2024 CORPORATE ANNUAL REPORT

MEDISTIM

Contents

1. MEDISTIM IN BRIEF

Cardiac and vascular diseases continue to be the most common cause of death in the western world. Globally, more than 700 000 patients undergo coronary artery bypass surgery annually while more than 1 300 000 patients have vascular surgery procedures performed. Over the past four decades, Medistim's mission has been to serve patients, surgeons and health care providers with innovative and cost-effective medical devices that measure blood flow and visualize atherosclerosis, and thereby help improve the quality and outcome of cardiac and vascular surgery.

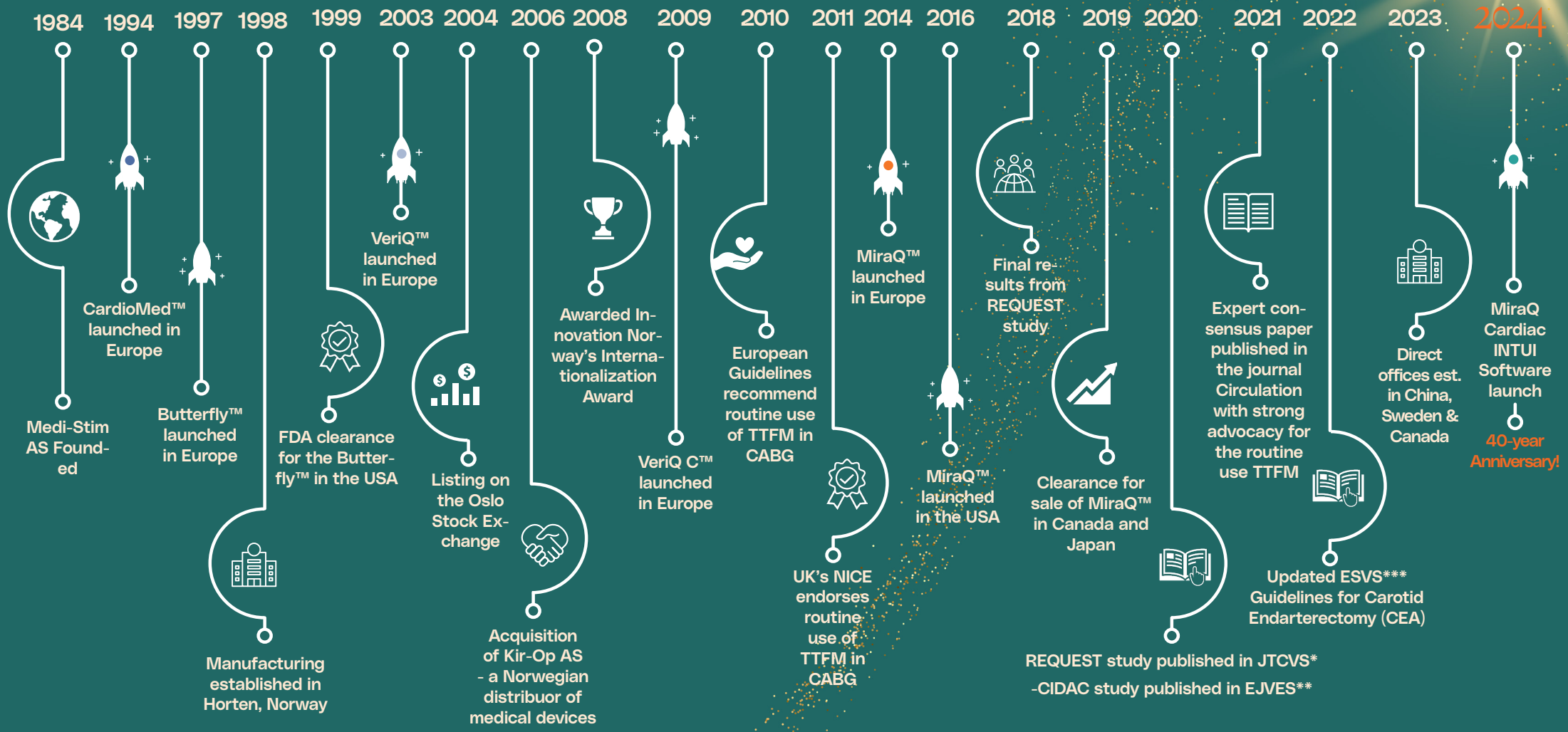
One million beating hearts later, Medistim has set the standard in the field.

Today, Medistim's proprietary products are regarded to be standard-of-care in most European countries and Japan, while market adoption is growing in the USA, Asia and the Middle East. In addition, Medistim's third party business represents about 100 different medical technology companies as a distributor of their products in Scandinavia.

Medistim is a market leader within intra-operative transit time flow measurement (TTFM) and ultrasound imaging, providing the MiraQ™ system to the global market. These systems enable medical professionals to reduce risk and enhance quality of cardiac, vascular and transplant surgery. They provide clinically relevant information that empowers surgeons to make better-informed decisions in the operating room. The company's devices are developed by working closely together with surgeons, who in turn have produced a growing amount of clinical data and studies that point to their efficacy and cost-effectiveness. Medistim is committed to continuing to serve the cardiac and vascular surgeons by investing in new product development.

Medistim has wholly owned subsidiaries with marketing and sales organizations in the USA, Germany, China, Spain, Canada, the United Kingdom, Denmark, Sweden and Norway. In addition, a global distributor network is representing the company in more than 60 countries in Asia, Europe, Latin America and Africa. Medistim ASA is listed on the Oslo Stock Exchange and has its global head office in Oslo, Norway.

2. MEDISTIM MILESTONES 1984-2024



*The Journal of Thoracic and Cardiovascular Surgery

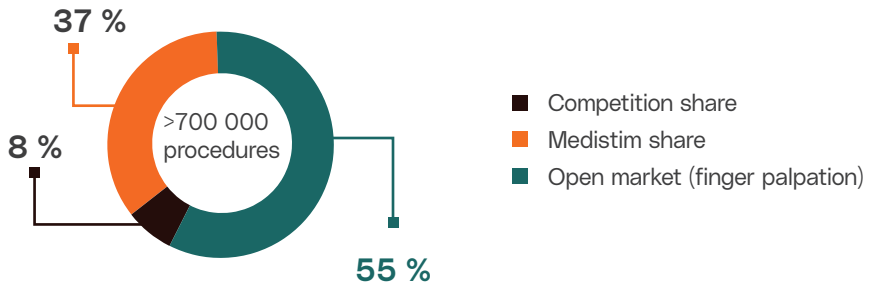
**The European Journal of Vascular and Endovascular Surgery

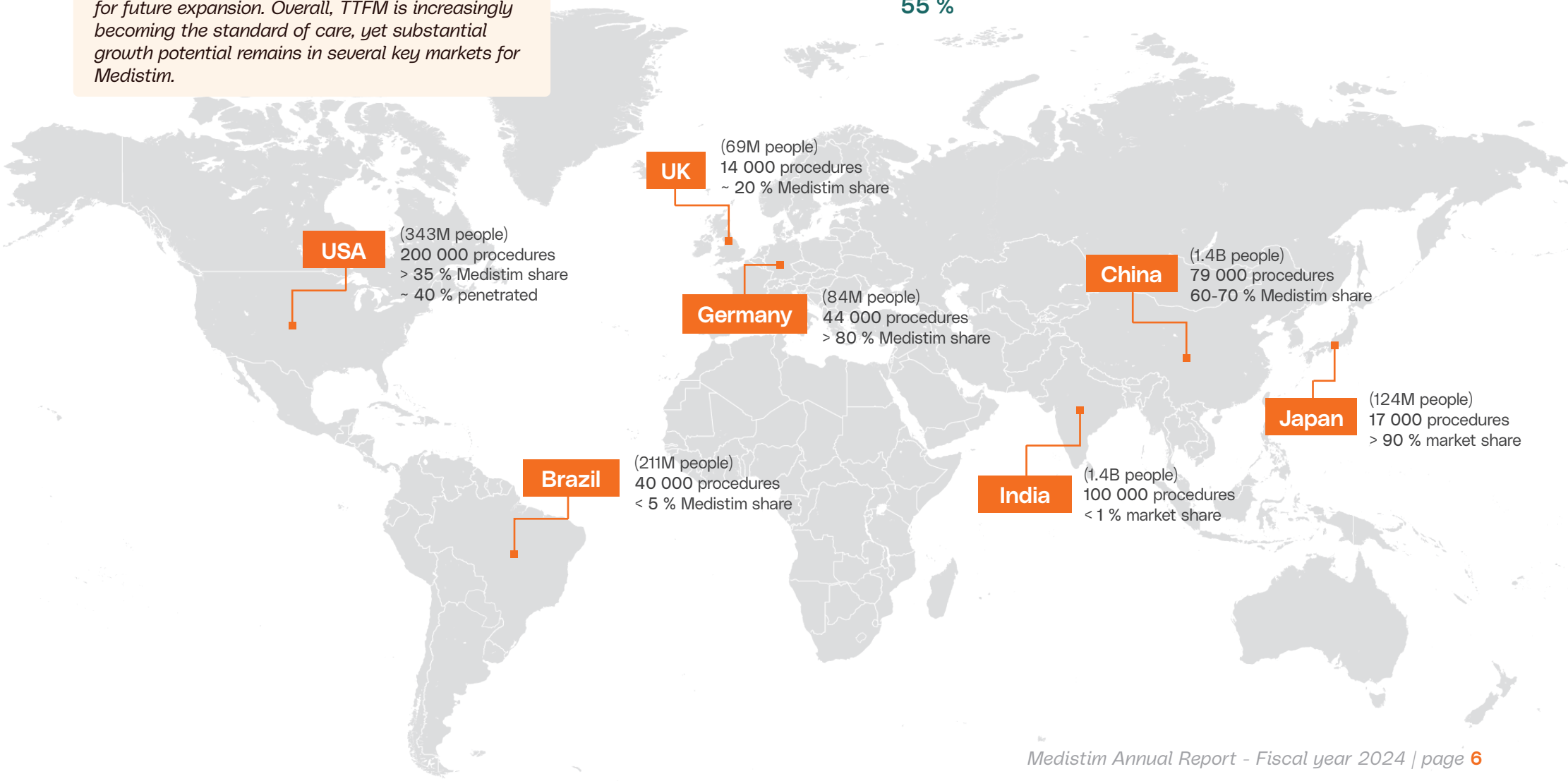
***European Society of Vascular Surgery

3. KEY FIGURES

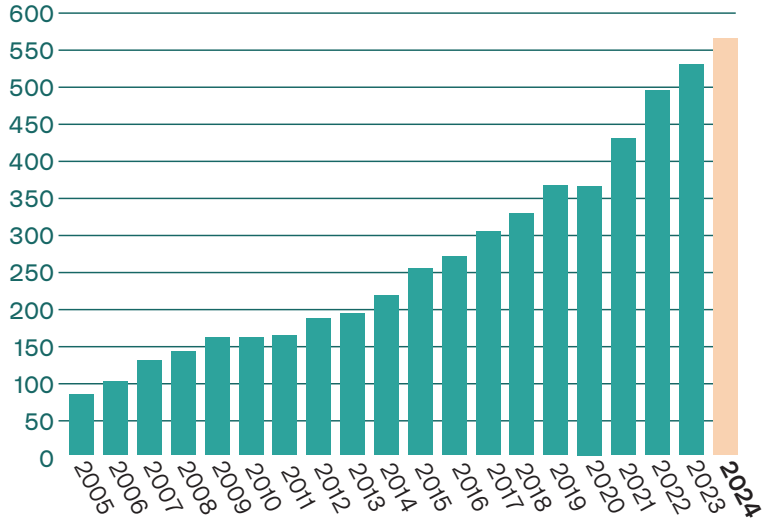
TTFM adoption in CABG

Adoption of TTFM varies significantly across countries, with Japan, China, and Central and Northern Europe leading the market, while the U.S. continues to show steady growth. Large markets like India and Brazil present promising opportunities for future expansion. Overall, TTFM is increasingly becoming the standard of care, yet substantial growth potential remains in several key markets for Medistim.

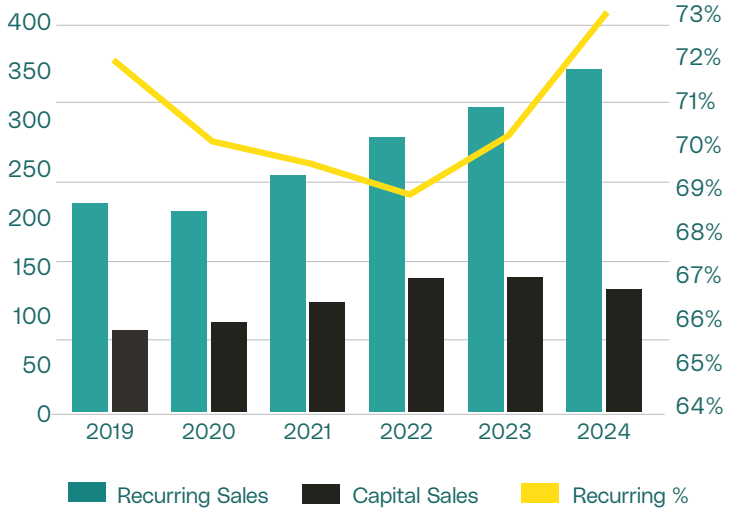




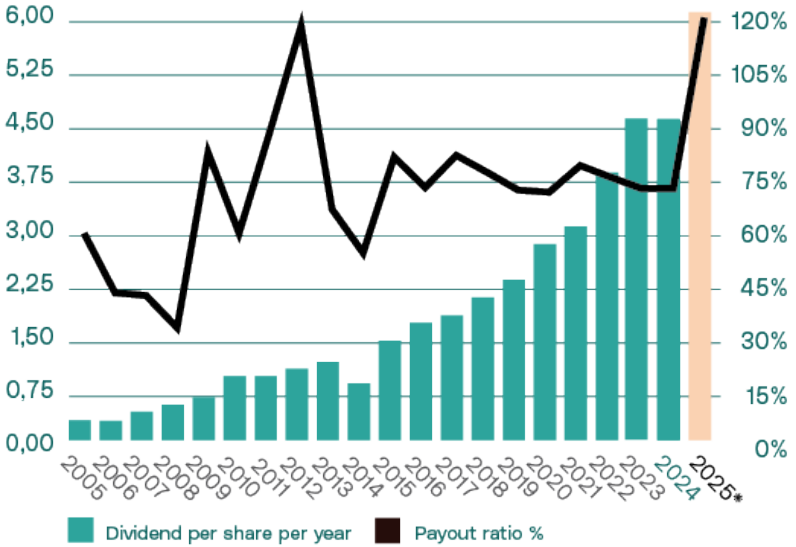
SALES IN MNOK



CAPITAL SALES AND RECURRING SALES OF OWN PRODUCTS IN MNOK

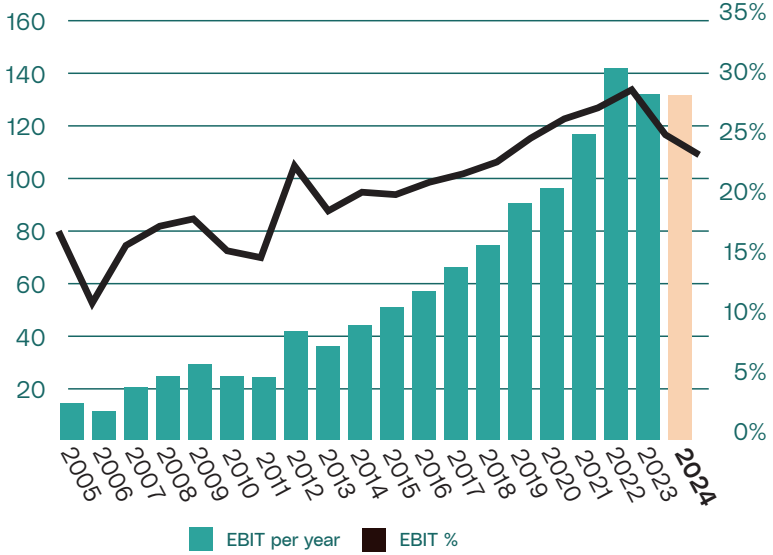


DIVIDEND IN NOK PER SHARE AND PAY-OUT RATIO



*) Suggested dividend by the Board of Directors

EBIT IN MNOK AND EBIT %



Our vision is to make intraoperative blood flow assessment and high-frequency ultrasound imaging essential tools for improving patient outcomes and enhancing surgical precision worldwide. We are dedicated to continuing our decades-long collaboration with leaders in cardiovascular surgery, striving to establish Medistim's solutions as the global standard of care.

-Kari E. Krogstad
President & CEO

4. 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, and a strong end to 2024 took the sales revenue to all time high of MNOK 562.6, an increase of 6.9% in NOK and 5.4% on a currency-neutral basis.

Our key growth driver, AMERICAS, demonstrated continuous improvement throughout the year, ending at MNOK 237.2. 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 negatively impacted our revenue in the USA. However, in the second half of 2024, 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 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. 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. After years of gradual increase in R&D and product innovation investments, we launched the new MiraQ INTUI software platform for cardiac surgery in December. The product was prominently featured at the International Coronary Conference exhibition, presented at a dedicated launch symposium, and highlighted at a Capital Markets Day. These efforts were in addition to ongoing investments in expanding production capacity, and the establishment of direct sales organizations in new markets.

On top of this, Medistim launched a new multicenter trial in peripheral bypass surgery, to support our commercial efforts in the Vascular surgery space. Consequently, EBIT totaled MNOK 131.1 compared to MNOK 131.4 in 2023, reflecting an EBIT margin of 23.4% versus 25.0% last year.

It is our ambition to deliver sales growth and 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 in 2025, 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 for cardiac surgery, 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.

April 8th, 2025
Kari E. Krogstad
President and CEO

5. BOARD OF DIRECTORS REPORT

The global market is facing macro-economic turmoil, with energy crisis, inflation pressure, increasing interest rates, increased cost levels and threat of higher import tariffs and uncertainty related to the Palestinian and Ukrainian war. In this situation the company has been able to deliver solid profit and cash flow, and the need for Medistim's products has not changed. The long-term consequences of the growing geopolitical uncertainty are unclear but might lead to continuing challenges in the global flow of goods. Medistim is taking mitigating actions to ensure access to key components to secure production and maintain growth and profitability also for the future. Further, the company is financially solid to face future challenges, with no interest-bearing liabilities and an equity ratio of 75.9 %.

With these uncertainties, the need for Medistim's products has been confirmed through the last two years' growth development. The company's solutions continue to have an increasing demand among cardiac and vascular surgeons.

The Medistim Group's core business is within developing, producing, servicing, leasing and distributing medical devices. The Group is headquartered in Oslo, with production facilities in Horten, Norway. Medistim sells its products through 60 distributors world-wide, including Medistim's own sales offices in USA, UK, Germany, China, Spain, Canada, Denmark, Sweden and Norway. At the end of 2024, Medistim's equipment was in use in more than 60 countries 3 700 systems had been installed all over the world.

The business is focused on ensuring quality within cardiac and vascular surgery. Cardiovascular diseases are the most common cause of death in the western world and on the rise in Asian and Latin American countries adopting western lifestyles. The Group's products contribute to improved quality of surgery, which in turn reduces risk to the patients and contributes to a more efficient health economy. Worldwide, over 700 000 CABG (Coronary artery bypass Graft procedures) and 1 300 000 vascular procedures are performed each year. On a global scale Medistim has a leading position within quality control of CABG.

Medistim is also a distributor of other medical devices through its subsidiaries Medistim Norge AS, Medistim Denmark Aps and Medistim Sweden AB. The products distributed are medical devices within all types of surgery.

5.1 Operational review

Medistim increased its coverage of cardiovascular surgery procedures in 2024. This was driven by increased direct presence through the newly established subsidiaries in China, Canada and Sweden, but also through increased physical meetings and exhibition participation in 2024. Medistim experiences that close customer contact, exchange of information and influence is positive for business development. Cost related to travel and physical meetings went up in 2024, but the improved customer contact contributed to a sales growth of 7 % in NOK and a solid pipeline of leads entering 2025. In AMERICAS there is a growth in capital sales with 28 % increase in units sold after a weak 2023.

However, in total Medistim experienced weaker capital sales in 2024 compared to 2023, mainly due to weak capital sales in APAC related to the new Chinese setup and a weak year in Japan. As a consequence, operating profit (EBIT) ended at MNOK 131.1 with an EBIT margin of 23.3 % compared to last year EBIT of MNOK 131.4 or 25 %.

Adjusted for currency effects, sales revenue increased 5.4 %. Sale of own products increased 3.9 % while sale of third-party products was up 13.1 % from 2023.

Despite weaker capital sales, the consumable sales were maintained in the major markets like AMERICAS and EMEA. The reduction in APAC is explained by the Chinese transition and Japan. The weak year for Japan was related to random variation.

During 2024, Medistim sold 182 new systems (240), and at year-end total installed Medistim systems was 3 700 units (3 500). Probes and other consumables related to use of the medical systems represent a significant share of total sales for Medistim, depending on number of systems installed and utilization. Increased market penetration and surgical activity positively impacted Medistim's sales of consumables for the year. Consumable sales increased from 69 % in 2023 to 73.7 % in 2024 of sales of own products.

