	Ole J. Dahlberg Board member *Sign.*
Gry Dahle Board member *Sign.*	Jon H. Hoem Board member *Sign.*	Tove Raanes Board member *Sign.*
Peder Strand Board member *Sign.*	Kari Eian Krogstad President & CEO *Sign.*	

Profit & loss

PROFIT & LOSS	Q4 24	Q4 23	FY 2024	FY 2023
All numbers in NOK 1000				
Total revenue	**151 139**	**135 618**	**562 599**	**526 364**
Operating expenses				
Change in inventory of finished goods and work in progress	28 084	25 144	97 396	92 876
Raw materials, consumables used, freight and other	5 502	8 987	16 284	19 404
Salary and social expenses	52 744	46 040	185 113	162 597
Other operating expenses	32 423	26 149	108 220	96 388
Total operating expenses	**118 753**	**106 320**	**407 013**	**371 265**
EBITDA	32 386	29 298	155 585	155 099
EBITDA%	21.4 %	21.6 %	27.7 %	29.5 %
Depreciation	6 542	7 040	24 510	23 657
Operating profit (EBIT)	25 844	22 258	131 076	131 442
EBIT %	17.1 %	16.4 %	23.3 %	25.0 %
Financial income	5 837	6 983	11 499	17 123
Financial expenses	3 381	2 847	8 329	13 352
Net finance	2 456	4 136	3 170	3 770
Pre tax profit	28 300	26 394	134 246	135 212
Tax	6 998	7 285	30 414	31 389
Profit after tax	21 302	19 109	103 832	103 823
Dividend	-	-	82 414	82 180
Profit after tax	21 302	19 109	103 832	103 823
Exchange differences arising on translation of foreign operations	9 204	(5 623)	16 217	2 612
TOTAL COMPREHENSIVE INCOME	**30 506**	**13 486**	**120 049**	**106 435**
EARNINGS PER SHARE	**1,16**	**1,04**	**5,67**	**5,67**

Balance sheet

BALANCE SHEET	31.12.2024	31.12.2023
All numbers in NOK 1000		
ASSETS		
Intangible assets	69 739	50 517
Fixed assets	76 098	63 635
Total intangible and fixed assets	**145 837**	**114 152**
Inventory	160 521	145 391
Customers receivables	68 980	74 303
Other receivables	20 421	18 000
Cash	179 210	153 872
Total current assets	**429 131**	**391 566**
TOTAL ASSETS	**574 968**	**505 718**
EQUITY AND LIABILITY		
Share capital	4 584	4 584
Share premium reserve	44 172	44 172
Other equity	387 855	349 185
Total equity	**436 611**	**397 941**
Lease obligations	25 059	9 260
Deferred income	5 931	4 233
Total long term liability	**30 990**	**13 493**
Total short term liability	**107 367**	**94 284**
TOTAL EQUITY AND LIABILITY	**574 968**	**505 718**

Change in equity

CHANGE IN EQUITY	31.12.2024	31.12.2023
All numbers in NOK 1000		
Equity start of period	397 941	367 692
Profit for the period	103 832	103 823
Dividend	(82 414)	(82 180)
Other	-	-194
Medistim shares	1 068	6 009
Changes in exchange rates	16 185	2 597
EQUITY END OF PERIOD	**436 611**	**397 941**

Cash flow analysis

CASH FLOW ANALYSIS	31.12.2024	31.12.2023
All numbers in NOK 1000		
Profit for the period	134 246	135 212
Other cash flow from operation	7 315	-19 372
Cash flow from operation	**141 561**	**115 840**
Cash flow from investments	-24 693	-29 726
Cash flow from financial activities	**-91 529**	**-84 883**
Change in cash for the period	25 339	1 231
Cash at start of period	153 872	152 641
CASH BY THE END OF PERIOD	**179 210**	**153 872**

ACCOUNTING PRINCIPLES

Medistim ASA is a public company listed at the Oslo stock exchange. Medistim ASA is incorporated in Norway. The main office is located in Økernveien 94, 0579 Oslo, Norway. The Medistim group's business is within developing, producing, service, leasing and distribtion of medical devices. The board of Directors and the CEO authorized these financial statements for issue on February 27th 2025.