Medistim continues to strengthen its position within both cardiac and vascular segments. Sales revenue from the cardiac segment ended in 2024 at MNOK 379.1 (MNOK 365.6), a 3.7 % growth. Sales revenue from the vascular segment ended at MNOK 93.7 (MNOK 81.3), a 15.3 % growth. Sales of imaging products decreased with MNOK 6.7 % but showed a positive trend throughout the year as macro-economic situation improved especially in USA. Medistim's strategic progress relies on strong clinical documentation by leading medical centers to create support from Key Opinion Leaders (KOLs) within cardiac surgery and vascular surgery. It is a strategic priority to support this by increasing the focus on blood flow measurements, ultrasound imaging, surgical guidance, and quality assurance in relevant forums and channels. Clinical studies are described in more detailed under chapter 7.

For some time and in parallel with cardiac surgery, it is Medistim's goal to develop a strong position for the transit time flow measurement (TTFM) and high-frequency ultrasound (HFUS) imaging devices within the Vascular market. The international PATENT study, that was announced in late 2024, proves the company's commitment to the Vascular market. The PATENT study seeks to evaluate the immediate intraoperative clinical benefits of using TTFM and HFUS during peripheral bypass surgery in patients with CLTI (Critical Limb Threatening Ischemia). Additionally, the study aims to assess the prognostic value of TTFM and HFUS in predicting one-year clinical outcomes, helping to distinguish patients at high risk of graft failure from those at low risk. Also, the recommendation of ultrasound imaging as an alternative to the current gold-standard angiography marks another milestone for Medistim in the efforts to establish HFUS technology for completion control in Carotid Endarterectomy (CEA). In the CIDAC study, which was part of the Knappich meta-analysis, Medistim's MiraQ Vascular device was used, and it demonstrated the benefits of using HFUS compared to angiography. In 2024 the vascular product portfolio revenues have grown 15.3 %, and with the support of these revised Guidelines, Medistim is in a great position to continue this growth path.

Medistim's success is explained by the company's focus on customer, market, product development and people skills. This requires a strong and competent management and Medistim has strengthened its commercial capacity in 2024. In general, Medistim has an experienced management team. Medistim has strengthened its commercial operations with the appointment of Mr. Mike Karim as Chief Commercial Officer (CCO), reporting to the President and CEO. Mr. Karim brings deep industry expertise, strategic insight, and a proven track record from leadership roles at companies such as Boston Scientific, Lombard Medical, HeartWare, and Oxford Endovascular, with a focus on the cardiac and vascular fields. With a strong foundation in sales, he has led Sales, Marketing, and General Management functions, successfully driving growth in international markets.

A key to succeeding with winning in both Cardiac (CABG) and Vascular markets is continued innovation and product development. Customers expect to see improved performance from both the Flow and Imaging core technologies, as well as new features that will advance the clinical value and make the products even more user-friendly and attractive to build into their workflows.

Launch of the MiraQ INTUI software

Medistim has expanded the Innovation and Product Development teams with additional headcount, as an important investment for the future. Not only does this increase the capacity to drive innovation initiatives, but it also brings in new competencies, experience, and ideas. A product of these efforts was the launch of the new INTUI software for cardiac surgery in December 2024. INTUI sets a new standard for Medistim's MiraQ™ technology. Its redesigned user interface is engineered to enhance procedural efficiency in surgery, offering simplified navigation, quicker access to critical data, and improved data interpretation– ultimately streamlining workflow and optimizing performance.

5.2 Regional development

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 %**

AMERICAS

USA is the largest market within the region and is the largest market in the world for the Medistim's products, representing 33 % of global CABG procedures. Total US sales amounted to MNOK 216.3 (197.1) in 2024 and represented 91 % of sales for the region. Adjusted for currency effects, sales were up 7.8 %.

Although sales development for the USA is positive comparing 2024 with 2023, 2023 was a weak year compared to 2022 and 2021 with less capital sales in general, but especially the combined flow and imaging system. We attribute these repercussions to the prevailing macroeconomic landscape characterized by high inflation and escalating interest rates, corresponding also to what we experienced during the financial crisis around 2009 and during Covid in 2020. In addition to the macroeconomy, burnout among nurses post-Covid may be adding to the hospitals' expenses as well as challenging their ability to uphold surgical procedure volumes.

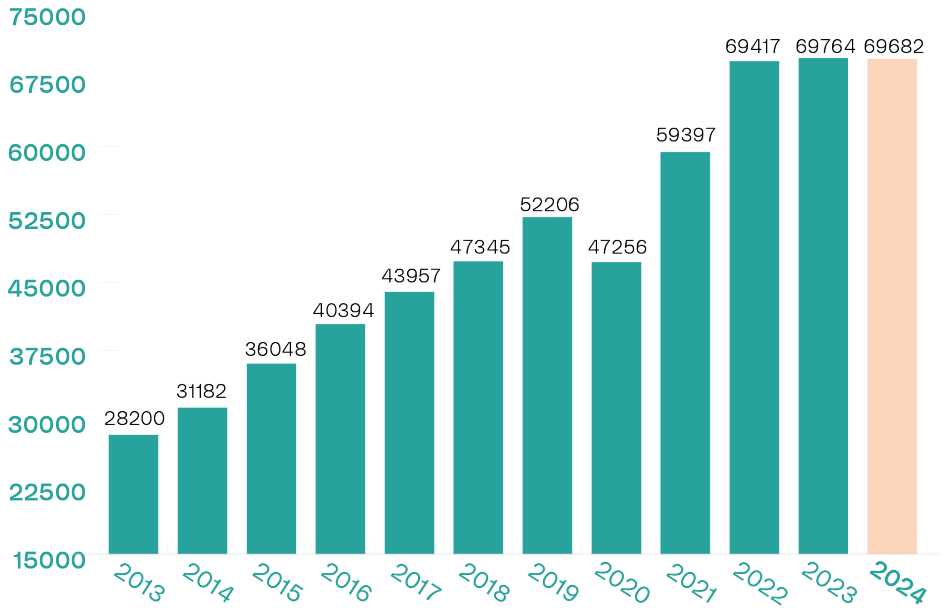
However, the total number of flow procedures sold in 2024 is at the same level as last year. The US economy gradually improved throughout 2024 with an uptake of capital sales in the second half. After a decline in sales the first half of the year, sales increased by 26 % in the second half. These are signs of an improved economic outlook in 2025, that will fuel our US growth engine.

On the positive side for 2024, the number of capital systems sold increased. This is reflected in the increased sale of flow probes to capital customers.

The largest uncertainty related to future development in the US is potential tariff barriers and how this will affect foreign medical device companies.

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 %**

Flow procedure sales in the USA



During the year, 82 457 procedures were sold, (83 306) of which 69 682 were flow procedures (69 764) and 12 775 were imaging (13 542). Capital sales were 33 units, compared with 33 units in 2023. In 2024, 84 % of sales was within the cardiac segment, hence the vascular segment is a large untapped opportunity for Medistim in USA.

About 60 % of all bypass surgeries in the U.S. are performed by surgeons using their fingertips to check for a pulse as the only quality assurance. This is a clinically proven unreliable method, highlighting the need and potential for Medistim's products and the Group has high market ambitions. Medistim's current market penetration is 35 % of the total market of approximately 200 000 bypass surgery procedures performed annually. In comparable markets like Germany, Scandinavia, and Japan, Medistim has achieved TTFM market penetration exceeding 80 %. The Group expects that market penetration in USA will develop in the same manner over time.

To strengthen its market outreach, Medistim offers several business models in the USA. In addition to traditional capital investments and purchase of consumables, hospitals can choose to either pay per procedure or enter leasing agreements. In 2024, procedural sales amounted to 77 % of the total sales, ending at MNOK 167.6 (MNOK 151.6). This is up 11 % from 2023 (8.0 % currency adjusted).

Leadership of Medistim's AMERICAS sales region was changed by the end of 2024. The new sales leader, Tony Winter, brings extensive commercial leadership experience across the cardiac, vascular, interventional, and surgical sectors. With more than a decade at Medtronic, contributions to Synovis Life Technologies, and most recently, leadership of the U.S. sales organization at ACIST Medical Systems, he is well-positioned to drive Medistim's continued expansion in the region.

Total capital sales in systems and probes as consumable in number of units for the AMERICAS region is shown in the following table.

AMERICAS	2024	2023	Change in %
Flow systems	25	16	56.3 %
Flow and Imaging systems	25	23	8.7 %
Flow probes	2 208	1 806	22.3 %
Imaging probes	57	58	-1.7 %

Medistim had its first full year with direct sales operation in Canada in 2024. Medistim has a strong position in Canada with presence in 22 of Canada's 38 cardiac centers. About 18 000 coronary bypass surgeries are performed in Canada per year, and about 50 % are supported with Medistim's technology. The company is well positioned to continue the growth with local sales representatives who will focus on attracting new customers as well as driving the conversion from devices with Transit Time Flow Measurement (TTFM) technology only, to devices combining TTFM and High Frequency Ultrasound (HFUS). In addition, the market within Vascular surgery provides further opportunities for growth. The Canadian team is supported by the US management in the daily operations. Sales to Canada ended at MNOK 13.9 in 2024 (MNOK 6.7), which represent 207 % growth. In Latin America Medistim is represented through local distributors and sales ended at MNOK 6.9 (MNOK 5.1).

Sales in APAC and EMEA

In these markets, the systems are owned by the hospitals and revenues are split between capital sales and sale of consumables. In 2024, sales of flow and imaging measurement probes amounted to 71 % of total sales (64 %), ending at MNOK 168, compared with MNOK 152 in 2023. Total sales ended at MNOK 235.6 (MNOK 237.9). Currency neutral sales was a decline of 2.6 %, where EMEA had an 8 % increase and APAC 23 % decline year-over-year. The increased market penetration within both the cardiac segment and Vascular segment contributes to increase sale of consumables. Sales of consumables are expected to increase as continued system sales expand the installed base of customers regularly using Medistim equipment.

EMEA

More than 95 % of the revenue from the EMEA region is from Europe either through direct representation or through distributors. Medistim has developed a strong market position in Europe with about 1 150 systems installed, representing a solid base for future recurring revenues. Total European sales of own products in 2024 ended at MNOK 162.6, up 13 % from MNOK 143.6 in 2023. Currency neutral sales were up 8 %. 67 % of sales from Europe was through direct channel and 33 % of the sales was through distributors. Direct sales channel had a 19.6 % currency neutral increase while distributor sales had an 8.0 % currency neutral decrease in sales.

Sales in MEA are all through distributors and sales ended at MNOK 7.9, down 16.6 % compared to 2023.

Total capital sales in systems and probes as consumable in number of units for the region is shown in the following table.

EMEA	2024	2023	Change in %
Flow systems	47	58	-19.0 %
Flow and Imaging systems	29	37	-21.6 %
Flow probes	5 084	4 737	7.3 %
Imaging probes	42	50	-16.0 %

Medistim's direct representation in Europe is in Norway, Denmark, UK, Spain, Germany and Sweden. Both Spain and Germany are mature markets within cardiac but have large opportunities within the vascular segment and converting cardiac customers to the combined flow and imaging solution. Norway and Denmark are well penetrated in both segments, while in the UK there is growth potential within both segments. In Sweden, Medistim had its first full year with a direct sales office in 2024. The company is well positioned to continue its growth by further developing the conversion from devices with Transit Time Flow Measurement (TTFM) technology only, to devices combining TTFM and High-Frequency Ultrasound (HFUS).

APAC

Sale to Asian markets were MNOK 65.4 for the year, down from MNOK 83 in 2023. Currency neutral sales was a 22.7 % decline. Sales in the region is driven by sales to China. Sales to China ended at MNOK 34.6, down 18.8 % compared to 2023.

Currency neutral decline was 20.2 %. In China, the number of CABG procedures increases with 5 to 10 % per year and is a strategic market for Medistim. Medistim covers about 70 % of the 79 000 procedures performed in China. In 2023, Medistim leveraged this emerging opportunity by establishing direct sales operations in China.

Medistim's equipment is today installed in all the nation's top 10 cardiac surgical centers. The company is well positioned to continue its growth by further expanding the local distributor network and building on the ongoing conversion from devices with Transit Time Flow Measurement (TTFM) technology only, to devices combining TTFM and High-Frequency Ultrasound (HFUS). In addition, a large market within Vascular and Transplant surgery provides opportunities for further growth.

The second largest market in the region is Japan and sales ended at MNOK 12.0, 50 % of sales in 2023. Total capital sales in systems and probes as consumable in number of units for the region is shown in the following table.

APAC	2024	2023	Change in %
Flow systems	44	70	-37.1 %
Flow and Imaging systems	12	33	-63.6 %
Flow probes	2 280	2 573	-11.4 %
Imaging probes	33	60	-45.0 %

The volume reduction is explained by the transition period with the former Chinese distributor completed projects and filled local Chinese distributors inventory before Medistim established direct presence in the second half of 2023. The sales to the distributor in Japan was weak for the year. Medistim is working to understand the market dynamics and is evaluating strategies to optimize the business in Japan. The strike in the health sector in South Korea also impacted sales in 2024. Both China and Japan are expected to improve entering 2025.

Third party products

With the newly established Swedish subsidiary, Medistim has a direct presence in all of Scandinavia. This has positioned Medistim to build a broader, Scandinavian distribution business for third party products. Sale of third-party products ended at MNOK 89.8, which represent a 13.1 % growth in sales.

5.3 Organization, HSEQ and sustainability

Medistim has sales representation in its main markets and production and main office functions in Norway. At year-end 2024, Medistim had 154 employees, compared to 152 in 2023. The working environment and culture in Medistim are considered strong, and there is continuous focus on initiatives for improvement. In 2024, absence due to sickness was 2.9 % or 1 095 days. This compares to 4.0 % or 1 598 days in 2023. Medistim strives to be an attractive workplace that offers challenging and motivating jobs and equal development opportunities for all. There is no discrimination due to gender, nationality, culture or religion with respect to remuneration, promotion or recruitment. The Company is committed to recognize diversity and ensure equal opportunities, including fair employment conditions. Medistim supports the United Nations Universal Declaration of Human Rights and the standards advised by the International Labor Organization (ILO).

For more information, please see *"9. Sustainability Report"* in this Annual Report.

5.4 Financial review

Going concern

The Board of Directors confirms that the financial statement has been prepared based on the assumption of a going concern.

Profit & Loss

The Medistim Group's sales for the full year 2024 ended at MNOK 562.6 (MNOK 526.4). Currency neutral, sales increased 5.4 %. Sales in AMERICAS and EMEA increased 13.5 % and 9.9 % respectively, while sales in APAC decreased 21.3 %. Sales of third-party product in Scandinavia through the subsidiaries in Norway, Denmark and Sweden rose 13.1 %.

Total sales of own products in 2024, amounted to MNOK 472.8 (MNOK 446.9), while sales of third-party products were MNOK 89.8 (MNOK 79.4). Currency adjusted, sales of own products, increased 3.9 % during the year, while sale of third-party products increased 13.1 %. The development in the markets are described under 6.2 regional development. Average NOK exchange rates towards USD and EUR in 2024 were 10.74 and 11.62 respectively, while equivalent rates in 2023 were 10.56 for USD and 11.42 for EUR.

Cost of material amounted to MNOK 113.7 (MNOK 112.3), representing 20.2 % of sales (21.3 %). Stronger sales through direct operation more than compensate growth in sale of third-party products, and explain why cost of material in percent has improved compared to 2023. In recent years, cost of material in percent of sales has declined, since sales of Medistim own products has grown at a higher phase than third party products.

Salary and social expenses were MNOK 185.1 (MNOK 162.6), while other operating expenses were MNOK 108.2 (MNOK 96.4). The main reason for higher salary and social expenses is related to the full-year effect of new employees. The organization has been strengthened primarily within Innovation and Product development (R&D), but also within business development, sales, service, and administration. The increase is also related to the establishing direct presence in China, Canada and Sweden and the introduction of double shift in production.

The activity level in marketing and sales were higher this year, explaining the increased other operating expenses in addition to the establishment of direct operations described above. In total for salaries and other operating expenses, there is a negative impact of MNOK 2.3 because of foreign exchange rates differences.

Medistim continuously invests in existing and new products to cover the surgical requirements for quality verification. The company invests between 4 % and 10 % of annual sales in research and development (R&D). In 2024, total R&D investments amounted to MNOK 35.0 (MNOK 29.0), corresponding to 7.4 % (6.5 %) of sales of own products. Of this, MNOK 18.6 (MNOK 13.3) was capitalized in the balance sheet.

Operating profit before depreciation and amortization expenses (EBITDA) ended at MNOK 155.6 (MNOK 155.1). Depreciation for the year amounted to MNOK 24.5 (MNOK 23.6). The operating profit (EBIT) ended at MNOK 131.1 (MNOK 131.4), corresponding to an EBIT-margin of 23.3 % (25.0 %).
The Group recorded net financials of MNOK 3.2 (MNOK 3.8), of which MNOK 11.5 of financial expenses (MNOK 13.3) and MNOK 8.3 of financial income (MNOK 17.1). Net finance was mainly related to realized and unrealized gains or losses related to currency, cash in USD and EUR and customer receivables.

Profit before tax was MNOK 134.2 (MNOK 135.2). Tax amounted to MNOK 30.4 (MNOK 31.4) and the net profit for the year was MNOK 103.8 (MNOK 103.8), corresponding to earnings per share for the full year of NOK 5.67 (NOK 5.67).

Average number of shares outstanding during the year were 18 314 219 (18 267 157) by the end of December 2024.

Cash Flow Statement

Net cash flow from operating activities amounted to MNOK 143.1 (MNOK 119.2). Working capital increased MNOK 13.6 during the year, driven by a MNOK 15.1 increase in inventories and a net decrease of receivables and payables with MNOK 1.5.

Net cash flow from investing activities was negative MNOK 24.7 (MNOK 29.7) where MNOK 6.1 as related to investments in assets and MNOK 18.6 was related to product development.

Net cash flow from financing activities was negative MNOK 91.5 (MNOK -90.9), of which MNOK 82.4 (MNOK 82.2) was payment of dividends. Leases amounted to MNOK 9.1 (MNOK 8.7).

At 31 December 2024, total cash and cash equivalents amounted to MNOK 179.2 (MNOK 153.9).

Financial position

At 31 December 2024, Medistim's working capital totaled MNOK 202.4, compared with MNOK 188.8 the year before. During the year, inventory increased by MNOK 15.1. Even with increased sales, account receivables decreased MNOK 5.3 during the year. Account payables ended MNOK 3.8 lower compared last year. By year end the group had MNOK 34.4 in interest bearing liability related to lease contracts. MNOK 25.1 of this was long term liability and MNOK 9.3 was current liability. Total non-current liability of MNOK 30.9 was related to MNOK 25.1 lease contracts and MNOK 5.9 was related to deferred revenue.

The total balance sheet amounted to MNOK 574.9 (MNOK 505.7). Total equity was MNOK 436.6 (MNOK 397.9), corresponding to an equity ratio of 75.9 % (79 %). Book value of properties, plants and equipment amounted to MNOK 71.8 (MNOK 57.3). Intangible assets were MNOK 60.7 (MNOK 45.4), of which product development and goodwill represented MNOK 47.6 and MNOK 14.1 respectively. The group has a deferred tax asset of MNOK 9.0 (MNOK 5.1) related to temporary differences between carrying amount and tax values. The year-end cash position was MNOK 179.2 (MNOK 153.9).

The Medistim Group's financial position, cash flow and ability to finance its activities is considered satisfactory.

Share capital and number of shareholders

At 31 December 2024 the share capital of the Medistim ASA parent company was NOK 4 584 334 distributed on 18 337 336 shares outstanding at par value of NOK 0.25

per share. The share is freely traded on the Oslo Stock Exchange. The company had over 1000 shareholders and owned 23 117 treasury shares at year-end.

5.5 Parent company financial review

The parent company Medistim ASA had 2024 sales of MNOK 354.0 (MNOK 341.0). Operating profit was MNOK 110.3 (MNOK 108.0) and profit before tax amounted to MNOK 126.6 (MNOK 124.7). Medistim received a dividend from its subsidiary in Norway and Germany of MNOK 20.3 in 2024 (MNOK 11.0). No group contribution was received in 2023 or 2024. Profit after tax for the parent company was MNOK 103.3 for the full year (MNOK 99.5). At 31 December 2024, the parent company's total assets amounted to MNOK 466.4 compared to MNOK 402.2 as of 31 December 2023. Equity in the company was NOK 209.2 (MNOK 214.8), corresponding to an equity ratio of 45.0 % (53.4 %).

At year-end 2024, the parent company had MNOK 126.9 in cash. The company's financial position and ability to finance future activities and investments was considered satisfactory.

Allocation of profit

The Board of Directors suggests that MNOK 109.9 of the 2024 net profit is allocated to ordinary shareholder dividend, equal to NOK 6.00 per share (NOK 4.50 for 2023). MNOK 6.6 is allocated from other equity to dividend.

The Board of Directors will propose the dividend to the general meeting. The proposed dividend equals a pay ratio of 105.8 % (79.2 %). The dividend reflects the Board's positive expectations of future earnings. Over the past 10 years, the company has paid MNOK 590 in accumulated dividends to shareholders.

5.6 Corporate governance

Medistim depends upon good relations with its stakeholders to succeed. Good corporate governance is important to build and maintain trust and confidence in the company and ensure long-term value creation in the best interest of the company's shareholders. The company's corporate governance structure is based on Norwegian legislation and the Norwegian Code of Practice for Corporate Governance, last revised October 2021. Medistim complies with the Code of Practice, with certain deviations, as outlined and explained in the Corporate Governance Report in this annual report.

5.7 Main risk factors

Market/operational risk

Competition: Medistim has one single direct competitor for TTFM technology. Medistim today has about 82 % of the penetrated market. Medistim is not aware of new competitors or technologies that could change the competitive landscape significantly.

Risks related to device malfunction

Medistim has established comprehensive procedures as part of its Quality Management System in compliance with ISO 13485:2016 to ensure the safety of its products. There were no reportable events in 2024.

FINANCIAL RISK

Foreign exchange risk

Medistim is exposed to changes in exchange rates with most of the company's revenues generated in USD and EUR. The company enters hedging contracts to reduce exposure to changes to foreign exchange rates and the potential impact on financial performance.

Liquidity risk

Medistim prioritizes managing liquidity risk to ensure the company meets its obligations in time and maintains its financial flexibility. Cash generated from operations is Medistim's main source of liquidity. The group has over the past five years utilized strong revenue and profit development to build a cash reserve to meet increased working capital requirements as company grows.

Interest rate risk

The company is exposed to changes in interest rate levels through its non-current lease contracts.

Macroeconomic risk, international conflicts and pandemics

The global market is facing macro-economic turmoil, with energy crisis, inflation pressure, increasing interest rates, increased cost levels and threat of higher import tariffs. How the geopolitical uncertainty will affect the company are unclear but might lead to challenges in the global flow of goods. Medistim is taking mitigating actions to ensure access to key components to secure production and maintain growth and profitability also for the future. Further, the company is financially solid to face future challenges, with no interest-bearing liabilities and an equity ratio of 75.9 %.

The global economic situation will affect the company since Medistim is a supplier to the health care sector in many countries. Management closely monitors the associated financial risks.

Credit risk

Medistim considers the risk that customers are unable to fulfill economic obligations as low, which is confirmed by the level of historic losses on receivables. The customers are mainly public hospitals with secure financing.

OTHER RISK FACTORS

Regulatory risk

Medistim depends upon regulatory approvals from health authorities for permission to sell its products. The company is audited on a regular basis to verify that approvals can be maintained. There is a latent risk that changes in regulatory conditions can result in a loss-off-approval to sell products in a given market.

Health care priorities

In general, health care institutions have many priorities and limited resources. For this reason, it is imperative for Medistim that the company's solutions have clinical acceptance in order for health care systems and institutions to invest in Medistim's products.

The Russia/Ukraine and Israel/Palestine conflicts

The Russia/Ukraine and Israel/Palestine conflicts are expected to have minor impact on Medistim sales, since sales revenues from these countries were less than 2 % of total sales in 2024.

Insurance and transparency act

The company has director and officer's liability insurance. The insurance covers the board of directors' and management officers' legal personal liability for pure property damage related to the duties performed as directors and officers.

The latest transparency act report from Medistim is available on the Medistim website www.medistim.com.

5.8 Events after the balance sheet date

The Board of Directors has no knowledge about events after 2024 that will affect the annual report and financial statement for 2024.

5.9 Outlook

Medistim's ambition is making blood flow measurements and intraoperative ultrasound imaging standard-of-care in clinical practice for CABG procedures and vascular surgery and making its technology available for all patients and surgeons regardless of economy or geography.

Medistim is already the global leading provider of flow and imaging systems, with dominant market positions in most developed markets, continuously expanding its footprint and have installed about 3 700 systems in more than 60 countries.

However, market penetration varies from above 80 % in selected European and Asian markets, to 35 % in USA, the world's largest market for CABG procedures. This represents a significant market opportunity for Medistim.

Through continued strengthening of its sales organization, introduction of alternative business models and convincing clinical documentation and support from KOLs, Medistim aims to develop this large under-penetrated market. The company has also extensive growth ambitions in developing economies.

Medistim has delivered solid profit and cash flow despite the impact from conflicts and macro-economic turmoil in 2024. The need for Medistim's products has not changed. Medistim will also continue its technology and product development to improve its offering and combined with recurring revenues from its already installed base of 3 700 systems, the company is well positioned to continue its journey of profitable growth.

5.10 Shareholder information

Share price development

Medistim ASA has one class of shares. There were 18 337 336 shares issued at the end of 2024, each with a nominal value of NOK 0.25, unchanged from end of 2023. During the year, the shares traded between NOK 133 and NOK 282 per share, and 3.28 million shares were traded in total. The share price at 31 December 2024 was NOK 149.5.

Major shareholders and voting rights

Medistim had 1 061 registered shareholders in the Norwegian Central Securities Depository (VPS) at 31 December 2024, whereof the 20 largest shareholders owned 74.8 %. The percentage of issued shares held by foreign shareholders was 53 %. All the shares registered by name carry equal voting rights. The shares are freely negotiable. 20 largest shareholders is shown in *"Note 20 Financial Risk"*.

An overview of the 20 largest shareholders is available on Medistim's website, updated every week.

Dividends and dividend policy

Medistim's shareholder policy is to maximize shareholder value. This will be achieved through sound business development and an aggressive growth strategy. Medistim will seek to provide annual dividends, depending upon the company's financial capacity and financing needs to ensure future growth. The company will at all times ensure that it has the financial capacity and equity to achieve future plans for growth.

Based on the 2024 results, the Board of Directors will propose to pay a dividend of 6.00 for 2024 corresponding to a pay-out ratio of 105.8 %. For 2023, Medistim paid a dividend of NOK 4.50 per share corresponding to and a pay-out ratio of 79 %. Over the last ten years, Medistim has paid MNOK 590 in accumulated dividend to shareholders.

Analyst coverage

DNB, Danske Bank and Sparebank1 had active coverage of Medistim ASA in 2024. For contact details, please see the company website medistim.com.

General Meetings and Board authorisations

The 2024 AGM granted the Board of Directors the following authorizations:

1. Authorization to increase the share capital by up to NOK 458 433.
2. Authorization to acquire treasury shares in Medistim ASA for up to a maximum nominal value of NOK 458 433.

Further information can be found in the minutes from the Annual General Meeting, available from the company's website www.medistim.com and www.newsweb.no

Corporate actions	2025
2024 Financial statements approved by the Board	28.02.25
Annual report 2024 disclosed	08.04.25
Annual General Meeting	08.05.25
Resolution to distribute dividend of NOK 6.00 per share	08.05.25
Ex dividend NOK 6.00	09.05.25

Oslo, April 8th, 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.

6. EXECUTIVE MANAGEMENT & BOARD OF DIRECTORS

6.1 Management team

Kari Eian Krogstad

President and CEO, Medistim ASA

Kari E. Krogstad joined Medistim as CEO in September 2009. She has more than 30 years of experience from the biomedical industry, from commercial leadership roles within the international pharma, biotech and medtech sectors. Before joining Medistim, she spent 11 years at Dynal and held the position as General Manager of Invitrogen Dynal after the acquisition from U.S. based Invitrogen in 2005. Krogstad holds a Cand. Scient. degree in Molecular Biology from the University of Oslo as well as a Business degree from IHM Business School.

Thomas Jakobsen

CFO (Chief Financial Officer), Medistim ASA

Thomas Jakobsen joined Medistim as VP Finance in 2001. Previous experience includes Controller and Finance Manager at Sysdeco (1993-1998), and Finance Director of Microtronica Nordic (1998-2001), where he was responsible for building the finance team and converting to a new MIS system. Jakobsen holds a B.Sc. in Management from the Norwegian Business School (BI).

Mike Karim

CCO (Chief Commercial Operations), Medistim ASA

Mike Karim joined Medistim as CCO in January 2025. Karim brings deep industry expertise, strategic insight, and a proven track record from leadership roles at esteemed companies such as Boston Scientific, Lombard Medical, HeartWare, and Oxford Endovascular, with a focus on the cardiac and vascular fields. With a strong foundation in sales, he has led Sales, Marketing, and General Management functions, successfully driving growth in international markets.

Ole Arne Eiksund

CBDO (Chief Business Development Officer), Medistim ASA

Ole Arne Eiksund joined Medistim as CBDO in April 2022. He has more than 25 years of experience from the biomedical industry, with commercial leadership roles within the pharma and biotech sectors. Former positions include Commercial Director at GSK Pharma, VP Global Sales at Hofseth BioCare and before joining Medistim he was the CEO of Arctic Bioscience. Eiksund holds a M.Sc. degree in Computational Science from the University of Manchester (UMIST) and an Executive MBA from Hult International Business School, London.

Håkon Grøthe

CIO (Chief Innovation Officer), Medistim ASA

Håkon Grøthe joined Medistim as CIO in April 2019. He is an experienced leader with a passion for increasing customer value through digital innovation. Grøthe has put disruptive technologies such as AI, VR and Machine learning into work in his leadership roles from IT technology companies such as Impact Reality and Inspera. He also brings methodology experience relevant for agile processes, such as Google Sprint, Design Thinking and Kanban. Grøthe holds an M.Sc. degree in Industrial Economics/Computer Science from the Norwegian University of Science and Technology (NTNU).

Erik Swensen

VP R&D, Medistim ASA

Erik Swensen joined Medistim as VP Research & Development in 2002. Previous experience includes Development Engineer at ABB, Norway, where he participated in the development of advanced process control systems and developing ABB's new control system for safety critical applications. Swensen holds a M.Sc. degree in Engineering Cybernetics from the Norwegian University of Science and Technology (NTNU).

Helge Børslid

VP Manufacturing, Medistim ASA

Helge Børslid joined Medistim as Vice President Manufacturing in January 2017. Before joining Medistim, he was production manager at Halliburton, a company that offers products to the oil and gas industry. Previous experience ranges from test engineer to quality engineer at Norautron, Infineon Technologies, Kongsberg Maritime, and Sensor Development. Børslid holds a B.Sc. in Electronics Engineering from Vestfold University in Norway and a Master's degree in Management from the Norwegian Business School (BI).

Tone Veiteberg

VP Regulatory Affairs & Quality Assurance, Medistim ASA

Tone Veiteberg joined Medistim as VP Quality Assurance & Regulatory Affairs in 2013. She has more than 35 years of experience in Medical and Regulatory Affairs from the pharmaceutical and medical device industry, including Clavis Pharma, the Norwegian Association of Pharmaceutical Manufacturers, Leo Pharmaceuticals, and Glaxo/GlaxoWellcome (now GlaxoSmithKline). Veiteberg holds a M.Sc. in Pharmacy from the University of Oslo.

Hæge J.K. Wetterhus
VP Marketing, Medistim ASA

Hæge J.K. Wetterhus joined Medistim as VP Marketing in 2010. She has more than 25 years of experience working with diagnostic, analytical and biotech device companies. Before joining Medistim, she worked for Invitrogen Dynal where she held a variety of leadership roles in strategic marketing, product development and business development in the area of life science and biotechnology – always with an international focus. Wetterhus is a business economist from BI Norwegian School of Management, a chemical engineer from the Technical University of Bergen and holds a B.Sc. Honour in molecular biology from the University of Glasgow, United Kingdom.

Anne Waaler
VP Medical Department, Medistim ASA

Anne Waaler joined Medistim as VP Medical Department in 2016. She has more than 25 years of experience from the pharma and medtech industry, including roles within medical, marketing and strategy with Nycomed and GE Healthcare. Waaler holds a M.Sc. in Pharmacy from the University of Oslo, an MBA from the BI Norwegian School of Management in Oslo, and an ESCP-EAP in Paris.

Roger Morberg
VP Sales APAC, Medistim ASA

Roger Morberg joined Medistim as VP Sales in June 2010. He has extensive experience from the healthcare industry and is a trained medical professional. Before joining Medistim he worked for Siemens Medical as Country Manager for Ultrasound. Morberg has previously held various roles within sales and senior management positions in Marquette Electronics, GE Healthcare and Hewlett Packard.

Stephanie d'Avout Stenhagen
VP Sales EMEA, Medistim ASA

Stephanie d'Avout Stenhagen joined Medistim in 2017 as Sales Manager Europe. With over two decades of experience in the medical device industry, she brings a wealth of expertise and strategic vision to drive Medistim's sales efforts across the EMEA region. Prior to joining Medistim she held various leadership roles in strategic marketing and business expansion at Medtronic Inc. and served in a Global Marketing capacity for Nobel Biocare. Stenhagen holds an MBA in Marketing from the Fox School of Business at Temple University.

Tony Winter
VP Sales AMERICAS

Tony Winter joined Medistim USA as Vice President in December 2024. Prior to joining Medistim, he held commercial leadership roles within the cardiac, vascular, interventional and surgical fields. He has over ten years experience at Medtronic in various commercial functions and two years leading global pricing at Synovis Life Technologies. For the past five years, he led the U.S. sales organization at ACIST Medical Systems. Winter holds a BA in Economics from the University of Minnesota.

6.2 Board of Directors

Øyvin Brøymer
Chair

Øyvin Brøymer has served as Chair of Medistim since 2000. He works as an investor through his own company Intertrade Shipping AS and Fløtemarken AS, holds the position as Chair in Vistin Pharma ASA. Previous experience includes executive positions in The Aker Group, Hafslund Nycomed ASA and Leif Höegh & Co ASA, as well as broad board room experience from many other companies. He holds a degree within economics and business from Norwegian School of Management and an MBA from the University of Wisconsin. He is also Chair of the remuneration committee. His term expires in 2025.

Anna Ahlberg
Board Member

Anna Ahlberg is the CFO at the Swedish medical simulation company Surgical Science. Her previous career includes executive positions at several listed Swedish companies, such as med-tech companies Q-Med and Vitrolife. Ms. Ahlberg holds a MSc in Business Administration and Economics from the School of Business, Economics and Law, University of Gothenburg. She is a member of the audit committee. Her term expires in 2025.

Ole J. Dahlberg
Board member

Ole Dahlberg is former VPGM at Thermo Fisher Scientific and working Founding Partner at Rubicon Healthcare Partners and Chairman of the Board at Curida and Nadeno Nanoscience. He has been co-founder in three start-up companie, and held leadership roles in Qiagen and Life Technologies before relocating to US and working for Thermo Fisher. He holds a MSc in Genetics and Marine Biology from the University of Oslo. His term expires in 2025.

Gry Dahle
Board Member

Gry Dahle is a cardiothoracic surgeon and consultant at the Department of Cardiothoracic Surgery at Oslo University Hospital. Her main interests are minimal invasive surgery, catheter treatment of valvular disease, heart failure, and new innovations. Dr. Dahle holds a PhD on Implementing TAVI in Rikshospitalet. She is the head of REK KULMU (ethical committee for medical devices) and deputy chairman of the Norwegian Medical Association Professional Board. She has a broad network in the international cardiothoracic society and is a member of several committees within EACTS, ESC, and ICI. She is the Vice President of ISMICS. Her term expires in 2026.

Jon H. Hoem
Board member

Jon Hoem was one of the early employees at Medistim, joining the company in 1994, and contributing to structuring Medistim's initial sales effort in Europe, Japan, and the United States. He has founded multiple early-stage cardiovascular medical device companies. Mr. Hoem He holds a MSc degree in microelectronics and organizational development from the Norwegian Institute of Technology (NTNU). His term expires in 2026.

Peder Strand
Board member

Peder Strand is employed as an investment director at Seatankers Management. He serves as a board member in Mowi ASA, ACapital Elimp Holdco, ACapital Medi Holdco, Nordic Ski and Mountains AB, ACapital ITAB Holdco, Echo Topco, and Innsikt Holding. Mr. Strand holds an MSc from the Norwegian University of Science and Technology (NTNU). His term expires in 2026.

Tove Raanes
Board member

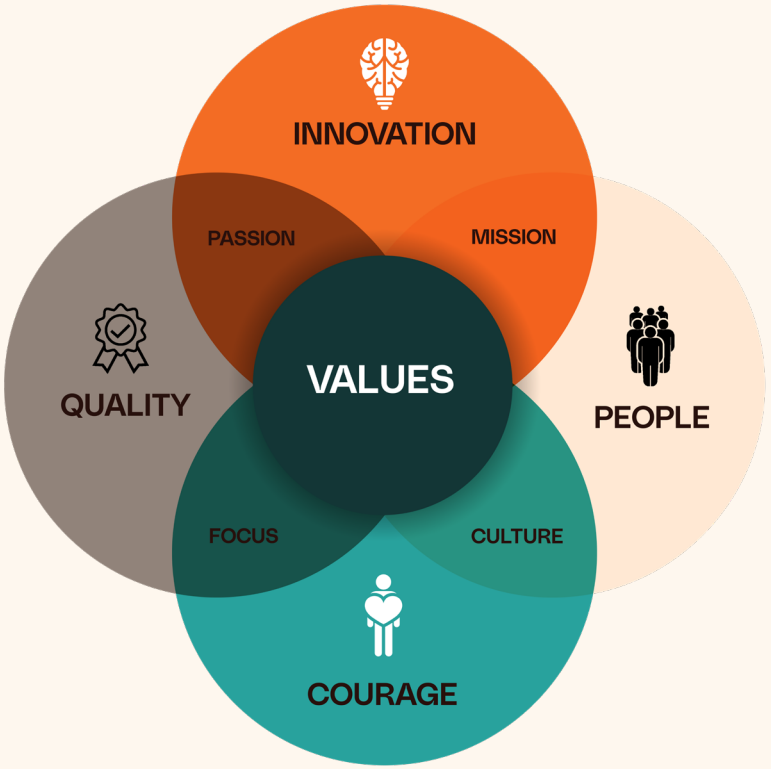
Tove Raanes has been board member in Medistim since 2014. She works as an advisor in the investment companies Dyvi Invest AS and Nore-Invest AS and serves as board member in Bouvet ASA, Multiconsult ASA and Krefting AS. Her experience includes strategy, finance and business development from investment companies and management consulting from McKinsey & Company. Raanes holds a MSc from the Norwegian School of Economics (NHH). She is also Chair of the audit committee. Her term expires in 2026.

7. COMPANY DESCRIPTION

7.1 Vision, mission, values

Medistim's technologies and solutions increase the probability of a positive outcome of surgery for the patient and enable greater efficiency and lower costs for health care providers by reducing additional and unnecessary surgical re-interventions.
The company's long-term vision is stated as: **Medistim is standard-of-care in the operating room**.

This implies, making Medistim's solutions the standard-of-care in clinical practice for Coronary Artery Bypass Graft (CABG) surgery procedures and vascular surgery, ensuring that blood flow measurements and intraoperative ultrasound imaging are performed on all patients.



Values

All conduct is based on the four elements of the company's core values:

Courage

To set challenging goals
To be open and transparent
To share knowledge and experience
To try without fearing to fail
To challenge accepted beliefs

Innovation

Encourage creativity, discovery, and innovation
Value new ideas and test them out
Problem-solving and solution-oriented mindset

Quality

Outstanding quality in everything we do
Commitment to Medistim QMS
High competence and unique expertise
World-class products and services
Amazing customer experience

People

Trustworthy, honest, and ethical
Generous and welcoming to customers and colleagues
Value, trust and respect each other
Promote physical and emotional health and quality of life

Addressing serious, common and increasing global medical problems

Cardiovascular diseases (CVDs) are the number one cause of death, representing approximately 1/3 of all deaths worldwide. CVD is a general term for conditions affecting the heart or blood vessels. It is usually associated with a build-up of fatty deposits inside the arteries (atherosclerosis) and an increased risk of blood clots. It can also be associated with damage to arteries in organs such as the brain, heart, kidneys and eyes.

The main risk factors for CVD are high blood pressure, dietary risks leading to obesity, diabetes, smoking, in addition to higher age. Both obesity and diabetes are increasing world-wide, reflecting economic growth and a growing middle class in developing economies. In parallel, the number of people above 60 years of age is also growing globally.

Treatment alternatives include the use of pharmaceuticals, endovascular procedures and open surgery.

Endovascular procedures, including Percutaneous Coronary Intervention (PCI), are considered less invasive by accessing blood vessels through a surgical small incision and using a catheter to insert and to place a stent inside the arteries to obtain revascularization.

A coronary artery bypass graft (CABG) is an open chest surgery and involves taking a blood vessel, also known as a graft from another part of the body (usually the chest, leg or arm) and attaching it to the coronary artery above and below the narrowed area or blockage.

7.2 Medistim's solutions

Medistim's devices are increasingly used to support CABG and other vascular surgical procedures. The solutions enable cardiac imaging, blood flow measurement and provides surgeons with immediate feed-back on procedure outcome.

Intraoperative surgical guidance and quality assessment with ultrasonic imaging and blood flow measurement reduces risk of stroke for the patient. It also provides the surgeon with a tool to verify graft functionality, indicate when revisions are needed and to optimize graft strategy during surgery.

Globally, more than 700 000 CABG procedures are carried out on an annual basis. Although the use of solutions for real-time blood flow measurement and ultrasound imaging during procedures is increasing, the vast majority are executed by surgeons merely relying on experience and physical finger palpation for graft patency assessment.

Currently, only about 45 % of the global CABG market is utilizing support systems. Development of the overall market, by increasing acceptance and use of supporting technology such as Transit Time Flow Measurement (TTFM) and High-Frequency Ultrasound Imaging (HFUS) represents Medistim's main growth opportunity.