Basis for preparation of financial statements. The financial statement for the group is prepared in accordance with International Financial Reporting standard (IFRS) as adopted by the EU for interim reports according to IAS 34 Interim Financial reporting.

The annual accounts for the group has been prepared based on historical cost with exception of financial derivatives which are measured at fair value. The consolidated accounts have been prepared using consistent accounting policies for similar transactions and events.

The accounting principles for the group for 2024 are the same as for the principles used in the annual report for 2023. This report provides an update of previously reported information.

REVENUE RECOGNITION AND SEGMENTS

Group revenue can be split in three different categories that have different risk and return on investment profile. The split is according to the company's internal reporting structure. The categories are as follows:

1. Revenue from sale of capital equipment (MiraQ) and consumable (probes)
2. Revenue from lease of equipment (MiraQ and probes)
3. Distribution and sales of third-party products

Category 1 and 2 covers the same equipment (MiraQ system) and consumables (probes). This is the products that are developed and produced by Medistim and is distributed through local partners unless Medistim has local representation.

1. Sale of capital equipment and consumable:
The sale of the equipment and the sale of the consumables are considered separate deliveries (performance obligations).

Revenue recognition varies with shipping and delivery terms that decide the timing of when the customer takes over control of the goods.

Payment terms varies from 30 to 90 days. The Group provides warranties for general repairs of defects that existed at the time of sale. This is considered an ordinary assurance type warranty, and not a separate performance obligation. A warranty provision is recognized.

2. Revenue from lease of equipment and probes:
The group has a range of contracts related to lease of equipment and probes and can be split in two categories

- Payment per procedures
- Lease of equipment and sale of probes

Payment per procedure:
Under this model, the equipment and probes are placed at the customer site free of charge. Medistim owns all equipment placed at the customer site. For the customer to be able to use the equipment a procedure (smart card) must be purchased. One procedure equals one surgery. The customer purchases a smart card that makes the system available for use.

The agreement is considered a lease with variable lease payments. Revenue is variable and recognized related to the actual use of the equipment and probes. For Medistim this means that revenue is recognized when a new card is shipped to a customer. There are two types of customers, flow customers and flow and imaging customers. Flow customers purchase a flow procedure, while flow and imaging customers purchase both a flow procedure and an imaging procedure. It is therefore a split of revenue between flow procedures and imaging procedures. Revenue is recognized when smartcards are purchased by the customer. The customer is dependent upon the smartcard in order to open the equipment and probe for use. The agreements are operational since equipment is returned when the agreement expires.

The individual agreement contains a minimum use clause. The duration of the agreement is 1-3 years, but divided into 12-month cycles, so minimum usage applies for 12 months at a time. If minimum usage is not achieved, Medistim has the right to extract the equipment from the customer site.

Lease of systems and sales or lease of probes:
Under this model, the customer leases the system and purchases probes when needed. The system revenue is recognized on a straight-line basis over the lease term. Probe revenue is recognized when the probe is delivered to the customer.

When probes are leased the expected probe consumption according to the contract is recognized on straight line basis but on a regular adjusted for actual probe consumption.

Other terms in the agreements:
If a customer with a pay per procedure or lease agreement does not handle the equipment properly, the customer is liable towards Medistim to compensate for the damage and repair. It happens that customers after too low consumption want to keep the equipment. In such cases, the customer may purchase the equipment. In this case, this is registered as a system sale.

3. Third party sales:
Sale of other third-party medical equipment is recognized when the equipment is delivered to the customer. Payment from customers are mainly due within 30 days.

Other revenue in the P&L includes service, spare parts, grants and other revenue that is not own products or third-party products.

SEGMENTS

The Group's activities are divided into strategic business units that are organized and managed separately. The division is also in accordance with the Group's internal reporting structure. The main divisions are sale of own products and sale of third-party products. Sale of own products has two business models, the capital model and the lease model.