Medistim is already the leading provider of flow and imaging systems, with dominant market positions in most developed markets. The offering is two-fold; 1) medical systems for monitoring and analysis, and 2) consumables, including re-usable cardiac and vascular probes and ultrasound imaging probes. Sales of consumable correlates to the number of procedures executed and is highly dependent on size of in-stalled base of systems. The company is continuously expanding its footprint represented by a current installed base of approximately 3 700 systems in more than 60 countries.

Medistim develops this large under-penetrated market through convincing clinical documentation and support from Key Opinion Leaders (KOLs), to make HFUS and TTFM standard of care for CABG surgery.

Medistim will continue its technology and product development to maintain its strong position and strengthen its sales and

marketing organization improving capacity and outreach. Medistim's ambition is that its products and solutions shall benefit all patients and surgeons all over the world.

Medistim assembles and manufactures its devices and probes in Horten, Norway, except for the imaging probes which are produced by third parties.

7.3 Strategy

Medistim's strategic progress relies on strong clinical documentation, technology and product innovation and development, and the ability to effectively commercialize its product portfolio worldwide.

Strong clinical studies by leading medical centers create support from KOLs, and it is a strategic priority to support this by sharpening the focus on blood flow measurements, ultrasound imaging, surgical guidance, and quality assurance in relevant forums and channels.

Continuous technology and product development are required to maintain and develop Medistim's leading position within cardiac as well as vascular surgery, and the company plans to launch new products tailored to the specialties within these fields.

The company is continuously strengthening all parts of its organization. This includes the sales, service, marketing and medical teams which interact directly with customers, and the innovation, R&D, QA & Regulatory, and manufacturing departments.

Medistim's strategic priorities

1. Convert Flow-only market to a Flow-and-Imaging market by establishing surgical guidance and quality assessment as the new standard of care through:
   - **a.** Early adopter and KOL support
   - **b.** REQUEST study
   - **c.** Ease conversion from Flow to Imaging with MiraQ
2. Achieve routine use of both Flow and Imaging by fighting ignorance, indifference and ease-of-use objections through:
   - **a.** Clinical marketing, guidelines and educational programs
   - **b.** Product innovation for ease of use
   - **c.** Increased sales force capacity
3. Offer an entry-level solution to reach emerging, price-sensitive, high-growth markets
4. Build and strengthen position in vascular surgery through:
   - **a.** Dedicated system (MiraQ Vascular) & probes
   - **b.** Building position with societies and KOLs
5. Expand direct market coverage

7.4 Technology and products

Medistim's medical devices are used to improve quality of cardiovascular surgery and are subject to high requirements and product certifications with regards to quality and safety, and require high competence and excellent quality systems.

Technology

Medistim's blood flow measurement (TTFM) and high-frequency ultrasound imaging (HFUS) systems measure, monitor and image blood flow through veins or arteries with precise accuracy during surgery.

The solution comprises two different modalities: a quantitative measuring modality (TTFM) and a qualitative imaging modality (HFUS).

The sensor technology is based on probes. The flow probes are placed on a blood vessel, with the volumetric flow measured and analyzed by the system unit and displayed on-screen as blood flow curves, values, and images. The imaging functionality provides surgeons with real-time guidance during surgery and enables them to uncover possible causes of poor blood flow, correct technical problems, and achieve optimal clinical outcomes.

Transit Time Flow Measurement -TTFM

With TTFM, ultrasound is used to measure blood flow volume directly, based on the fact that the time re-quired for ultrasound to pass through blood is slightly longer upstream (tu) than downstream (td).

The MiraQ offers the fastest and most accurate flow measurements, verifying graft patency while the patient is still in the operating table.

High-Frequency Ultrasound Imaging – HFUS

Ultrasound Imaging can generate images of target areas by transmitting ultrasound pulses and receiving different echoes depending on density. To help locate and understand technical imperfections during blood vessel surgery, the high frequency ultrasound imaging probe can image areas of concern on a real-time basis and reveal morphological (structural) issues for immediate correction before closure.

Epiaortic imaging allows a sensitive, direct diagnosis of aortic disease, which can lead to modifications in intraoperative surgical management.

Epicardial imaging can be used intraoperatively to assess coronary quality, strategize graft placement, and visualize constructed anastomosis (connections).

Imaging of the major **carotids** blood vessels in the neck after carotid endarterectomies (CEA) can reveal technical imperfections that may lead to thrombus formation and stroke if left unrepaired.

Medistim also provides equipment for Doppler measurements of blood flows. However, this technology is increasingly being replaced by HFUS.

Products

Medistim launched its first flowmeter based on transit time flow measurement (TTFM) technology in 1994, the CardioMed. Since then, the company has developed several generations of quality assurance equipment. In 2009, Medistim introduced the first ultrasound imaging probe, and the company is currently the only supplier in the world that offers a user-friendly integrated TTFM and intraoperative high frequency ultrasound (HFUS) imaging system.

Solutions for cardiac and vascular surgery

The **MiraQ™** is Medistim's most advanced product line with configurations for both cardiac and vascular surgery. The MiraQ platform offers specialized configurations for cardiac and vascular applications in the products MiraQ Cardiac and MiraQ Vascular, respectively. The MiraQ Vascular system includes a specialized application menu with a customized user interface adapted to vascular surgeons' requirements, and probes tailored for vascular applications. The MiraQ is also available with both configurations, as the MiraQ Ultimate.

TTFM probes (cardiac and vascular family)

Flow probes utilize the reliable transit time technology to accurately measure blood volume flow intraoperatively in a wide range of applications, from cardiac and vascular, to transplant surgery. Used together with Medistim's systems, they provide fast, accurate and reproducible information to the surgeon instantaneously to provide verification of graft patency and function. The ultimate benefit is quality assurance with immediate feedback that leads to improved surgical outcomes.

Imaging probes

Medistim's imaging probes are used to provide intraoperative surgical guidance. Epiaortic imaging allows a sensitive, direct diagnosis of aortic disease, which can lead to modifications in intraoperative surgical management. Epicardial imaging can be used intraoperatively to assess coronary quality, strategize graft placement and visualize constructed anastomosis. Medistim's flow probes can be used 50 times and the imaging probe can be used 100 times and even more if treated properly. All the electrical components in use comply with environmental standards for electronic waste.

7.5 Research and development

Medistim continuously invests in existing and new products to cover the surgical requirements for quality verification. The company invests between 4 % and 10 % of annual sales in research and development (R&D). In 2024, the company invested 7.4 % (6,5 % in 2023) of annual sales of own products in research and development (R&D).

Product development for increased "ease of use"

In order to grow technology adoption, it is pivotal to make the products as easy to learn and use as possible. Medistim is therefore focusing on innovation to develop new features and ensure "ease of use" for the end-customer. The company's innovation team collaborates closely with a network of surgeons and hospitals to test prototypes and new ideas. The goal is to capture the end customers' needs and expectations before initiation of costly development projects which are subject to strict regulatory regimes. The ambition is to accelerate product innovation and reduce development time by clarifying product design and functionality before a formal development process is initiated. The recent launch of the MiraQ INTUI software platform is an important step in this direction.

New production technology

A separate project is established to redesign the PS probes in order to be able to automate the production process of flow probes. The project is expected to go on for several years and will improve the probe production capacity vastly.

Clinical studies support routine use of Medistim's technology

Medistim's strategic progress relies on strong clinical documentation by leading medical centers to create support from Key Opinion Leaders (KOLs) within cardiac surgery and vascular surgery. It is a strategic priority to support this by increasing the focus on blood flow measurements, ultrasound imaging, surgical guidance, and quality assurance in relevant forums and channels.

The circulation publication in 2021 and the use of TTFM during CABG: In 2021 Medistim 's Transit Time Flow Measurement (TTFM) technology received strong support from leading experts, in a new publication in the top journal Circulation.

Circulation – the official journal of the American Heart Association – and one of the highest ranked journals in cardiology and cardiovascular medicine, published a consensus paper by 19 of the world's highest renowned specialists in coronary artery bypass surgery (CABG) on October 5th. The study describes a systematic review to identify best practice evidence for guideline development published the last 20 years. Over 2 200 articles identified, more than 1 550 of them screened, and 38 of them included in this review paper. The expert consensus process resulted in a new flowchart for decision making guidance to cardiac surgeons on how to utilize TTFM during surgery. The first of the 10 consensus statements and justifications states "TTFM should be used in every CABG case". The panelists agree "that quality assurance in CABG procedures should be established as a key component to improve patient outcomes".

This is a pivotal paper for Medistim that clearly graces all the initiatives to position MiraQ™ technology for routine use during CABG surgery. Having the technology in focus in one of the world's most renowned cardiovascular journals indicate that Medistim is moving in the right direction with its strategy. Medistim's REQUEST study published in 2020 was one of the key papers that was assessed to underpin the importance of routine use of quality assessment. This strong advocacy will not only exert peer influence within the community of cardiac surgeons, but it may pave the way for new and enhanced clinical guide-lines worldwide.

In 2022, Mojgan Laali et al. published the study "Impact of transit-time flow measurement on early postoperative outcomes in total arterial coronary revascularization with internal thoracic arteries: a propensity score analysis on 910 patients". Outcome in 430 CABG patients where TTFM was used was compared with outcome from 480 CABG patients where the surgeons were unwilling to perform TTFM. The key finding is a significant reduction in MACE from 6.9 % to 3.3 % - a 50 % reduction by adding 3 extra minutes on TTFM. This result was so convincing that the previous non-believers at the hospital have adopted TTFM for graft evaluation. This set of data is included in a large multi-center study in France that Medistim believe might ease the adaptation of TTFM in France.

In 2023 Medistim announced its partnership with ROMA-Women, a groundbreaking cardiac surgery trial that is specifically focused on women. Historically, cardiovascular research and treatment protocols have primarily focused on men, leaving women underrepresented in clinical studies and potentially receiving suboptimal care. Recognizing this disparity, Medistim has joined forces with the trial to champion gender-specific healthcare advancements.

The multicenter randomized clinical trial, ROMA-Women, will enroll about 2 000 women, studying the use of single versus multiple arterial grafts in coronary artery bypass (CABG) surgery. The trial is spear-headed by renowned experts in the field of cardiac surgery, including principal investigators Mario Gaudino, Professor at Weill Cornell Medicine, USA, and Stephen Fremes, Professor at Sunnybrook Health Sciences, Canada. More than 100 centers across the world are expected to participate. The trial is an extension of the ongoing ROMA trial and has already enrolled about 700 women.

ROMA-Women aims to address the unique cardiovascular needs and challenges faced by women. Com-pared to men, women are referred for CABG at an older age and have more frequently diabetes, hyper-tension, and dyslipidemia. From a surgical perspective, the CABG operation is generally more complex in women because of smaller and more spastic coronary arteries than men. Hence, it is believed that graft assessment may be even more important in women, and in this trial, graft patency will be assessed with Medistim's Transit Time Flow Measurement (TTFM) and High Frequency Ultrasound (HFUS) technologies.

Guidelines recommend intraoperative ultrasound after Carotid Endarterectomy (CEA) in 2022: The European Society of Vascular Surgery (ESVS) revised their Clinical Practice Guidelines in 2022 on the management of atherosclerotic carotid and vertebral artery disease by among others, adding a recommendation of the use of intra-operative completion control with ultrasound imaging, to reduce risk of perioperative stroke for patients undergoing carotid endarterectomy.

The Guidelines are set to identify luminal thrombus after flow restoration, diagnose intimal flaps and diagnose residual stenoses during surgery. The new recommendation is based on a meta-analysis by Knappich et al. 2021 that shows that both ultrasound imaging and angiography are associated with a reduced risk of death and stroke after CEA.

Professor Eckstein, University Hospital Rechts der Isar, Munich, Germany, states that "This new guideline recommendation clarifies that intraoperative morphological control is worthwhile. In my practice, ultra-sound imaging for completion control after CEA has become the standard of care, especially when surgery is performed under locoregional anesthesia. Intraoperative angiography is only needed if a cerebral problem is suspected."

It is Medistim's goal to develop a strong position for its transit time flow measurement (TTFM) and high-frequency ultrasound (HFUS) imaging devices within the Vascular market, including the CEA segment. The recommendation of ultrasound imaging as an alternative to the current gold-standard angiography marks another milestone for Medistim in the efforts to establish the HFUS technology for completion control in CEA. In the CIDAC (Comparison of Intra- operative Duplex Ultrasound and Angiography after Carotid Endarterectomy) study, which was part of the Knappich meta-analysis, Medistim's MiraQ Vascular device was used, and it demonstrated the benefits of using HFUS compared to angiography.

The results demonstrated that HFUS detected significantly more high-grade defects that needed revision compared to angiography, and with significantly higher interobserver reliability. The authors conclude that given the lesser invasiveness, HFUS could be considered as an alternative to angiography for intra-operative completion control in CEA, further strengthening the support of using Medistim's ultrasound imaging device and probe for reducing the risk of stroke after CEA. Based upon the results from the study The European Society of Vascular Surgery (ESVS) included the use of HFUS when treating CEA patients.

Medistim launched in 2024 a clinical study, the PATENT study, using TTFM and HFUS in Vascular surgery.

The PATENT study is 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.

In 2010, estimates suggested that >200 million people worldwide were living with peripheral artery disease (PAD)1. Accurate data on the number of patients who have CLTI is lacking but a large study from the U.S. found that 11 % of PAD patients developed CLTI2. The rapidly increasing worldwide prevalence of type 2 diabetes is likely to have a significant impact on the future incidence and prevalence of PAD and CLTI, as well as their morbid end points.

When PAD develops into CLTI, the patient will need immediate revascularization to reduce the risk of limb amputation as well as cerebrovascular and cardiovascular complications. Peripheral bypass surgery is one of the treatment alternatives, in addition to endovascular interventions.

According to recent market research, over 500 000 peripheral bypass surgeries are performed annually. In some countries, vascular surgeons already utilize TTFM and ultrasound for intraoperative completion control. Insights from the University of Helsinki have played a key role in shaping the design of the PATENT clinical study.

The PATENT study seeks to evaluate the immediate intraoperative clinical benefits of using TTFM and HFUS during peripheral bypass surgery in patients with CLTI. Additionally, the study aims to assess the prognostic value of TTFM and HFUS in predicting one-year clinical outcomes, helping to distinguish patients at high risk of graft failure from those at low risk.

The PATENT study will enroll approximately 450 patients across 15 sites in the USA, Europe, and Asia, with enrollment set to begin by the end of 2024. Recruitment is expected to take around two years, with each patient being followed for 12 months. Medistim anticipates study-related costs of approximately MNOK 25, spread over a period of 3-4 years. The return on investment is tied to the anticipated ability to demonstrate improved clinical outcomes through the use of TTFM and HFUS. This will drive adoption and enhance competitiveness compared to existing technologies like Doppler ultrasound and angiography.

Medistim's value proposition lies in offering a more comprehensive, reliable, and user-friendly alternative to these traditional methods.

The study is led by Professor Michael Conte of the University of California, San Francisco, USA, who is the lead author of the Global Guidelines on the Management of CLTI. Positive results is expected form the study. This is based upon solid experience and compelling data collected at the University of Helsinki, which demonstrated a clear correlation between graft flow values and graft failure.

7.6 Clinical application areas and target markets

Lifestyle diseases such as obesity and diabetes have increased significantly in recent decades, increasing the need for revascularization procedures. Cardiovascular diseases (CVDs) are the most common cause of death in the western world and on the rise in Asian and Latin American countries adopting western lifestyles.

The adoption of TTFM and HFUS for surgical guidance and quality control is increasing. However, about 55 % of surgeons still rely on physical palpation for graft patency assessment, even though "feeling" the pulse is an unreliable indicator of actual blood flow through the vessel.

Hospitals and payers for surgery, such as insurance companies, are increasingly requiring documentation of performance and quality control during any procedure, which is expected to support the adoption of Medistim's solution over time.

7.7 Market for cardiac procedures

Percutaneous Coronary Intervention (PCI), i.e. the use of stents, covers approximately 80 % of the revascularization procedures, with CABG covering the remaining 20 %. Clinical trials document superior results achieved with CABG compared to PCI for patients with multi-vessel disease.
The number of coronary artery bypass surgeries performed has been stable over the past several years, of more than 700 000 globally per annum.

A decrease in the number of procedures performed in Western countries in recent years has been compensated by an increase in the BRICS countries (Brazil, Russia, India, China and South Africa). Globally, Medistim expects a stable to growing trend in coming years.

Approximately 80 % of CABG procedures are on-pump procedures while 20 % are off-pump. Both are equally relevant for Medistim's technology for Trans-it Time Flow Measurement (TTFM) and High Frequency Ultrasound Imaging (HFUS). The US is the single largest market for Medistim's products, representing close to 30 % of the world market, with a combined European market of a similar size.

Large untapped market

To date, Medistim has installed about 3 700 systems in more than 65 countries, and Medistim's flow meters have been used on more than two million patients worldwide. Medistim is the clear market leader in its niche, and its systems are currently being used in more than 37 % of all bypass surgeries performed worldwide. Competing providers using the transit time measurement principle are estimated to be used in about 8 % of the procedures performed.

This implies that no equipment is being used to verify blood flow in about 55 % of the bypass surgeries. This untapped market represents Medistim's largest opportunity. Medistim expects market penetration and market share to increase gradually, as surgical quality assurance gains more attention and the superiority of the Company's solutions gain wider acceptance.

Total value of the global TTFM market for CABG is estimated at to BNOK 1 per year.

A unique product offering

Adding intraoperative ultrasound imaging more than doubles Medistim's market potential, due to an expanded number of applications and higher pricing compared to traditional flow measurement technology. The total market size within cardiac bypass surgery is therefore estimated at around BNOK 2 annually.

The MiraQ imaging functionality makes the system relevant also for other types of cardiac surgery, such as heart valve surgery. Medistim estimates this added market potential to be approximately BNOK 1 on an annual basis. This market represents an add-on opportunity to widen the use of the device beyond CABG only and is not considered an independent commercial strategy.

The combination of Medistim's ultrasound imaging technology and the MiraQ platform represents a unique and differentiated product offering in this market segment, which provides Medistim with a competitive advantage.

Medistim recognizes the value of clinical documentation and has initiated clinical studies to support verification of the impact from its solutions on CAGB surgery. The published results from the REQUEST study in 2020 proved the clinical value of adding HFUS to TTFM and the advantages of combining the two modalities are increasingly being recognized by the medical societies and cardiac surgeons. This is support-ed by the study published in the Circulation where 19 of the world's highest renowned specialists in coronary artery bypass surgery (CABG) makes the statement: "TTFM should be used in every CABG case".

Guideline endorsements

Inclusion in the leading health organizations' guidelines for clinical surgery is vital to achieve «Standard of Care» status for TTFM and HFUS in coronary bypass surgery. Medistim engages in continuous dialogue with a broad range of organizations to increase awareness of and knowledge on the company's solutions.

Currently, TTFM during CABG procedures are endorsed by the guidelines from the European Society of Cardiology (ECS), the European Association for Cardio-Thoracic surgery (EACTS), and The British National Institute for Health and Clinical Excellence (NICE). All are highly respected organizations and their recommendations are expected to influence clinical practice also in countries outsides their jurisdictions, including in the USA.

The health care providers and surgeons performing CABG procedures are conservative and it is hard to measure the direct effect from recommendations and studies. However, it is Medistim's experience that the recommendations have influenced demand positively over time and expects increasing recognition to continue to support demand in the years to come.

Penalties for readmissions

Several countries are going through reforms to make quality healthcare available to a growing population in a financially sustainable way. This includes demands for higher quality procedures with less errors and re-interventions. In the US, the Centers for Medicare and Medicaid Services have, for example, cut reimbursement for 30-days readmission after CABG as a penalty if hospitals have not been able to deliver and document high quality surgical results. Implementing technology that provides intraoperative surgical guidance and quality assessment is one way of achieving and document improved quality and outcomes.

Installed base conversion

Medistim expects several hospitals to upgrade current systems to the more advanced MiraQ system. It offers a wider range of uses and the system's imaging functionality provides valuable additional information to current TTFM, increasing the economic value for the users.

7.8 Market for Vascular surgeries

Applications	# of Procedures	Clinical needs
Peripheral Bypass	> 500 000	Improve long-term graft patency | Improve quality of life
CEA	> 250 000	Reduce risk of death and stroke | Improve cost effectiveness
AV Access	> 500 000	Secure maturation of shunt/fistula | Reduce risk of cardiac failure and hand ischemia
Liver Transplant Surgery	> 35 000	Increase success rate for this costly procedure

Medistim has a strong position in the vascular market in the Nordic countries and in Germany and is working to build similar positions in other markets as well. Medistim's focus areas within Vascular Surgery include peripheral bypass, CEA and AV access. The addressable market includes about 1 300 000 procedures and a market potential of BNOK 4.

Peripheral bypass surgery is primarily performed on the major arteries in the legs, whereas CEA is a procedure where blockages in the neck arteries are surgically removed to reduce risk of stroke. AV access surgery is performed to create a successful shunt or fistula that are used to connect a patient in need of dialysis to a dialysis machine. The MiraQ Vascular solution supports all three types of interventions with ultrasound imaging and blood flow measurements guiding the surgeon during the procedure to assure the quality of the clinical outcome. The MiraQ Vascular is a "versatile tool for a variety of applications."

Clinical support and studies are key enablers for Medistim to increase market penetration, also in vascular surgery, which the CIDAC study and PATENT study mentioned under *"7.5 Research and development"* is a good example of.

7.9 Geographical target markets

Medistim is the undisputed market leader in the global CABG market with a strong position in core geographical markets.

AMERICAS (USA, Canada & Latin America)

Representing close to 30 % of the global CABG market, USA is the most important market for Medistim, accounting for 48 % of total revenue from own products in 2024. The US subsidiary has 25 employees and sales representatives covering all states, all of which have extensive healthcare experience. The company has had direct sales operations in the US since 2007. Medistim has over 650 systems installed in the USA.

In addition to regular sales activities, the commercial strategy includes cooperation with influential surgeons and key opinion leaders at leading cardiac centers. Company representatives are in close dialogue with medical associations like The American Association for Thoracic Surgery (AATS) and The Society of Thoracic Surgeons (STS), to motivate these organizations to include Medistim's equipment in guidelines for standard of care for CABG.

The US CABG-market is underdeveloped, with less than 45 % of surgeries performed with support from medical systems ensuring proper blood flow. Medistim has a market share of approximately 35 % of a total market of approximately 200 000 annual bypass surgery procedures and sees a substantial market potential due to the still low penetration of CABG surgery support systems.

To strengthen its offering, Medistim has introduced a flexible business model for the US market. In addition to traditional capital investments and purchase of consumables, hospitals can choose to either pay per procedure or enter leasing agreements. Under these agreements the systems are placed at the hospitals free of charge, with the customer purchasing a "per' surgery" smartcard or paying a monthly lease.

In 2023, Medistim established a direct sales operation in Canada. Medistim already has a strong position in Canada with presence in 22 of Canada's 38 cardiac centers. About 18 000 coronary bypass surgeries are performed in Canada per year, and about 50 % are supported with Medistim's technology. The company is well positioned to continue the growth with local sales representatives who will focus on attracting new customers as well as driving the conversion from devices with TTFM technology only, to devices combining TTFM and High Frequency Ultrasound (HFUS). In addition, the market within Vascular surgery provides further opportunities for growth.

In Latin America, Medistim is represented through a distributor network.

EMEA

EMEA and Europe in particular represents Medistim's second largest market. The main European markets are served through direct in-country operations, while remaining markets are covered by distributor agreements.

Nordic countries

Medistim has a strong position with all cardiac centers in Norway, Sweden, Finland and Denmark, with directs sales in Norway, Denmark and from late 2023, Sweden. Several vascular centers also have Medistim systems that are being used on a regular basis. The market share of CABG procedures is above 70 %. All markets are mature, with revenues mainly generated from sale of consumables and irregular replacement of old systems. In Norway, Denmark and Sweden, Medistim also operates as distributor for other surgical products.

Germany

Germany is the largest market in Europe, with about 44 000 CABG procedures performed per year and Medistim has had direct representation there since 2002. Medistim has a high penetration within coronary surgery in Germany with a market share of more than 80 % but still have opportunities for growth by converting customers to become both flow and imaging customers. The vascular market represents an opportunity for growth in the future.

United Kingdom

In the UK, Medistim has had direct representation since 2012. Some 14 000 CABG procedures are performed in the UK every year, and Medistim's equipment is currently used in about 20 % of these.

Market penetration in the UK has taken longer than anticipated, and sales are still modest compared to the perceived potential. Medistim expects increased adoption of TTFM and HFUS following the 2022 update to the NICE recommendation for use of Medistim's solutions. The company has also established a solid reference center in Oxford through the REQUEST study, further supporting marketing of Medistim medical solutions. Based on the US model, pay-per-procedure or leasing agreements is introduced to UK customers.

Spain

Medistim established direct representation in Spain in 2017. Around 7 000 coronary artery bypass surgery (CABG) procedures and 8 000 vascular procedures are performed per year. Medistim has an installed base of 80 systems, most of them on the VeriQ platform and older versions. These versions only include TTFM and do not support imaging modality.

Medistim sees great potential in upgrading of the installed base to the MiraQ platform, which provides the combination of ultrasound imaging and TTFM in one system.

Medistim's technology is used in 80 % of all coronary surgical procedures as the installed base is primarily in cardiac centers. This indicates an untapped potential in the vascular market, which represent only a small number of Medistim's installed base.

European distributor markets

Elsewhere in Europe, Medistim is represented through distributors. This includes countries such as Russia, Poland, Italy and France which are considered as promising long-term growth markets.

APAC

China

In order to expand the market coverage in China, Medistim opened a direct sales office in Guangzhou in 2023. This move was part of the company's ongoing commitment to providing exceptional service to customers as well as fulfilling the company's global growth strategy. About 79 000 coronary bypass procedures are performed in China annually and the number is expected to continue to grow high single digit in the years to come. Today, about 70 % of these procedures are supported by Medistim's equipment, which is installed in all the nation's top 10 cardiac surgical centers.

Japan

With over 90 % of all CABG procedures using Medistim technology for blood flow measurement systems and ultrasound imaging, Japan is one of the most developed markets for Medistim's solutions. The Japanese market counts some 17 000 procedures annually.

India

Approximately 100 000 CABG procedures are performed annually. Medistim's market share is below 5 %. This is an interesting target market for Medistim and with the new distributor partnership with LivaNova, it is expected that the Indian market will become a future driver for growth.

Other markets

Medistim has established distributor partnerships with LivaNova in Australia and India, and Pacific Medical Systems in Asia and is experiencing positive development in these markets. The company has a high market share in the Middle East.

8. CORPORATE GOVERNANCE REPORT

Medistim depends upon good relations with its stakeholders to succeed. Good corporate governance is important to build and maintain trust and confidence in the company and ensure long-term value creation in the best interest of the company's shareholders.

8.1 Implementation and reporting on corporate governance

Medistim is a Norwegian public limited company listed on Oslo Stock Exchange and bases its corporate governance structure on Norwegian legislation and recommended guidelines. The corporate governance policy is subject for an annual review by the Board of Directors.

The company observes the Norwegian Code of Practice ("Code" or "Code of Practice") for Corporate Governance, last revised 14 October 2021, issued by the Norwegian Corporate Governance Board.

This report discusses Medistim's main corporate governance policies and practices and how Medistim has complied with the Code of Practice in the preceding year. Application of the Code is based on the "comply or explain" principle, and deviations from the Code is explained under each item.

8.2 Business activity

Medistim's mission is to develop cost-effective solutions to health-care providers, patients and payers in the global surgical market. Its Ultrasonic Surgical Guidance & Quality Assessment systems are built for intuitive imaging of vascular morphology and instant assessment of blood flow. With its tools, Medistim help surgeons improve surgical quality to reduce adverse events and re- interventions, and ultimately improve the patients' quality of life.

The company's business scope is clearly described in section 3 in the articles of association: "to conduct research, development, production, distribution and sale of medical equipment through its own business or through participation in other companies, as well related activities".

Medistim was founded in 1984 and develops innovative technology and devices which increase the probability of a positive outcome of surgery for patients and enable greater efficiency and lower costs for healthcare providers by reducing additional and unnecessary surgical reinterventions. The company's long-term objective is to make its solutions "standard-of-care" in the operating room.

The board has developed a clear strategy to effectively commercialize its existing product portfolio worldwide. Risk management and internal control systems are in place to manage operational and financial risks. A description of the key risk factors and risk management can be found in the board of director's report in the annual report.

The company has prepared a code of conduct including principles for ethical behavior, trade and anti-corruption that applies for all employees. A separate report on how these guidelines and procedures are integrated with the company's activities and how they relate to value creation for the company's stakeholders can be found in *"9. Sustainability Report"* of this Annual Report for 2024.

The company's objectives, strategies and risk profile are subject to annual review by the Board.
Deviations from the Code of Practice: None

8.3 Equity and dividend

At 31 December 2024, the company's equity was MNOK 436.6, which is equivalent to 75.9 % of total assets. The board continuously evaluates the company's capital requirements to ensure that the company has a suitable capital structure considering its objectives, strategy and risk profile.

Medistim's shareholder policy is to maximize shareholder value. This will be achieved through sound business development and an aggressive growth strategy. Medistim will seek to provide annual dividends, depending upon the company's financial capacity and financing needs to ensure future growth. The company will at all times ensure that it has the financial capacity and equity to achieve future plans for growth.

The Board of Directors proposes to pay a dividend for 2025 of NOK 6.00 per share corresponding to MNOK 109.9 based on the financial results for the year. For 2024, the company paid a dividend of NOK 4.50 per share, corresponding to MNOK 82.4. Over the past ten years, Medistim has paid a total of MNOK 590 in dividend to shareholders, corresponding to an average payout ratio of 79 %.

At the annual general meeting on 24 April 2024, the board was granted two authorizations:

1. Authorization to increase the share capital up to NOK 458 433 by issuing 1 833 733 new shares at par value of NOK 0.25. The authorization covers both cash and non-cash considerations, including mergers. As of 31 December 2024, the authorization had not been used.
2. Authorization to purchase own shares for up to NOK 458 433 equal to 1 833 733 new shares at par value NOK 0.25. The authorization can be used for financing purposes, acquisitions or other commitments related to strategic or industrial partners. As of 31 December 2024, the authorization had not been used.

Both authorizations are valid until the next annual general meeting. There was a separate vote on each of the two authorizations. For supplementary information, see the minutes of the annual general meeting available at www.medistim.com.

Deviations from the Code: None

8.4 Equal treatment of shareholders and transactions with closely related parties

Medistim has one class of shares. Each share carries equal voting rights, including the right to participate in general meetings. All shareholders shall be treated on an equal basis, unless there is just cause for treating them differently.

In the event of a capital increase based on an authorization from the annual general meeting, where the preemptive rights of shareholders are set aside, the company shall provide reasons for the action in the stock exchange release in which the capital increase is announced. There were no such events during 2024.

Any transactions in own shares, i.e. a share buy-back program, will be carried out either through Oslo Stock Exchange or at otherwise at stock exchange prevailing prices. If there is limited liquidity in the company's shares, the company will consider other ways to ensure equal treatment of all shareholders. There were no purchases of own shares during 2024. Previously purchased own shares has been used to fore fill option grants and share program to management.

When there are major transactions between the company, its shareholders, subsidiaries, members of the board, leading employees or other close related parties, an evaluation will be performed by an independent third party. The general meeting will treat the matter according to law and jurisdiction for Norwegian public companies. There were no such transactions in 2024.

Deviations from the Code: None

8.5 Shares and negotiability

The shares of Medistim are freely negotiable. There are no restrictions on owning, trading or voting for shares in the company's articles of association.

Deviations from the Code: None

8.6 The general meeting

The general meeting is the company's highest decision-making body. The general meeting is open to all shareholders, and Medistim encourages shareholders to participate and exercise their rights at the company's general meetings. The board, or shareholders representing at least five percent of the shares, may call for an extraordinary general meeting when deemed necessary. Notice will be sent to shareholders minimum 21 days before the meeting as required by law. The agenda, related documents and information about the issues to be considered will be included in the notice.

To participate, shareholders will have to register at the latest one day before the meeting. Shareholders unable to attend, may vote by proxy. Guidelines for proxy voting is given in the notice documents, with the opportunity for separate voting instructions. The board of directors is represented at the meeting. The chairperson of the board normally chairs the general meeting. The company's auditor and nomination committee will participate at the meeting. In 2024, Medistim held its annual general meeting on 24th of April with 75.87 % of the shares represented. There were no extraordinary general meetings during the year.
Deviations from the Code: None.

8.7 Nomination committee

Medistim has established a nomination committee, as regulated in the articles of association section 7. The committee consists of three members elected by the general meeting for a term of two years.

Name	Role	Independent of main shareholder & management	Representing a specific shareholder	Served since	Term expires	Participation in nomination committee meetings in 2024
Bjørn Henrik Rasmussen	Chair	Yes	Follum Capital	2009	AGM 2025	100 %
Jonathan Schönbäck	Member	Yes	Odin Forvaltning	2022	AGM 2026	100 %
Erik Rogstad	Member	Yes	Acapital Medi Holdco as	2021	AGM 2026	100 %

The guidelines for the nomination committee are governed by the company's articles of association, which stipulate that members of the nomination committee shall be shareholders in the company or shareholder representatives when elected as committee members. The nomination committee is responsible for suggesting candidates to the board of directors and yearly compensation to the board and board committees. Proposals for candidates to the board must be sent to the nomination committee at latest 14 days before the notice of the general assembly is distributed. Proposals are to be sent to the nomination committee chair by email to: Bjørn H. Rasmussen post@folluminvest.no

Remuneration of the members of the nomination committee is determined by the general meeting.
Deviations from the Code: None

8.8 Board of Directors, composition and independence

The board of directors shall constitute of three to seven directors as regulated in the articles of association section 5. The board and the chairperson are elected by the general meeting for a period of two years and may be re-elected. The nomination committee ensures that not all board members are up for election at the same time. At 31 December 2024, the board consisted of the following seven directors:

Name	Role	Considered independent of main shareholders	Representing a specific shareholder	Served since	Term Expires	Participation in board meetings in 2024
Øyvin A. Brøymer	Chair	No	Fløtemarken AS	2000	AGM 2025	100 %
Anna Ahlberg	Member	Yes		2023	AGM 2025	100 %
Ole J. Dahlberg	Member	Yes		2023	AGM 2025	100 %
Gry Dahle	Member	Yes		2024	AGM 2026	100 %
Jon H. Hoem	Member	Yes		2023	AGM 2026	100 %
Tove Raanes	Member	Yes		2014	AGM 2026	100 %
Peder Strand	Member	No	Acapital Medi Holdco AS	2024	AGM 2026	100 %

The composition of the board is based on representation of the company's shareholders, as well as the company's need for competence, experience, capacity and ability to form balanced decisions. Information on each director's expertise, background and capabilities can be found on the company's website www.medistim.com.

The nomination committee has evaluated all the directors to be independent of the company's executive management and material business contacts. Five out of seven members are regarded as independent of the company's main shareholders. The independence of board members is also evaluated by the board.
Deviations from the Code: None

8.9 The work of the Board of Directors

The board has the ultimate responsibility for the management of the company and for supervising management, while the CEO is responsible for the day-to-day management

The board has adopted instructions for the board and the CEO, which are focused on determining allocation of internal responsibilities and duties. The board normally meets six to seven times a year, while the CEO and Chair has continuous dialogue on the company's development.

The board has implemented procedures to ensure that members of the board and executive personnel make the board aware of any material (direct or indirect) interests that they may have in items the company is about to enter. The board will also be chaired by some other member of the board if the board is to consider matters of a material character in which the chair of the board is, or has been, personally involved.

The board has appointed an audit committee and a remuneration committee.

The board performs a self-assessment of its work once per year.
Deviations from the Code: None

8.10 Risk management and internal control

The board carries the responsibility to ensure that the company has sound and appropriate internal control systems and risk management systems reflecting the extent and nature of the company's activities. Sound risk management is an important tool to create trust, ensure good environment, health and safety standards and enhance value creation. Internal control should ensure effective operations and prudent management of significant risks that could prevent the company from attaining its targets. The board holds at least one meeting a year with the auditor, to review the company's internal control routines, including identified weaknesses and areas subject to improvements.

Medistim complies with all laws and regulations that apply to the group's business activities. The group's ethical guidelines, anti-corruption policy and code of conduct for ethical trade describes the main principles for ethical behavior which applies to all employees and suppliers. A quality manual has been prepared based on internationally recognized quality standards, to ensure that the company delivers high quality products and services in accordance with product specifications, relevant acts and regulations. The guidelines and quality manual are subject to annual review by the board in connection with the evaluation of the company's internal control and risk management. Medistim is also subject to strict medical rules and regulations, requiring close monitoring and frequent audits of medical equipment and the company's practices concerning health, safety and environment (HSE).

Medistim prepares its accounts in accordance with the International Financial Reporting Standards (IFRS), which are intended to give a true and fair overview of the company's assets, financial obligations, financial position and operating profit. The board receives monthly reports from management on developments and results related to finance and risk management, which is compared against budget, strategy approved by the board and last year's performance. In addition, quarterly reports are prepared in accordance with the recommendations from Oslo Stock Exchange, which are reviewed and approved by the board prior to disclosure.

The board has an annual meeting to review the company's strategy for the next three years, risk exposure and such internal control arrangements. A summary of the main risks and risk management is presented in the director's report in the annual report.
Deviations from the Code: None

8.11 Remuneration of the Board of Directors

The board of directors receives a fixed yearly compensation decided by the general assembly, based on the nomination committee's recommendation. The remuneration reflects the board's responsibilities, competence, time involved and the complexity of the business.

The remuneration of the board members is not performance based and the company does not grant share options to any board members. No loans are provided to board members.

In 2024, board member Jon Hoem was involved in a strategic project.

More information on remuneration to the board can be found in *"Note 21 Related party transactions"* and *"Note 28 Salaries and other benefits"* to the annual accounts.

Deviations from the Code: The Code recommends that board members should not take on specific assignments from the company in addition to their appointments as board members. If they do accept such assignments, this should be disclosed to the full board. Remuneration for these additional duties must be approved by the board, and any compensation beyond the standard director's fee should be explicitly identified in the annual report.

8.12 Remuneration of executive personnel

The main principle of Medistim's executive remuneration policy is that the compensation shall be competitive and provide the motivation to attract and retain individuals with the required competence.

The board determines remuneration for the CEO, while the CEO determines remuneration for the management team and leading employees. Compensation of the management is based on market terms and evaluated on a yearly basis. The terms have remained the same over several years.

Remuneration of the CEO includes a share-based incentive plan.

The executive remuneration consists of a fixed salary and a variable part linked to the company's achievement, and pension schemes. No executives will receive additional compensation when leaving the company. Details on executive remuneration can be found on *"Note 21 Related party transactions"* and *"Note 28 Salaries and other benefits"* of the annual accounts.

Deviations from the Code:The Code recommends that the company's guidelines are included as a separate appendix to the notice calling for the general meeting. The guidelines should inform which aspects that are advisory and which, if any, are binding. The general meeting should vote separately on each of these aspects of the guidelines. Further, the Code recommends that the guidelines contain information on criteria related to performance related remuneration, which should be subject to an absolute limit. Medistim includes a general description of the company's guidelines for remuneration in the annual report, alongside information on remuneration to each director. Executive remuneration is treated as one item by the general meeting.

8.13 Information and communications

The board has adopted a shareholder and information policy which sets the basic principles for the company's communication and dialogue with capital markets participants. The company is committed to provide its shareholders timely, relevant and accurate information on the company's developments and plans. Communication with stakeholders shall be based on the principles of equal treatment and transparency in order to build trust and stakeholder confidence. The responsibility for the company's investor relations activities lies with the CEO and the CFO.

Medistim's IR activities shall help capital markets participants to make an informed view on Medistim as an investment case, including its financial situation and prospects, which will contribute to optimize the cost of capital and support a fair valuation of the company's shares. The company does not give any guiding on future sales and results.

Medistim provides interim reports in line with Oslo Stock Exchange' recommendations. Presentations are given in connection with the disclosure of the interim results to provide an overview of operational and financial developments. The presentations are open to the public and made available through a webcast.

All information is provided in English, and is distributed to the company's shareholders through Oslo Stock Exchange' news channel newsweb.no and on the company's website medistim.com.

Deviation from the Code: The company has not prepared any policy or guidelines specifying who is entitled to speak on behalf of the company or regulating communication with shareholders outside general meetings, as recommended by the Code. As a general principle, the board has decided that the company's spokespersons are the CEO and CFO on investor matters, while the CEO handles media and other inquiries.

8.14 Takeovers

In a potential offer where the effect of the transaction is a takeover, the Board of Directors will handle the matter in a professional manner and ensure same information and treatment of all shareholders. A takeover requires a general meeting and the board of directors will give their recommendation related to a potential offer for the company's shares.

Deviations from the Code: The board has not established separate guidelines in the event of a take-over bid as recommended by the Code. Take-over bids are usually specific, one-off, events which makes preparation of guidelines challenging. In the event of a take-over process, the Board will ensure that the company's shareholders are treated equally, and that the company's activities are not unnecessarily interrupted. The board will further seek to comply with the relevant recommendations from the Code.

8.15 Auditor

BDO AS has been the company's auditor since 2010. The auditor is considered independent of Medistim ASA. Medistim uses the same auditor for all companies within the group. The board receives an annual confirmation from the auditor that the requirements regarding independence and objectivity have been satisfied. In 2023, a tender process for audit services was performed, with all major audit firms invited to give an offer. The process was thorough, and meetings were held with several of the main audit firms. The outcome of the tender process was that the company chose to continue using BDO as the company auditor as they proved to be competitive both in regard to competence and pricing.

The auditor participates in the board meeting dealing with the annual accounts. In this meeting, the auditor gives their views on accounting matters and principles, risk areas and internal control. The auditor participates in other board meetings on the request from the board when the board wants to get the auditors view in a specific matter. The auditor has attended five meetings with the audit committee during 2024.