Own Products: Medistim sells its own products either through a lease or as capital.

Medistim has a flexible business model in the US and leaves it up to the customer whether they want to lease the equipment or purchase the capital equipment and buy probes as consumable. Most customers in the US lease the equipment. The lease model in the USA has been successful since it does not demand upfront capital to have the equipment available. Medistim has direct representation in the USA, which makes it manageable to handle the lease model properly. However, several customers prefer to invest in the equipment and purchase probes as consumables and Medistim promotes both solutions.

The lease model has not been successful outside USA. It is often so that hospitals have a policy that the equipment they use must be hospital property. In addition, Medistim can only follow up this model properly where the company has direct representation, since lease customers require Medistim property at the customer site. Medistim serves around 60 distributors around the world. To follow up assets placed at customer sites in a global scale, and have distributors to manage Medistim assets, is considered to be too complex and risky.

Third-party products:
Distribution of third-party products:
Distribution and sale of third-party products is a separate segment. The group sells medical devices from third party manufacturers in Norway, Sweden and Denmark. The product portfolio is carefully selected and mainly instruments and consumables within surgery. Transactions between internal business units are performed at market terms. Revenue, cost and result for each segment includes transaction between the segments. On group level these transactions are eliminated.

RESEARCH AND DEVELOPMENT

Research cost is expensed as incurred. Cost to internal development of technology or software is capitalized as an intangible asset when it is demonstrated that:

- it is technical feasible to complete the asset,
- the company has the resourse to complete the project
- the product will generate future economic benefits, and
- expenditure can be reliably measured.

Cost capitalized include materials, salary and social expenses and other expenses that can be allocated to the development of the asset. Internally developed intangible assets are amortized on a straight-line basis over the expected useful life. Amortization starts when the asset is available for use. Intangible assets not ready for use, is tested for impairment on a yearly basis.

Capitalized development costs are written down when a new product is ready for sale, or an improved product is ready for sale. Internally developed intangible asset is tested for impairment on a regular basis by discounting expected cash flow generated from the asset. If the discounted value is lower than the carrying amount the asset is written down.

INVENTORY

Inventory is valued at the lower of cost, using the FIFO principle, and net realizable value. Production cost includes the cost for components, cost of conversion (including direct labor cost) and other cost in bringing the inventories to their present location and condition. Net realizable value is the estimated sales price in the ordinary course of business less cost of completion and selling cost.

GOODWILL

Business combinations are accounted for using the acquisition method.

Goodwill is recognized as the difference between the aggregate of the consideration transferred and the amount of any non-controlling interest less the fair value of the net identifiable assets at the acquisition date. Goodwill is not depreciated but is tested for impairment at least annually.

Note 1
Revenue split

GEOGRAPHIC SPLIT OF SALES	Q4 24	Q4 23	FY 2024	FY 2023
All numbers in NOK 1000				
AMERICAS				
USA	55 609	42 400	216 261	197 157
Canada	4 009	1 321	13 993	6 734
Latin America	2 086	3 065	6 906	5 132
TOTAL AMERICAS	**61 704**	**46 786**	**237 160**	**209 023**
APAC				
China	14 256	16 689	34 573	42 565
Japan	5 304	6 616	12 056	23 970
Rest of APAC	2 538	5 423	18 654	16 448
TOTAL APAC	**22 098**	**28 728**	**65 283**	**82 983**
EMEA				
Europe	41 597	36 189	162 457	145 487
MEA	3 169	3 465	7 878	9 442
TOTAL EMEA	**44 766**	**39 654**	**170 335**	**154 929**
Third-party products	22 571	20 450	89 821	79 429
TOTAL SALES	**151 139**	**135 618**	**562 599**	**526 364**

Note 1 cont.