Remuneration paid to the auditor is set by the general meeting and described in the notes to the annual accounts. The auditor attends the annual general meeting.
Deviations from the Code: None

9. SUSTAINABILITY REPORT

9.1 Strengthening human health through improved surgery

Medistim develops and sells products contributing to improve patients' quality of life and supporting effective health care systems by enhancing quality during surgical procedures. The quality assurance improves surgical outcomes and increases the likelihood that the procedure is performed in a correct manner the first time. This benefits patients, the health care system and reduces negative impacts and cost for society at large.

Medistim's mission over the past three decades has been to serve patients, surgeons and health care providers with innovative and cost-effective medical devices that measure blood flow and visualize atherosclerosis and thereby help improve the quality and outcome of cardiac and vascular surgery.

Medistim's organization and culture are key drivers for the stakeholder value creation. The culture is built on its four core values, described in Chapter 7.1 which guides the daily activities.

The Board of Directors has the overall responsibility for aligning Medistim's strategy and sustainability considerations, while the day-to-day responsibility lies with the CEO, supported by the Group management. Medistim operates in a highly regulated market with regards to product quality, safety and compliance with requirements. The company has a history of technical innovation and financial growth. It recognizes sustainability as an important part of product and service development and operations, and that it is a key contributing factor to the long-term growth and value creation for all stakeholders.

We believe that, over time, companies that place environmental, social and governance considerations at the top of their agendas will be able to capitalize on growth opportunities, increase returns on capital and reduce the cost of capital.

Sustainability and ESG has been high on the agenda for Medistim in 2024. Early in 2024, a collaboration with ESG sustainability consultancy CEMAsys was initiated, and this has been a good learning experience for the company. An internal focus group has been established, with relevant representatives from the company management. CEMAsys has also been invited to Board meetings to give an update on the requirements in the short and long term.

The company ESG strategy has been refined, and Medistim will through this collaboration demonstrate the company's sustainable business conduct. CSRD requirements are the foundation of this, and the company will work hard to fulfill all the requirements set out by EU and OECD.

The first stage of this work has been the value chain mapping of Medistim's operations. Through numerous workshops, the value chain has been mapped out, with upstream and downstream activities. Business activities in own operations have been identified, grouped in where the activities are conducted geographically. NACE classification of economic activities was used throughout the value chain mapping process to categorize business activities and what sectors they fall under.

The purpose of this was to ensure a clear classification of business operations that could facilitate a better understanding of where significant impacts occur in the value chain. Also, it allows for comparison with industry peers using the same NACE classifications to assess best practices and sustainability maturity.

This also supports CSRD and ensures alignment with the categorization of economic activities in the EU Taxonomy, which will be implemented at a later stage. The exact timing of this implementation is currently uncertain, as there are indications that the EU Taxonomy may be delayed. Additionally, it has been suggested that a threshold will determine which companies are required to report according to the Taxonomy.

Through this work, Medistim ASA's Tier 1 suppliers have been mapped. Additionally, Medistim Norge AS' tier 1 suppliers have been identified as they differ from the rest of the group, as Medistim Norge is a distributor business. Medistim has focused on tier 1 due to direct contracts and the influence over Tier 1 suppliers but much less control over Tier 2 and beyond. Tracking complex global supply chains is resource and time consuming. In the coming years, Medistim will strive to expand the scope of their suppliers in their value chain.

In short, the value chain mapping can be summarized in the following break-down:

1. Upstream operations – Suppliers and input
2. Own operation – Internal operations and processes
3. Downstream operations – Sales, distribution, and use-phase
4. End-of-life – Disposal, recycling and circularity

Affected stakeholders:

In order to develop an understanding of key affected stakeholders' interests and view on Medistim's sustainability impacts, risks and opportunities, the stakeholder interest assessment conducted in 2021 has been used as a foundation. The assessment in 2021 included numerous stakeholders, namely investors, distributors, employees and suppliers. To secure the validity of this input, a new round of interview has been conducted in 2024. Members of the Board, employees and customers have been interviewed, and the response from the later interviews are very much in line with what we found in 2021. However, it is worth noting that tenders weight sustainability alongside traditional criteria to a larger extent in 2024, compared to in 2021.

Stakeholder interests (Top 10)	
1	Product quality, safety, and compliance with requirements from legislative and regulatory authorities
2	Strengthening people's health through improved surgery
3	Employee competence development and job engagement
4	Compliance with laws and standards for the working environment
5	Business ethics, including anti-corruption
6	Energy consumption and energy mix
7	Truthful and accurate marketing practices
8	Diversity and inclusion
9	Material use in products and their impact on the environment, diversity of ecosystems, and living organisms
10	Accessibility of healthcare services and products for all

Double materiality, Impact, Risk and Opportunity (IRO):

A long list of potential IROs were assessed and resulted in a number of IRO's for Medistim. The IRO's were considered regarding impact materiality and financial materiality. ESRS' topical standards were used as a foundation to the work, and each topical standard with sub-topics and sub-sub-topics were considered with the value chain visible, and potential and actual impacts were discussed and identified.

The compiled list states where IROs are concentrated in the business (own operations, upstream, downstream etc.) and are categorized into sub-topics and sub-sub-topics where applicable. In addition, time frame has been considered:

- Short-term horizon is considered 0-1 year
- Medium-term horizon is considered 2–5 years
- Long-term horizon is considered over 5 years

Based on this, scoring of both impact and financial materiality has been conducted by Medistim with support from CEMAsys. A threshold was identified, and a sustainability matter is considered material if its highest-scoring IRO exceeds the threshold and sustainability matter is considered not material if its highest-scoring IRO falls below the threshold.

Result of the Double Materiality Assessment:

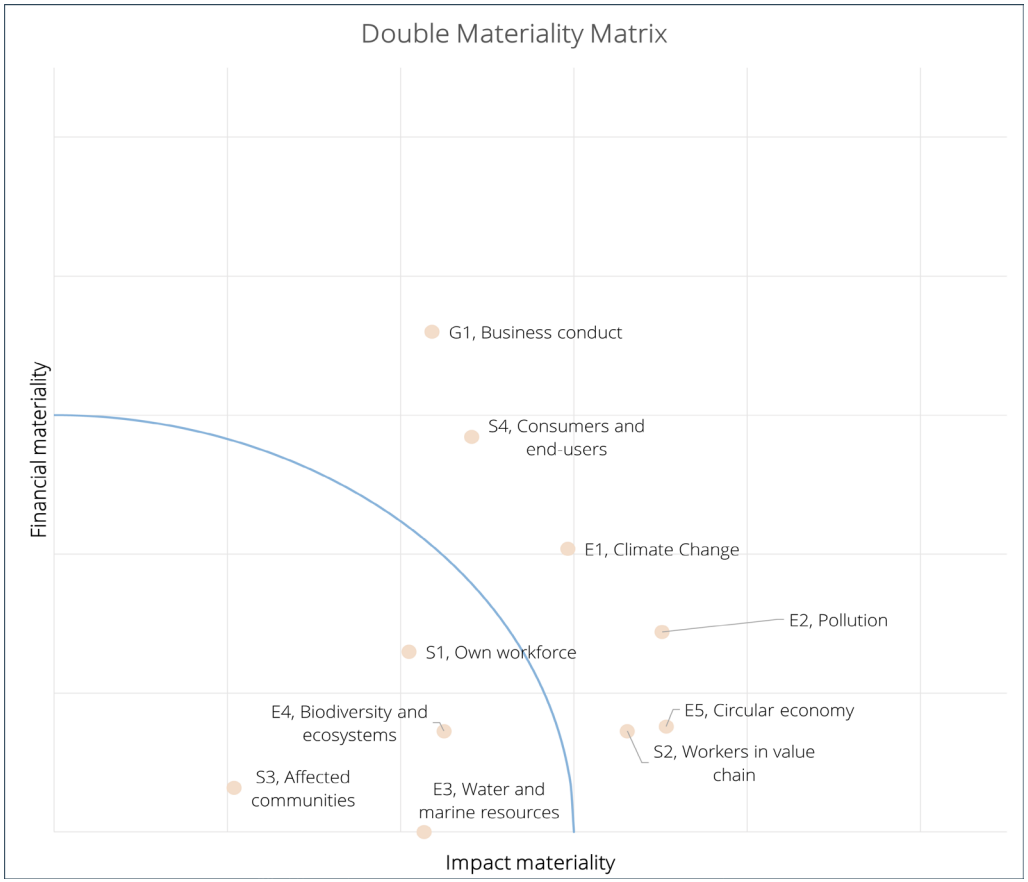
The table, shows the outcome of the Double Materiality Assessment for Medistim. Business conduct, customers and end-users, pollution, climate change, circular economy and workers in the value chain stand out as material for Medistim. Each of those topics have sub-topics, and this is where focus will be going forward. The company will continue the efforts within sustainability from the strong push in 2024.

During the year, the company has also started the work on Carbon Footprint. Data collection in Scope 1 (Direct emissions) and scope 2 (Indirect emissions) has been initiated, and scope 3 (Indirect emissions in the Value Chain) will be further developed during the coming years. Already, the company has implemented changes to the business operation to reduce the carbon footprint. The switch to partial green fuel on airborne goods is an example of such.

Medio 2024, the Transparency Act report was updated to reflect the changes to the practices from the year before. Medistim strives for openness and transparency and will continue supporting such initiatives going forward.

Stakeholder engagement and materiality

Medistim has conducted a materiality analysis following a stakeholder identification process.. Investors, distributors, suppliers and employees were identified as key company stakeholders and invited to participate in the materiality analysis via a digital survey, followed up with selected in-depth interviews.



Link to European sustainability reporting standards (ESRS)

The stakeholders were asked to grade the importance of ESG related factors, based on the SASB materiality map and selected additional factors, by importance for Medistim. A total of 46 stakeholders participated in the survey, in addition a number of stakeholders were interviewed in 2024. Their answers combined with interviews and a weighting of the stakeholder groups provided the external stakeholder ranking of the ESG factors. This was contrasted with the responses of an internal Medistim working group and summarized in the materiality matrix.

By summarizing the factors identified through the analysis, Medistim has defined the following themes as material to the company. The themes form the foundation for this report:

- Product stewardship
- Responsible business
- People

Priorities going forward

This is the company's fifth ESG report. Medistim has continued to work with the material topics identified and considered initiatives on how the company can improve performance for a more sustainable business conduct. The collaboration with CEMAsys will continue to strengthen the sustainability focus in Medistim, and the company is in a good position to comply with requirements set out by EU and OECD on future sustainability reporting.

9.2 Product stewardship

Patient safety is Medistim's absolute priority as a producer of medical devices. This means focusing on quality and compliance with applicable international and national laws and regulations. Increasingly, in line with stakeholders' priorities, the company is working to reduce the environmental impact of Medistim's products, manufacturing process and distribution.

Product quality and safety

Medistim develops and produces medical devices used to improve quality of cardiac and vascular surgery. The products are subject to high quality and safety requirements and product certifications and require high competence and excellent quality systems. Medistim's quality management system (QMS) ensures that its products and services are delivered in accordance with relevant acts, regulations and requirements. The company's QMS is based on the ISO 9000:2015 and ISO 13485:2016 standards, and complies with national and international standards, rules and regulations for manufacturers and suppliers of medical devices. The QMS consists of a set of policies, standard operation procedures, forms and work instructions to ensure that the products meet required quality and safety standards.

During the last few years, Medistim has put efforts in the preparation for MDR, the new Medical Device Regulation (2017/745/EU). This is the new regulation from EU that will strengthen patient safety through stricter demands related to quality and safety. In October 2024, Medistim received EU Medical Device Regulation (MDR) certification for its MiraQ ultrasound systems and Transit Time Flow Measurement (TTFM) probes. After years of preparation, Medistim has successfully obtained its first CE certificates under the latest EU Medical Device Regulation. All medical device manufacturers must be compliant with the MDR regulation within 2027 and 2028, depending on medical device risk class. Obtaining certification for the Imaging probe is next up.

However, since Medistim is focusing on quality and safety in general, substantial preparations for the new regulation have been done the last few years. Medistim relies on third-party suppliers to achieve desired quality results for products and services. All vendors of products, raw materials and services used in the design, development, production and servicing of Medistim medical devices is subject to supplier qualification. This includes consulting services

that can affect the quality management system and product quality. The QMS also includes procedures for selecting, assessing and approving third-party suppliers such as supplier audit programs and necessary documentation to verify quality and ensure traceability.

The QMS is subject to regular reviews by the management team. Employees are trained on the company's quality policies and standard operating procedures which are continuously evaluated and refined. All reports of adverse events and product complaints are promptly investigated and addressed. Adverse events are reported to applicable health authorities according to procedures.

Medistim had no quality incidents affecting patient safety that led to any market actions or need for reporting to health authorities e.g. product recall or field corrective action in 2024.

Product life cycle and environmental footprint

Medistim has implemented an environmental policy to increase environmental focus, ensure sustainable operations and reduce its environmental footprint.

The company's direct environmental impact relates primarily to the production facilities in Horten, the distribution of products as well as some traveling in connection with sales and training activities. Medical equipment is distributed by postal services with commercial logistics providers based in the Nordic region. Employees are encouraged to take environmentally friendly options into consideration, e.g., be considerate in how we operate, do we have to fly out or can support be offered through online meetings. Employees are further encouraged to reduce consumption and waste generated from their daily business activities. Medistim has established routines for management of chemicals and waste.

The lifetime of Medistim's products is defined either by the number of use or expected time of performance after distribution to the market. Average lifetime of the MiraQ machines is seven years. The upgrade option with the MiraQ platform from a flow system to a flow and imaging system reduces electronic waste.

Flow probes can be used 50 times and the imaging probe can be used 100 times and even more if treated properly. All the electrical components in use comply with environmental standards. Hospitals and treatment centers are responsible for safe disposal of the equipment when it has reached end-of life.

All relevant materials used are subject to biocompatibility testing to ensure that they are not harmful for the patient or operator. All equipment which is in contact with human tissue is designed to withstand required sterilization processes. In addition, Medistim seeks to include in the supplier agreements the intent to use environmentally friendly materials and transport.
Medistim is assessing the opportunity to provide remote servicing of its devices, which may reduce travel activity and reduce shipping.

Product risk management

Risk management of Medistim's products' life cycle is based on current standards, regulations and national legislation related to medical devices, clinical experience and documentation with these and similar devices as well as state-of-the-art technology. The company's product risk management procedures are governed by the QMS.

In the making of upgrades, new products or next generation of product, the company strives to focus on "ease of use". Not only does it lower the threshold for surgeons to take the equipment in use to improve quality of the surgery, it also reduces the risk of making an error during the procedure.

ESG goals for 2024 were:

- Refine ESG strategy for Medistim ASA in order to comply with CSRD
- Continue working on KPIs for emissions and consumption
- Reduce carbon footprint related to transportation of goods by switching to sustainable fuel on goods in and out of production site in Horten

- Update the company's Transparency Act report from 2023

The ESG strategy for Medistim has been refined and the ESG initiatives set out through the last year have been closely followed-up by the Board of Directors. The Audit Committee has been given an extra responsibility in safeguarding that Medistim is complying with guidelines and regulations in the field of sustainability and held a separate meeting in 2024 on this topic alone.

Medistim has through the year started collecting data in the Carbon Footprint module provided by CEMAsys. When historical data is in place, targets and KPI's will be developed to monitor development over time.

Switching from traditional fuel to a mix consisting green fuel was implemented early in 2024. This will have significant effect on emissions going forward.

Medistim's Transparency Act was updated to reflect process changes medio 2024.

Goals for 2025:

- Continue to develop Medistims sustainability data collection
- Continue working on targets and KPIs for emissions and consumption in order to reduce the carbon footprint for Medistim
- Update the company's Transparency Act report from 2024

9.3 Responsible business

Ethical business conduct and compliance with Norwegian Transparency Act

Compliance with national, regional and international laws and regulations is mandatory in all of Medistim's activities, but good business ethics goes beyond mere compliance. In order to live up to the company's mission and values and achieve its strategic goals, everyone is responsible for acting in a manner that safeguards the interests of Medistim and its stakeholders. This way, Medistim will continue to build trust and credibility as a foundation for sustainable operations over time.

Medistim's framework for good business conduct includes ethical guidelines and an anti-corruption handbook that together shall ensure compliance and sustainable operations across the company and its supply chain.
Medistim's ethical guidelines are built on central UN and ILO (International Labour Organization) conventions and principles for human and labor rights and reflects Medistim's values and ethical view on good business conduct. The guidelines clarify Medistim's expectations to employees' behavior and cover areas such as discrimination and harassment, substance abuse, confidentiality and protection of information, privacy protection, conflicts of interest, communication, inside information and whistle blowing.

Medistim is committed to a zero-tolerance policy of corruption, which means that the company strictly opposes all forms of corruption. The anti-corruption handbook describes and explain the company's anti-corruption policy and how employees shall act to avoid any illegal or unethical situations in relation to existing and potential business partners.

The ethical guidelines and anti-corruption manual are applicable to all Medistim's employees, including subsidiaries and board of directors, as well as business partners for sales and distribution. All employees and partners must approve in writing that the guidelines are read and understood. This is also followed up after revisions and updates to the guidelines. Violation of the guidelines may have consequences for the employment or partner relationship. *There were no reported concerns during 2024.*

The Norwegian Transparency act based on OECD guidelines obligates companies to conduct human rights and decent work due diligence and follow-ups throughout their supply chain and business relationships. Medistim has conducted such due diligences on suppliers and business relationships for many years and has a well-established routine for such due diligences. The Medistim Transparency Act Report was presented during the first half of 2024 and shows that Medistim is operating in line with Transparency guidelines set by OECD. The complete report can be found at medistim.com.

Whistle blowing

Medistim has established routines for reporting concerns related to illegal or unethical conduct, including a whistle blowing channel for discrete and confidential handling of any potential reports. *There were no reported concerns during 2024.*

Responsible selling practices

Medistim is a global leader in developing products for quality control within of cardiac and vascular surgery. The company's products are sold either directly through subsidiaries or distributors in all continents. A standardized sales process has been established to ensure truthful and responsible selling practices as well as clearly defined requirements related to implementation of the solutions. All customer communication is done by trained and authorized personnel.

Medistim has a flexible business model in which product offerings and prices are adapted to individual markets. Each distributor sets the local end user-price in their markets.

The company engages in continuous dialogue with a broad range of organizations to increase awareness and knowledge of its solutions. Inclusion in leading health organizations' guidelines for clinical surgery is vital to achieve **"Standard of Care"** status.

Data security and customer privacy

As a healthcare company, Medistim may gather and store personal data as part of its research and development projects. At the same time, personal data is increasingly at risk of being misplaced, stolen or shared without consent. Medistim recognizes its responsibility of managing the data collected in a responsible manner and keeping the data safe.

The company is subject to laws and regulations that stipulate how personal data can be collected and managed, such as General Data Protection Regulation (GDPR). Strict guidelines and procedures have been implemented to ensure compliance. This involves regular reviews and development of the company's internal control systems and risk management processes to continuously improve and address existing and emerging data security and privacy threats. No service is conducted on equipment before patient data have been deleted.

To ensure a modern, secure and well-functioning IT platform, the company has outsourced its IT management to a professional service provider. Any breaches to data security and consumer privacy will be reported and followed up immediately. Medistim registered no data and GDPR breaches and no wrongful sharing of personal customer data incidents in 2024.

9.4 People

Medistim is committed to being a responsible employer and promotes an open and strong corporate culture. The company supports internationally recognized human rights and labor standards, as defined by the International Labour Organization's (ILO) fundamental conventions and the UN Declaration of Human Rights.

When assessing compensation there is a distinction between educated and skilled employees. The skilled group is typically trained employees by Medistim where formal education is not required. In total, the gender balance is equal, but more women are in the group of skilled employees. This explains the difference in average salary. Comparing men and women in the same groups the terms are equal. The compensation includes both fixed salary and bonuses.

Goal for 2024 was as following:

- Complete employee engagement survey in Norway

The employee engagement survey was carried out by the HR service provider Medvind medio 2024 and showed that people in general are very happy at Medistim in Norway. Both at HQ in Oslo and at the production site in Horten, feedback was positive with high scores around 5 out of 6 on average, slightly higher at HQ

than at production. The survey showed that people were very satisfied with their jobs and had a good relationship to their colleagues. Some comments were made on lack of feedback for work performed, this will be focus for leaders in 2025.

Employee skills and job engagement

The ability to attract and retain a skilled workforce is imperative for Medistim to succeed over time. At year-end, Medistim employed 154 people (152).

The company has developed a competence matrix which clarifies required competence and resources needed to ensure the right quality of the products and services provided and to meet customers' needs. Individual training programs are set up for each employee, either when onboarding new workers or after individual evaluations. The training is tailored to each role, tasks and duties and includes tutoring and participation at internal and external courses, seminars and other relevant arrangements.

Working environment

Medistim strives to ensure a good working environment. All employees are entitled to an annual performance review with its immediate supervisor.

Sick leave for the year totaled 2,9 % or 1 095 days (4,0 % or 1 598 days). No work-related incidents or accidents were registered in 2024 (0).
In order to improve the working environment, actions are taken to reduce static load for the operators in production and reduce exposure towards dust, gases and chemicals. Long term, the goal is to add automation in the production process.

A separate project is established to redesign the PS probes through machine learning and automation. The project is expected to go on for several years and will improve the probe production capacity vastly.

Furthermore, Medistim has established a company sports team, of which taking part in the Holmenkollen relay race was a highlight also in 2024. Also, vegetarian lunch every Tuesday is implemented at the Head Quarter in Oslo.

Diversity and equal opportunities

Medistim promotes a productive and inclusive working environment, free from harassment, discrimination, and disrespectful behavior. All employees are offered equal opportunities with regards to hiring, compensation, training and promotion regardless of gender, age, ethnic and national origin, religion, sexual orientation, social background or other distinguishing characteristics.

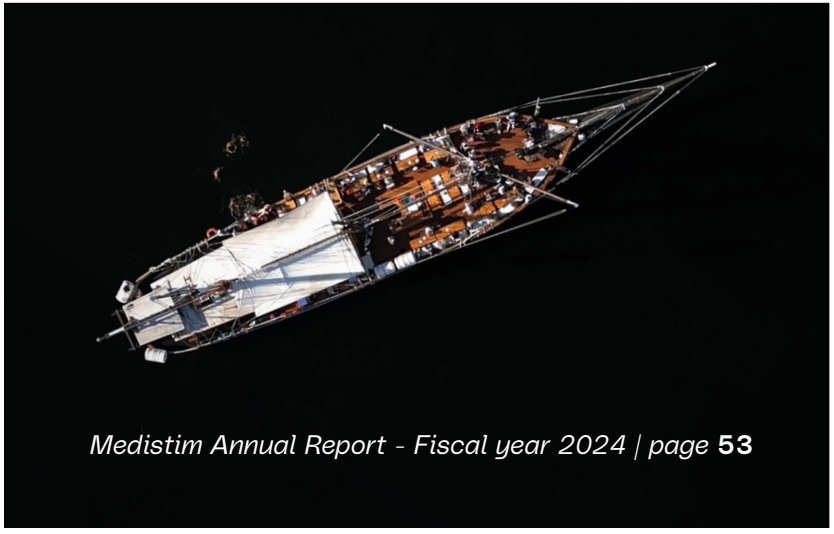
Competence is the main priority when recruiting for new positions. Medistim has equal gender distribution with 53 % women and 47 % men, as the Group traditionally has recruited from environments where women and men are equally represented. The company practices equal pay within the same salary range, but on average Group level, men are paid more due to the higher share of higher-level positions.

Medistim offers full pay during parental leave for both men and women, and in 2024, 1.2 % of Medistim's female and none of male employees took parental leave. On average, women took 16 weeks.

Medistim is a company in growth with an increasing number of employees, which increase diversity and complexity. Medistim acknowledges this and an HR function was established 2021.

40-year Anniversary

In 2024, Medistim celebrated its 40th anniversary—marking four decades of empowering the surgical community with uncompromised quality. The milestone was commemorated with a company-wide celebration at Oscarsborg, Norway.

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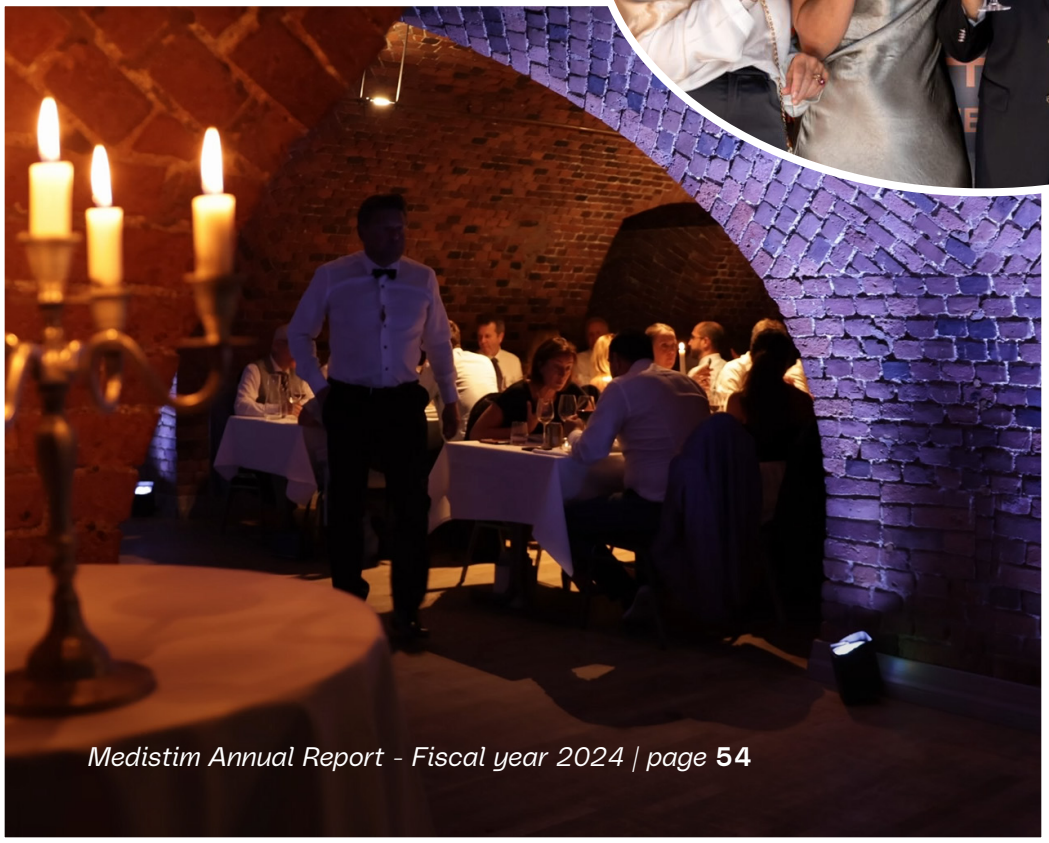


ANNIVERSARY

Summary ESG KPIs table	2024	2023
Indicators		
Working environment, health and safety		
Number of employees	154	152
Number/ share of part-time employees	-	1
Turnover - number of employees leaving	10	14
Sickleave (%)	2,9 %	4,0 %
Number of work-related injuries	-	-
Gender balance, % women of group total	52,6 %	52,0 %
Gender balance, % women executive management	41,7 %	41,7 %
Gender balance, % women Board of Directors	43 %	43 %
Number of women hired during the year	8	25
Number of men hired during the year	4	9
Age distribution, employees < 30 years	6	7
Age distribution, employees 30-50 years	78	80
Age distribution, employees > 50 years	70	65
Average salary female employees in NOK	800 832	766 814
Average salary male employees in NOK	1 311 746	1 217 246
All employees incl. management level, womens share of salary per position	1 043 019	983 140
Executive management, womens share of salary per position (Hay Grade)	33 %	34 %
Number of weeks for maternity leave (women)	16	18
Number of weeks for paternity leave (men)	-	14
Responsible operations		
Employees conducted training in ethical guidelines/Code of Conduct (%)	100 %	100 %
Reported whistleblower incidents	-	-
Reported incidents of corruption	-	-
Breaches of labour practices in the supply chain	-	-
Governance		
Number of board members	7	7
Independent board members	5	5
Average age of board members	57	54
Meeting participation (%)	100 %	97 %

10. GROUP CONSOLIDATED FINANCIAL STATEMENTS

10.1 Consolidated income statement and other comprehensive income

Income statement *(amount in NOK 1 000)*	**Note**	**2024**	**2023**
Operating income and expenses			
Revenue		556 164	521 109
Other income		6 435	5 255
Total revenue	*1, 2*	**562 599**	**526 364**
Cost of materials	*3*	113 680	112 280
Salary and social expenses	*4, 21*	185 113	162 597
Other operating expenses	*5, 8*	108 220	96 388
Total operating expenses before depreciation and amortization expenses		**407 013**	**371 265**
Operating profit before depreciation and amortization expenses		**155 585**	**155 099**
Depreciation and amortisation expenses	*6, 7, 12*	24 510	23 657
Operating profit		**131 076**	**131 442**
Financial income and expenses			
Financial income	*9, 20*	11 499	17 123
Financial expenses	*9, 20*	8 329	13 352
Net finance		**3 170**	**3 770**
Profit before tax		**134 246**	**135 212**
Tax expense	*10*	30 414	31 389
Profit for the year	*11*	**103 832**	**103 823**
Earnings per share			
Basic	*11*	5.67	5.68
Diluted	*11*	5.67	5.67
Statement of other comprehensive income			
Profit for the year		103 832	103 823
Exchange differences arising on translation of foreign operations		16 184	2 597
Total comprehensive income		**120 016**	**106 420**

10.2 Consolidated statement of financial position

Balance sheet *(amount in NOK 1 000)*	NOTE	31.12.2024	31.12.2023
Assets			
Non-current assets			
Property, plant and equipment	6	73 162	57 305
Deferred tax asset	10	9 022	5 142
Intangible assets	12	59 336	45 375
Other non-current receivable	21	4 317	6 331
Total non-current assets		**145 837**	**114 152**
Current assets			
Inventory	14	160 521	145 391
Accounts receivable	15	68 980	74 303
Other current receivables	15	20 421	18 000
Cash and cash equivalents	16	179 210	153 872
Total current assets		**429 131**	**391 566**
Total assets		**574 968**	**505 718**
Equity and liabilities			
Equity			
Share capital	17	4 585	4 585
Treasury shares	17	-6	-13
Share premium	17	41 852	41 852
Other paid in capital	17	25 804	24 743
Issued capital	17	**72 235**	**71 167**
Other reserves	17	35 578	19 394
Retained earnings	17	328 798	307 380
Retained earnings		**364 376**	**326 774**
Total equity		**436 611**	**397 941**
Non current liabilities			
Lease liabilities	7, 24	25 059	9 260
Deferred revenue	24	5 931	4 234
Total non current liabilities		**30 990**	**13 493**
Current liabilities			
Accounts payable		17 730	25 083
Income tax payable	10	27 375	28 404
Other current liabilities	19	50 127	31 426
Provisions	22	2 831	988
Lease liabilities	7, 18, 24	9 305	8 384
Total current liabilities		**107 367**	**94 284**
Total liabilities		**138 357**	**107 777**
Total equity and liabilities		**574 968**	**505 718**

10.3 Consolidated cash flow statement

Cash flow statement *(amount in NOK 1 000)*	Note	2024	2023
Cash flow from operations			
Profit before tax		134 246	135 212
Income tax paid		-28 404	-25 699
Depreciations and amortizations	*6, 7, 12*	24 510	23 657
Change in inventory	*14*	-15 130	-31 058
Change in accounts receivable	*15*	5 323	27 354
Change in accounts payable		1 951	613
Share program for management	*21*	1 068	6 009
Change in other accruals		19 540	-16 891
Net cash from operating activities		**143 104**	**119 198**
Investing activities			
Purchase of property, plant and equipment	*6*	-6 068	-16 399
Product under development	*12*	-18 625	-13 327
Net cash from investing activities		**-24 693**	**-29 726**
Financing activities			
Dividend	*11*	-82 414	-82 180
Principle and interest paid on lease liabilities	*7, 24*	-9 115	-8 712
Net cash from financing activities		**-91 529**	**-90 892**
Foreign currency effect on cash		**-1 544**	**2 651**
Net change in cash and cash equivalents		25 338	1 231
Cash and cash equivalents as of 01.01		153 872	152 641
Cash and cash equivalents as of 31.12	*16*	**179 210**	**153 872**
Available cash and cash equivalents and cash withholding			
Available cash and cash equivalents as of 31.12	*16*	171 272	146 082
Cash withholding for taxes	*16*	7 938	7 790
Cash and cash equivalents as of 31.12		**179 210**	**153 872**

Change in other accruals was related to bonus, commissions and other expenses accrued in 2024 but not paid in 2024.

10.4 Consolidated statement of change in equity

Change in equity *(amount in NOK 1 000)*	Note	Share capital	Treasury shares	Share premium fund	Other paid in capital	Total paid in capital	Other reserves	Retained earnings	Other equity	Total Equity
Equity as of 31.12.22		**4 585**	**-21**	**41 852**	**18 742**	**65 158**	**16 797**	**285 736**	**302 533**	**367 692**
Total comprehensive income for the period		-	-	-	-	-	2 597	103 823	**106 420**	**106 420**
Share based payments	*17, 21*	-	8	-	6 001	**6 009**	-	-	**-**	**6 009**
Dividend	*11*	-	-	-	-	-	-	-82 180	**-82 180**	**-82 180**
Equity as of 31.12.23		**4 585**	**-13**	**41 852**	**24 743**	**71 167**	**19 394**	**307 380**	**326 774**	**397 941**
Total comprehensive income for the period		-	-	-	-	-	16 184	103 832	**120 016**	**120 016**
Share-based payments	*17, 21*	-	8	-	1 061	**1 068**	-	-	**-**	**1 068**
Dividend	*11*	-	-	-	-	-	-	-82 414	**-82 414**	**-82 414**
Equity as of 31.12.24		**4 585**	**-6**	**41 852**	**25 804**	**72 235**	**35 578**	**328 798**	**364 376**	**436 611**

Comments to other reserves:

Other reserves in the equity reconciliation are differences related to translating equity from foreign subsidiaries to NOK. The subsidiaries present their financial statements in EUR, GBP, DKK, CAD, SEK, CNY and USD. When translated to NOK a difference occur due to the change in the exchange between NOK and these currencies. By year end 2024 this difference was TNOK 35 587 and the change for the year was TNOK 16 184. By year-end 2023, the equivalent was TNOK 19 394, a change of TNOK 2 597 from the year before.

Treasury shares

When treasury shares are purchased, the purchase price including directly attributable costs is recognized in equity. Treasury shares are presented as a reduction of equity. Loss or gain on transactions of treasury shares are not recognized in the income statement.

10.5 Basis for preparation of financial statements

Accounting policies

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 distribution of medical devices.
The board of Director's and the CEO authorized these financial statements for issue on April 8th 2025. The financial statement for the group is prepared in accordance with IFRS® Accounting Standards as adopted by the EU and effective as of 31.12.2024.

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 2023.

The group presents its financial statements in NOK. This is also the functional currency for the parent company. Asset and liabilities of subsidiaries with other functional currency than NOK, are translated to NOK using the exchange rate at the balance sheet date. For the income statement, the average monthly rate in the period is used. Translation differences arising from translation to presentation currency, is recognized in other comprehensive income and presented as "other reserves" in the balance sheet. Translation differences is recognized in profit and loss when the investment is sold.

Exchange rate differences on monetary assets and liabilities that in substance is part of the net investment in a foreign operation, is also included in translation differences.

The consolidated accounts include Medistim ASA and companies controlled by Medistim ASA.This is detailed in *"Note 32 Shares in Subsidiaries"* in the separate accounts of Medistim ASA later in this report.

10.6 Use of estimates and judgement

The preparation of the consolidated financial statements requires management to make judgments, estimates and assumptions that impact the recognition and measurement of certain assets, liabilities, revenue and cost. The following area involves the most critical estimates and judgments for the company:

- Research and development cost relating to internally developed technology and software *"Note 12 Intangible assets"*
- Goodwill *"Note 12 Intangible assets"*
- Deferred tax assets*"Note 10 Income tax"*
- Inventory provision *"Note 14 Inventory"*
- Provision for bad debt *"Note 15 Accounts receivables and other receivables"*

The global market is in macro-economic turmoil, with energy crisis, inflation pressure, increasing interest rates and higher cost levels. Non-current consequences of the growing geopolitical uncertainty are unclear but might lead to continuing challenges in the global flow of goods. Medistim is taking mitigating actions to ensure access to key components to secure production and maintain growth and profitability also for the future.

10.7 New and amended standards effective from 2024

There are certain changes in standards IFRS 17, IFRS 16, IAS 1, and IAS 12. These do not impact the group's financial statements.

10.8 New and amended standards not yet effective

New IFRS Accounting Standards, interpretations or amendments that are issued buy the IASB, but not yet effective, are not expected to cause any significant changes for the financial reporting for Medistim, except for the new IFRS 18 Presentation and Disclosure in Financial Statements. IFRS 18 will replace IAS 1

and applies for annual reporting periods beginning on or after January 1, 2027. IFRS 18 introduces new requirements for presentation in the income statement, how to group information in the financial statements and introduce disclosure requirements for management-defined performance measures.

10.9 Notes to the accounts

NOTE 1 REVENUE

Medistim uses the 5-step model as a basis for income recognition. Based on the contract model applied and the obligations in the contract, the price is determined and allocated. Depending on the first 4 steps, income recognition is initiated. The different ways of income recognition are described in detail below. Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the group expects to be entitled in exchange for those goods or services.

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 consumables:

The sale of equipment and the sale of consumables are considered separate performance obligations. Determination of when the performance obligation is considered fulfilled varies with shipping and delivery terms that decide the timing of when the customer takes control over the goods. Standard delivery terms are either EXW or FCA. With EXW terms control is transferred when products are shipped from the factory. With FCA terms customer control is transferred when products are delivered at customer site. Revenue is for both delivery terms recognized at point in time.

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, see *"Note 21 Related party transactions"*. In addition, service contracts / extended warranty options can be arranged. Revenue related to these contracts are recognized on straight line basis over the duration of the contract.

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 / lease of probes

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

The agreement is considered a lease with variable lease payments. Revenue is variable and recognized based on the actual use of the equipment and probes as this represent the pattern that the benefit from the use of the equipment and proves is diminished.

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 as described above. The customer is dependent upon the smartcard 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 / 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 recognized as a system sale.

Split of revenue between coronary surgery and vascular surgery:

The company has in addition to coronary surgery a strategy and focus towards vascular surgery. The principles for guiding and quality assurance within vascular surgery is similar to the need within coronary surgery. Within coronary surgery, the surgeons focus is to supply sufficient blood to the heart. Within vascular surgery, the focus is to supply blood flow in other parts in the body or organs. The vascular market is an opportunity with a market size even larger than coronary surgery. It is therefore natural to report sales split between cardiac surgery and vascular surgery.

Geographic sales split:

Geographical sales split is monitored to be able to follow the development in sales in AMERICAS, APAC and EMEA. This split is natural since each region is managed accordingly.

3. Third-party sales:

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

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

Total revenue split per segment and main geographical area *(amount in NOK 1 000)*	**2024**	**2023**
USA	216 261	197 157
Canada	13 993	6 734
Latin America	6 906	5 132
Total AMERICAS	**237 160**	**209 023**
China	34 573	42 565
Japan	12 056	23 970
Rest of APAC	18 654	16 448
Total APAC	**65 283**	**82 983**
Europe	162 457	145 487
MEA	7 878	9 442
Total EMEA	**170 335**	**154 929**
Third-party products	**89 821**	**79 429**
Total revenue	**562 599**	**526 364**

Geographic split of sales In number of units	2024	2023
AMERICAS		
PPP and lease:		
Flow procedures (PPP/card based)	23 535	26 058
Imaging and flow procedures (PPP/card based)	7 475	8 042
Flow systems (PPP or lease)	4	-
Flow and imaging systems (PPP or lease)	5	4
Capital sales:		
Flow systems	25	16
Flow and imaging systems	25	23
Flow probes	2 265	1 806
Imaging probes	57	58
APAC		
Flow systems	44	70
Flow and imaging systems	12	33
Flow probes	2 280	2 573
Imaging probes	33	60
EMEA		
Flow systems	47	58
Flow and imaging systems	29	37
Flow probes	5 084	4 737
Imaging probes	42	50
Total sales in units		
PPP and lease revenue:		
Flow procedures (PPP/card based)	23 535	26 058
Imaging and flow procedures (PPP/card based)	7 475	8 042
Flow systems (PPP or lease)	4	-
Flow and imaging systems (PPP or lease)	5	4
Capital sales:		
Flow systems	116	144
Flow and imaging systems	66	93
Flow probes	9 629	9 116
Imaging probes	132	168

Geographic split of sales per product group *(amount in NOK 1 000)*	2024	2023
AMERICAS		
PPP and lease:		
Flow procedures (PPP/card based)	61 336	64 369
Imaging and flow procedures (PPP/card based)	39 502	36 242
Capital sales:		
Flow systems	20 656	15 492
Flow and imaging systems	36 536	35 566
Flow probes	70 423	48 980
Imaging probes	8 707	8 374
Total sales AMERICAS	**237 160**	**209 023**
APAC		
Flow systems	14 356	19 468
Flow and imaging systems	8 009	20 027
Flow probes	40 280	40 019
Imaging probes	2 638	3 469
Total sales APAC	**65 283**	**82 983**
EMEA		
Flow systems	20 207	20 589
Flow and imaging systems	24 627	25 892
Flow probes	120 763	104 059
Imaging probes	4 737	4 389
Total sales EMEA	**170 335**	**154 929**
Total sales in NOK		
PPP and lease revenue:		
Flow procedures (PPP/card based)	61 336	64 369
Imaging and flow procedures (PPP/card based)	39 502	36 242
Capital sales:		
Flow systems	55 219	55 548
Flow and imaging systems	69 172	81 485
Flow probes	231 466	193 058
Imaging probes	16 082	16 232
Total sales own products	**472 777**	**446 935**
Sale of third-party products	89 822	79 429
Total Sales	**562 599**	**526 364**

Split of sales between coronary and vascular surgery and third-party products *(amount in NOK 1 000)*	2024	2023
Sales within coronary surgery	379 053	365 641
Sales within vascular surgery	93 724	81 294
Sales of third-party products	89 822	79 429
Total sales	**562 599**	**526 364**

Split of sales between flow products, Imaging products and third-party products *(amount in NOK 1 000)*	2024	2023
Flow products	348 021	312 976
Imaging products	124 756	133 959
Sales of third-party products	89 822	79 429
Total sales	**562 599**	**526 364**

NOTE 2 SEGMENTS

The group's activities are divided into strategic business units that are organized and managed separately. The group is organized, for management purpose, in two divisions dependent upon products and services. The segments are identified based upon different risk and return on investment profile. 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. The segment reporting is similar to the internal reports that are given to the decision makers in the company. Focus in the reporting is sales in NOK and units for the respective segments.