GEOGRAPHIC SPLIT OF SALES IN NUMBER OF UNITS	Q4 24	Q4 23	FY 2024	FY 2023
AMERICAS				
PPP and lease:				
Flow procedures (PPP/card based)	5 400	6 678	23 535	26 058
Imaging and flow prosedures (PPP/card based)	1 767	1 907	7 475	8 042
Flow systems (PPP or lease)	1	-	4	-
Flow and imaging systems (PPP or lease)	1	1	5	4
Capital sales:				
Flow systems	6	2	25	16
Flow and imaging systems	7	5	25	23
Flow probes	535	435	2 265	1 806
Imaging probes	**20**	**15**	**57**	**58**
APAC				
Flow systems	17	18	44	70
Flow and imaging systems	2	13	12	33
Flow probes	730	785	2 280	2 573
Imaging probes	10	16	33	60
EMEA				
Flow systems	16	19	47	58
Flow and imaging systems	8	4	29	37
Flow probes	1 160	1 245	5 084	4 737
Imaging probes	12	8	42	50
TOTAL SALES IN UNITS				
PPP and lease revenue:				
Flow procedures (PPP/card based)	5 400	6 678	23 535	26 058
Imaging and flow prosedures (PPP/card based)	1 767	1 907	7 475	8 042
Flow systems (PPP or lease)	1	-	4	-
Flow and imaging systems (PPP or lease)	1	1	5	4
Capital sales:				
Flow systems	39	39	116	144
Flow and imaging systems	17	22	66	93
Flow probes	2 425	2 465	9 629	9 116
Imaging probes	42	39	132	168

Note 1 cont.

GEOGRAPHIC SPLIT OF SALES PER PRODUCT GROUP	Q4 24	Q4 23	FY 2024	FY 2023
All numbers in TNOK 1000				
AMERICAS				
PPP and lease:				
Flow procedures (PPP/card based)	8 881	12 134	61 336	64 369
Imaging and flow prosedures (PPP/card based)	10 906	8 496	39 502	36 242
Capital sales:				
Flow systems	5 751	1 629	20 656	15 492
Flow and imaging systems	9 317	6 435	36 536	35 566
Flow probes	24 021	15 714	70 423	48 980
Imaging probes	2 827	2 378	8 707	8 374
TOTAL SALES AMERICAS	**61 704**	**46 786**	**237 160**	**209 023**
APAC				
Flow systems	5 840	6 323	14 356	19 468
Flow and imaging systems	1 760	6 939	8 009	20 027
Flow probes	13 755	14 230	40 280	40 019
Imaging probes	917	1 236	2 812	3 469
TOTAL SALES APAC	**22 272**	**28 728**	**65 457**	**82 983**
EMEA				
Flow systems	7 102	7 140	20 207	20 589
Flow and imaging systems	6 813	4 642	24 627	25 892
Flow probes	29 094	27 108	120 763	104 059
Imaging probes	1 583	763	4 563	4 389
TOTAL SALES EMEA	**44 592**	**39 654**	**170 160**	**154 929**
TOTAL SALES				
PPP and lease revenue:				
Flow procedures (PPP/card based)	8 881	12 134	61 336	64 369
Imaging and flow prosedures (PPP/card based)	10 906	8 496	39 502	36 242
Capital sales:				
Flow systems	18 693	15 093	55 219	55 548
Flow and imaging systems	17 890	18 016	69 172	81 485
Flow probes	66 870	57 052	231 466	193 058
Imaging probes	5 327	4 377	16 082	16 232
Total sales own products	**128 568**	**115 168**	**472 777**	**446 935**
Sale of third-party products	**22 571**	**20 450**	**89 821**	**79 429**
TOTAL SALES THIRD-PARTY PRODUCTS	**151 139**	**135 618**	**562 598**	**526 364**

Note 1 cont.

SPLIT OF SALES BETWEEN CARDIAC SURGERY, VASCULAR SURGERY AND THIRD-PARTY PRODUCTS	Q4 24	Q4 23	FY 2024	FY 2023
All numbers in NOK 1000				
Sales within Cardiac surgery	105 469	92 308	379 053	365 641
Sales within Vascular surgery	23 099	22 860	93 724	81 294
Sales of third-party products	22 571	20 450	89 821	79 429
TOTAL SALES	**151 139**	**135 618**	**562 598**	**526 364**

SPLIT OF SALES BETWEEN FLOW PRODUCTS, IMAGING PRODUCTS AND THIRD-PARTY PRODUCTS	Q4 24	Q4 23	FY 2024	FY 2023
All numbers in NOK 1000				
Flow products	94 444	84 278	348 021	312 976
Imaging products	34 124	30 890	124 756	133 959
Sales of third-party products	22 571	20 450	89 821	79 429
TOTAL SALES	**151 139**	**135 618**	**562 598**	**526 364**

Note 2
Segments

SPLIT OF EBIT	Q4 24	Q4 23	FY 2024	FY 2023
All numbers in NOK 1000				
Total revenue Medistim products	128 568	115 168	472 777	446 935
Total revenue Medistim third-party products	22 571	20 450	89 821	79 429
Total revenue	151 139	135 618	562 598	526 364
Cost of goods sold Medistim products	27 207	33 057	92 809	92 053
Cost of goods sold in % Medistim products	21.2 %	28.7 %	19.6 %	20.6 %
Cost of goods sold third-party products	12 352	11 498	47 781	45 789
Cost of goods sold in % third-party products	54.7 %	56.2 %	53.2 %	57.6 %
Total COGS	39 559	44 555	140 590	137 842
Operating expenses Medistim products	78 013	62 600	261 696	234 829
Operating expenses third-party products	7 723	6 205	29 237	22 251
Total operating expenses	85 736	68 805	290 933	257 080
EBIT from Medistim products	23 347	19 511	118 273	120 053
EBIT margin Medistim products	18,2 %	16.9 %	25.0 %	26.9 %
EBIT from third-party products	2 497	2 747	12 803	11 389
EBIT margin third-party products	11.1 %	13.4 %	14.3 %	17.7 %
TOTALT EBIT	**25 844**	**22 258**	**131 076**	**131 442**
EBIT margin	17.1 %	16.4 %	23.3 %	25.0 %

Note 3
Salary expenses

NOTE 2 SALARY EXPENSES	Q4 24	Q4 23	FY 2024	FY 2023
All numbers in NOK 1000				
Salary	39 959	31 418	116 758	103 939
Employeers tax	5 750	4 525	20 638	18 786
Bonus/commision	142	(1 990)	12 576	6 283
Cost for contribution pension plan	2 374	1 596	7 241	6 260
Compensation to the Board	88	422	2 533	2 122
Other social costs	(1 543)	(354)	(1 543)	(354)
TOTAL SALARY AND SOCIAL COST	**46 771**	**35 616**	**158 203**	**137 035**

Note 4
Intangible assets and goodwill

INTANGIBLE ASSETS AND GOODWILL	PRODUCT UNDER DEVELOPMENT	COMPLETED PRODUCT DEVELOPMENT	GOODWILL	DEFERRED TAX	TOTAL INTANGIBLE ASSETS
All numbers in NOK 1000					
Historic cost 31.12.2023	**25 178**	**81 928**	**14 128**	**5 142**	**126 376**
Internal additions	11 018	-	-		11 018
External additions	7 609	-	-	3 880	11 489
Additions under development				-	-
Historic cost 31.12.2024	**43 805**	**81 928**	**14 128**	**9 022**	**148 883**
Accumulated depreciation and write downs	-	75 860	-		75 860
Depreciations for the year		3 284	-		3 284
Total depreciation as of 31.12.2024	-	**79 144**	-		**79 144**
Carrying amount 31.12.2024	**43 805**	**2 784**	**14 128**	**9 022**	**69 739**

Note 5 Specification of inventory

NOTE 4 SPECIFICATION OF INVENTORY	31.12.2024	31.12.2023
All numbers in NOK 1000		
Raw material	75 588	65 035
Work in progress	2 259	3 604
Finished goods	71 023	64 047
Spare parts	9 437	9 638
Third party products	11 220	11 285
Inventory provision	-9 007	-8 217
TOTAL INVENTORY	**160 521**	**145 391**

Finished goods are measured at cost which includes cost for components and internal labor cost. Work in progress is valued at the total of the component cost and labor cost. It is necessary for the company to keep an additional security inventory for critical components for own developed products. Due to a strict regulatory regime within medical device, it takes time to introduce new devices or components. At the same time the tendency is that electronical components life circle is shorter. For this reason, inventory level is high to secure future deliveries for Medistim developed products.

Note 6 Financial income and expense

NOTE 5 FINANCIAL INCOME AND EXPENSE	Q4 24	Q4 23	FY 2024	FY 2023
All numbers in NOK 1000				
Interest income	4 805	2 101	6 768	3 275
Other financial income	691	137	691	137
Gains on foreign exchange	341	4 743	4 040	13 710
Total financial income	5 837	6 981	11 499	17 123
Loss on foreign exchange	-4 723	-4 103	-7 870	-12 780
Loss on hedging contracts	1 780	1 780		
Interest cost on loans	31	-151	31	-151
Other financial expenses	-467	-373	-490	-422
Total financial expenses	-3 379	-2 847	-8 329	-13 352
NET FINANCIAL EXPENSES	**2 458**	**4 134**	**3 170**	**3 770**

Note 7
Events after 31.12.2024

The Board of directors has no knowledge about other events after 31.12.2024 that will affect the annual report and financial statement as of 31.12.2024.

Alternative performance measures

RETURN ON INVESTED CAPITAL (ROIC)	2020	2021	2022	2023	2024
1 = 1 MNOK					
Numerator: Profit for the year	69	91	114	104	104
Denominator: Invested capital (avg)	214	196	230	258	292
Total assets	346	403	483	506	579
Minus: Cash	-72	-129	-153	-154	-179
Minus: Non interest bearing current liabilities	-59	-78	-100	-94	-102
Equals: Invested capital	214	196	230	258	297
ROIC IN %	**32.4 %**	**46.3 %**	**49.5 %**	**40.3 %**	**35.8 %**

Return On Invested Capital: The numerator uses the 12-month rolling net profit. The denominator represents the capital circulating in the business. For Medistim, this is calculated as noncurrent assets plus current assets minus current liabilities.

RECONCILIATION OF WORKING CAPITAL:	31.12.2024	FY 2023
All numbers in NOK 1000		
Accounts receivable in balance sheet at year end	68 980	74 303
Inventory in the balance sheet at year end	160 521	145 391
Accounts payable in balance sheet at year end	(27 034)	(30 871)
Working capital	**202 466**	**188 823**

Alt. performance measures cont.

RECONCILIATION OF CURRENCY NEUTRAL REVENUE:	RATES 2024	RATES 2023
USD average rate for the year	10,75	10,56
EUR average rate for the year	11,62	11,42

SPLIT OF REVENUE IN USD, EUR AND NOK	2024	REVENUE 2024 WITH 2023 RATES
All numbers in NOK 1000		
Sales in USD		
Procedural revenue Imaging and flow	100 838	99 130
Capital sales flow systems	20 656	20 306
Capital sales flow and imaging systems	36 536	35 917
Flow probes	70 423	69 230
Imaging probes	8 707	8 557
Sales in EUR		
Capital sales flow systems	34 563	33 967
Capital sales flow and imaging systems	32 636	32 073
Imaging probes	7 375	7 248
Flow probes	161 043	158 263
Total revenue in USD and EUR	**472 777**	**464 691**
Revenue in NOK	89 821	89 821
TOTAL REVENUE	**562 598**	**554 512**

OTHER ALTERNATIVE PERFORMANCE MEASURES

Profit before R & D, depreciation and impairment:	Margin after cost of goods, salary and social expenses and other operating expenses are deducted except for R & D expenses.
EBITDA:	Earnings before interest, taxes, depreciation and amortization. Corresponds to operating profit before depreciations and impairment loss.
Currency neutral growth:	Compares this year's sales with previous year sale when sale in foreign currency is recalculated using the same average currency rate in the reporting period to get a neutral comparison.
Working Capital	Inventory plus accounts receivable minus accounts payable

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40 ANNIVERSARY

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