Transactions between internal business units are performed at market terms. All transactions between the segments are eliminated.

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.

The lease model in the USA has been successful since it does not demand upfront capital to have the equipment available. However, several customers prefer to invest in the equipment and purchase probes as consumables and Medistim promotes both solutions. Medistim has direct representation in the USA, which makes it manageable to handle the lease model properly. Medistim only offers the lease option in direct markets. In recent years, the lease options have also been introduced in Spain and UK. Lease revenue outside the US is at a moderate level.

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.

Segment revenue, expense, and EBIT split 2024 *(amount in NOK 1 000)*	**Own products**	**Third party products**	**Group**
Total revenue	472 777	89 822	562 599
Cost of materials	65 899	47 781	113 680
Salary and social expenses	164 945	20 168	185 113
Other operating expenses	99 858	8 362	108 220
Depreciation and amortisation expenses	23 803	707	24 510
Operating profit	**118 272**	**12 804**	**131 076**

Segment revenue, expense, and EBIT split 2023 *(amount in NOK 1 000)*	**Own products**	**Third party products**	**Group**
Total revenue	446 935	79 429	526 364
Cost of materials	66 491	45 789	112 280
Salary and social expenses	148 369	14 318	162 687
Other operating expenses	89 102	7 286	96 338
Depreciation and amortisation expenses	22 920	647	23 567
Operating profit	**120 053**	**11 388**	**131 442**

NOTE 3 SPLIT OF COST OF MATERIAL

Split of cost of material *(amount in NOK 1 000)*	**2024**	**2023**
Change in inventory of third party products	65	716
Change of inventory of finished goods Medistim products	-6 976	-21 211
Raw materials and components used	-9 007	-11 853
Purchase of third party products	47 716	45 073
Purchace of raw material and components	81 882	99 554
Total cost of materials	**113 680**	**112 280**

The inventory change related to salary is included under “Change of inventory of finished Medistim goods”. Change in inventory provision is included under “Raw materials and components used”. See also *“Note 14 Inventory”*.

NOTE 4 SPLIT OF SALARY EXPENSES

Split of salary expenses *(amount in NOK 1 000)*	**2024**	**2023**
Salary	143 668	129 501
Employees tax	20 638	18 786
Bonus	12 576	6 283
Cost for contribution pension plan	7 241	6 260
Compensation to the Board	2 533	2 122
Other social costs	-1 543	-354
Total salary and social cost	**185 113**	**162 597**

Employees in Medistim with a pension plan are included in a contribution plan where an agreed percentage of the employee's salary is paid to the employee pension account. The company's payment of contributions is expensed in the period it is incurred. For the 108 Norwegian employees there is a contribution plan that covers 5 % of salary up to 7.1G and 8 % of salary between 7.1G and 12G. 1G is the base amount in the social security system. The 24 employees in the US follows a pension plan, a 401 (k) match that covers 4 % of salary. The total cost for the contribution plans was in 2024 MNOK 6.59, while it was MNOK 6.26 in 2023. It is compulsory by law for the company to have a pension plan for its employees in Norway. The pension plans in the company fulfill the obligation in the Norwegian law. Employees outside Norway and US do not have a pension plan.

Average number of employees	**2024**	**2023**
USA	24	25
Germany	5	5
UK	1	1
Canada	2	2
Sweden	2	1
China	5	2
Spain	6	4
Denmark	1	1
Norway	108	111
Total employees	**154**	**152**

NOTE 5 AUDIT FEE

Audit fee for the group *(amount in NOK 1 000)*	**2024**	**2023**
Statutory Audit	1 520	2 027
Other services	132	200
Total Audit fee	**1 652**	**2 227**

NOTE 6 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is recorded at cost less accumulated depreciations and write-downs. When an asset is sold, the carrying value of the asset is derecognized and any gain or loss from the sale is recognized in the income statement. Items of property, plant and equipment are depreciated straight line over the estimated useful life from the time it is available for use. Useful life is as follows:

- Machinery and equipment 3-7 years
- Other assets 3-5 years

Property, plant and equipment are tested for impairment if there are indication of impairment. If the carrying amount exceeds the assets recoverable amount, being the higher of value in use and fair value less cost of disposal, the asset is written down to the recoverable amount. Depreciation time and method is evaluated on a yearly basis.

The assets that are leased to customers are recognized as property, plant and equipment in the balance sheet. Direct cost related to the leasing agreement is added to the carrying amount of the leased assets and is depreciated over the lease term.

Property plant and equipment 2024 *(amount in NOK 1 000)*	**Equipment**	**Other assets**	**Right-of-use assets**	**Total assets**
Historical cost	103 440	34 587	52 608	190 634
Additions	3 476	7 522	25 508	35 125
31.December	**106 916**	**42 109**	**78 116**	**227 141**
Accumulated depreciation and impairment				
Balance 1. January	74 112	24 252	34 965	133 329
Depreciation this year	7 713	4 722	8 791	21 226
Exchange rate differences	194	384	-2	576
31. December	**83 191**	**28 590**	**43 758**	**155 540**
Book value	**25 285**	**12 138**	**34 358**	**73 162**

Property plant and equipment 2023 *(amount in NOK 1 000)*	Equipment	Other assets	Right-of-use assets	Total assets
Historical cost	92 977	28 144	43 688	164 809
Additions	10 462	6 442	8 920	25 825
31. December	**103 440**	**34 587**	**52 608**	**190 634**
Accumulated depreciation and impairment				
Balance 1. January	66 023	20 892	26 583	113 497
Depreciation this year	8 125	3 142	8 383	19 649
Exchange rate differences	36	-219	1	-182
31. December	**74 112**	**24 252**	**34 965**	**133 329**
Book value	**29 328**	**10 335**	**17 643**	**57 305**

Right to use assets

See *"Note 7 Right to use assets"* for details.

Security

Equipment and other assets is pledged as security as of 31.12.2024. The security is related to bank guarantees, guarantee towards landlord for rent and hedging credit facility. The group's bank had the same security as of 31.12.2023.

NOTE 7 RIGHT TO USE ASSETS

Right to use assets

The company is renting offices in Økernveien 94 in Oslo, Bromsveien 17 and Raveien 205 in Horten and in 14000 25ave. N. Suite 108 in Plymouth in Minneapolis, Minnesota, USA. In Oslo and Raveien 205 in Horten the rental agreement expires in 2030 and 2025 respectively. Bromsveien 17 in Horten expires in 2027. In the USA, the rental agreement expires year-end 2030. The rent is adjusted yearly according to National indexes for goods and services. The lease in Økernveien 94 expires in May 2030, the lease in Bromsveien 17 may be prolonged with 2 years after 2027 and Raveien 205 may be prolonged with 2 years after 2025. It is at present uncertain whether these leases will be prolonged.

The group also leases office equipment and cars. The longest remaining lease term for office equipment and cars is until December 2025 and December 2028 respectively.

Medistim have some other leases that are minor and not included in the balance sheet as right to use assets and liabilities.

The company recognizes a lease liability and a right-of-use asset for leases with a duration of more than 12 months, provided that the underlying asset is not of low value. The lease liability is the present value of the lease payment over the lease term. Lease payment includes fixed payments and variable lease payments that depend on an index or a rate. The lease term is the non-cancellable period of the lease together periods covered by an option to extend the lease when the exercise of the option is reasonably certain.

Right-of-use assets are depreciated over the shortest of the lease term and useful life. Depreciation of right-of-use assets is presented together with other depreciation in the income statement.

Lease payments are allocated between installments and interest based on a constant periodic rate of interest being the interest used to calculate the lease liability. The interest expense is presented as a financial expense in the income statement.

Leased assets are recorded in the balance sheet with a corresponding liability and the lease expense recorded as depreciation and interest expense. Medistim's leased assets with right to use and liabilities are shown in the following table.

Right-of-use assets and lease liabilities 2024 *(amount in NOK 1 000)*				
Right-of-use assets	**Buildings**	**Machinery and equipment**	**Vehicles**	**2024**
Recognition of right to use of asset 1 January	15 355	203	2 085	17 642
Addition of right-of-use assets, CPI adjustments and other reassessment	23 070	-	2 438	25 513
Amortization	6 609	122	2 060	8 791
Carrying amount of right-of-use assets 31. December	**31 815**	**81**	**2 463**	**34 364**
Lower of remaining lease term or economic life	4-8 years	2-5 years	1-5 years	
Depreciation method	Linear	Linear	Linear	
Lease liabilities				
Undiscounted lease liabilities and maturity of cash outflows				
Less than 1 year	8 134	129	1 260	9 523
1-2 years	7 559	-	861	8 420
3-4 years	7 272	-	629	7 901
4-5 years	6 353	-	314	6 667
More than 5 years	4 455	-	-	4 455
Total undiscounted lease liabilities at 31 December	**33 773**	**129**	**3 064**	**36 966**
Summary of the lease liabilities in the financial statements	**Statement of:**			
Lease liabilities as of January 1st				17 642
New lease liabilities recognized in the year				25 513
Cash payments for the principal portion of the lease liability	Cash flows			8 791
Interest expense on lease liabilities	Income statement			324
Total lease liabilities at 31. December				**34 364**
Non-current lease liabilities	Financial position			**25 059**
Current lease liabilities	Financial position			**9 305**
Total cash outflows for leases	Cash flows			**9 115**

Right-of-use assets and lease liabilities 2023

(amount in NOK 1 000)

Right-of-use assets	Buildings	Machinery and equipment	Vehicles	2023
Recognition of right to use of asset 1. January	15 065	126	1 915	17 105
Addition of right-of-use assets, CPI adjustments and other reassessment	6 899	199	1 822	8 920
Amortization	6 609	122	1 652	8 383
Carrying amount of right-of-use assets 31 December	**15 355**	**203**	**2 085**	**17 643**
Lower of remaining lease term or economic life	4-8 years	2-5 years	1-5 years	
Depreciation method	Linear	Linear	Linear	

Lease liabilities

Undiscounted lease liabilities and maturity of cash outflows

Less than 1 year	6 609	122	1 652	8 383
1-2 years	4 022	92	704	4 818
3-4 years	2 453	-	-	2 453
4-5 years	1 773	-	-	1 773
More than 5 years	2 192	-	-	2 192
Total undiscounted lease liabilities at 31 December	**17 049**	**214**	**2 356**	**19 619**

Summary of the lease liabilities in the financial statements	**Statement of:**	
Lease liabilities as of January 1st		17 105
New lease liabilities recognised in the year		8 920
Cash payments for the principal portion of the lease liability	Cash flows	8 383
Interest expense on lease liabilities	Income statement	309
Total lease liabilities at 31. December		**17 643**
Non-current lease liabilities	**Financial position**	**8 384**
Current lease liabilities	**Financial position**	**9 260**
Total cash outflows for leases	**Cash flows**	**8 692**

NOTE 8 OTHER OPERATING EXPENSES

Other Operating expenses *(amount in NOK 1 000)*	**2024**	**2023**
Office expenses	2 185	1 378
Travel cost	16 478	15 620
Marketing	9 875	6 391
Consultants	40 896	38 058
Insurance	4 034	2 718
Freight	4 369	3 326
Communication	1 384	1 391
IT cost	19 396	18 588
Other	9 604	8 919
Total operating expenses	**108 220**	**96 388**

NOTE 9 FINANCIAL INCOME AND EXPENSES

As of 31.12.2024, the company had MNOK 42.7 in interest bearing liability related to lease contracts shown in *"Note 7 Right to use assets"*. Additional cash in the group gave interest revenue of TNOK 4 569. Other finance income and expenses was realized or unrealized gains or losses towards foreign currency. Financial income and expenses are shown below. See *"Note 20 Financial Risk"* for comment about financial risks and exposure.

Financial Income and Expenses *(amount in NOK 1 000)*	**2024**	**2023**
Interest income	4 569	3 275
Other financial income	691	137
Gains on foreign exchange	6 239	13 710
Total financial income	**11 499**	**17 123**
Loss on foreign exchange	-7 870	-12 780
Other financial expenses	-459	-573
Total financial expenses	**-8 329**	**-13 352**
Net finance	**3 170**	**3 770**

NOTE 10 INCOME TAX

Income tax *(amount in NOK 1 000)*	**2024**	**2023**
Current income tax charge	34 398	32 402
Deferred tax expense	-3 984	-1 013
Tax expense reported in statement of profit or Loss	**30 414**	**31 389**
Reconciling tax expense towards income before tax		
Tax expense for the year	30 414	31 389
22 % of income before tax	33 862	29 892
Change in deferred tax, temporary differences	-3 984	-1 047
Permanent differences and different tax rates	**3 448**	**-1 497**
Calculation of effective tax rate		
Expected income tax at tax rate 22 % in Norway	33 862	29 892
Foreign tax rate differences	-3 448	1 497
Income tax expense	**30 414**	**31 389**
Effective income tax rate	**22,7 %**	**23,2 %**
Payable tax in statement of financial position		
Income tax expense	33 623	32 419
Prepaid tax	-4 867	-4 340
Change deferred tax asset	-	325
Income tax payable	**27 375**	**28 404**
Specification of deferred tax		
Difference in values:		
Non current assets	781	1 424
Current assets	-42 012	-25 078
Other obligations	223	279
Total differences	**-41 008**	**-23 376**
Deferred tax asset 22 %	-9 022	-5 142

The tax expense in the income statement includes both payable taxes for the period and changes in deferred tax. Deferred tax is calculated based on temporary differences between tax values and carrying amount of assets and liabilities. Tax payable and deferred tax is recorded against equity if the transaction is an equity transaction.

The deferred tax asset in the balance sheet is based upon future utilization of deductible temporary differences. There is no time limitation for utilization of the temporary differences. Tax rates in Germany and in the US are different from Norwegian rates. The difference in tax rates gives an average tax rate of 22.7 % in 2024. Medistim has over several years shown solid profit and it's the company's assessment that it is likely that tax assets will be utilized in the future.

Tax expense for the group is geographically split as follows *(amount in NOK 1 000)*	2024	2023
Norway	24 365	27 260
Germany	2 323	2 022
USA	2 236	1 669
Spain	1 085	304
Denmark	405	134
Total tax expense for the group	**30 414**	**31 389**

NOTE 11 EARNING PER SHARE

Earning per share *(amount in NOK 1 000)*	2024	2023
Profit for the year	**103 832**	**103 823**
Average numbers of shares outstanding		
Average number of shares used in basic EPS	18 314 219	18 267 157
Effect of share incentive plan	-	29 000
Average numbers of shares used in diluted EPS	**18 314 219**	**18 296 157**
Earning per share		
Ordinary	5.67	5.68
Diluted	5.67	5.67
Paid dividend	**82 414**	**82 180**
Dividend per share	4.50	4.50
Suggested dividend per share	6.00	4.50

The company has only one class of shares. Ordinary earning per share is calculated as the relation between profits for the year that is allocated to ordinary shareholders divided with average number of shares outstanding. Treasury shares are not included and average number of treasury shares are excluded from the calculation. In 2024, there were share options to CEO. The share option plan to CEO is described under chapter 3 compensation to management and *"Note 21 Related party transactions"*. By year-end the company had 23 117 own shares.

NOTE 12 INTANGIBLE ASSETS

Product technology and additions, goodwill and license agreement

Intangible assets are recognized in the balance sheet if it is probable that the future economic benefits will flow to the company, and the cost of the asset can be measured reliable.

Intangible asset with finite economic life is measured at cost less accumulated amortization and write-downs. Amortization is done on a straight-line basis over expected lifetime. The amortization period and method are reviewed on a yearly basis. Intangible assets with indefinite useful life are not amortized but tested for impairment at least annually.

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 technically feasible to complete the asset
- the company has the recourse to complete the project
- the product will generate future economic benefits
- expenditure can be reliable 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 develop 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. Capitalized cost related to development of own products are depreciated on a straight-line basis over expected lifetime. Expected lifetime varies from 3 to 8 years.

Development cost related to technology and software has been recognized as an intangible asset because Medistim can demonstrate technological feasibility for the asset to be available for sale for both existing products and new products. The revenue potential for the projects exceeds the investment. The balance sheet value as of 31.12.2024 was MNOK 2.8. The estimates that form the basis for the intangible asset are performed by the management of the company, and there will always be a level of uncertainty in relation to the assessments that are performed on future revenue for future products. Capitalized development costs are depreciated over 3 to 8 years. 8 years is used if it is a new product on a new technological platform that creates the basis for a new generation of products. Based upon a platform or new generation of products there will be further developments and improvements. These enhancements of the products are depreciated over 3 years because of rapid technological development. Within 3 years, it is assumed that parts or all of existing technology is updated.

In 2024, MNOK 18.6 of product technology additions, was recognized in the balance sheet related to the MiraQ products. The MiraQ platform forms the basis for future models from Medistim. All development activity is performed in the parent company.

Intangible assets 2024 *(amount in NOK 1 000)*	Product under development	Technology & development cost	Goodwill	Total intangible
Historic cost 01.01.	**25 178**	**81 928**	**14 128**	**121 234**
External additions	7 609 -	-		7 609
Additions under development	9 637 -	-		9 637
Historic cost 31.12.	**42 424**	**81 928**	**14 128**	**138 480**
Accumulated depreciations and write downs				
Accumulated depreciation and amortization expense	-	75 860	-	75 860
Depreciations for the year	-	3 284	-	3 284
Total depreciation as of 31.12	**-**	**79 144**	**-**	**79 144**
Carrying amount 31.12	**42 424**	**2 784**	**14 128**	**59 336**

Intangible assets 2023 *(amount in NOK 1 000)*	Product under development	Technology & development cost	Goodwill	Total intangible
Historic cost 01.01	**11 851**	**81 928**	**14 128**	**107 907**
External additions	3 543 -	-		3 543
Additions under development	9 784 -	-		9 784
Historic cost 31.12	**25 178**	**81 928**	**14 128**	**121 234**
Accumulated depreciations and write downs				
Accumulated depreciation and amortization expense	-	71 839	-	71 839
Depreciations for the year	-	4 021	-	4 021
Total depreciation as of 31.12	**-**	**75 860**	**-**	**75 860**
Carrying amount 31.12	**25 178**	**6 068**	**14 128**	**45 375**

Intangible assets are depreciated on a straight-line basis over the useful life.
Useful life for capitalized product development is 3 to 8 years.

Product technology

Probes to vascular surgery – the PV probe:

Within vascular surgery, there is a corresponding need to measure blood flow in the same manner as within cardiac surgery. Some vascular surgeons are already using Medistim's equipment even though the probes are designed for cardiac surgery.

The market in vascular surgery is large and it is performed about 1 300 000 procedures annually. In comparison, about 700 000 procedures are performed per year within cardiac surgery. This is a significant market where Medistim can customize its solution with a modest investment. Book value as of 31.12.2024 was MNOK 0.8. Expected useful life for the PV probes are 8 years.

4th generation of systems; the MiraQ

Entering into 2024, Medistim had invested MNOK 39.2 in the system platform that represent Medistim's 4th generation of systems within flow measurement and imaging to ensure quality and guiding during surgery. The platform has a flexibility that will allow customer adaption and new applications. The technological improvements have secured and strengthened Medistim's leading position. The MiraQ is the platform for all Medistim solutions. Book value for the MiraQ platform by year-end was MNOK 2.0. Expected lifetime for the product is 8 years. In the table above PV probes and MiraQ system is shown under technology and development cost.

Additions under development:

This is related to the development of new cardiac flow probes. The aim is to modernize design for the user to make it easier to use but also develop a design that is more efficient to have in production. Medistim has several years of experience with in-house production and input from customers on a better design on the probe for the user. With this extensive experience and knowledge, it is likely that a new probe will be developed with success. In 2024 MNOK 10.2 was invested in the project and book value by year end 2024 was MNOK 20.0.
The next generation of software within both cardiac segment and vascular segment was under development during 2024. The new software has a new user interface and tools to aid the interpretation of the results. Medistim's Innovation team has together with Key Opinion Leaders tested several prototypes to identify the preferred solution. In 2024 MNOK 8.1 was invested in the software project and book value by year end 2024 was MNOK 21.3.

Medistim needs to be compliant with the new Medical Device Regulation (MDR) In 2024, MNOK 0.3 was invested in making Medistim MDR compliant and book value at year end 2024 was MNOK 2.5. In the table above additions under development is shown under product under development.

Summary product technology

In total MNOK 16.4 of the R & D expenses was recorded in the P & L in 2024. Similar expense was MNOK 15.7 in 2023. With MNOK 18.6 recognized as asset a total of MNOK 35.0 was used in R & D in 2024. Comparable number for 2023 was MNOK 13.3 recognized as asset and total used in R&D was MNOK 29. Medistim received MNOK 1.4 in Skattefunn funds in 2024 and TNOK 309 in 2023.

In the estimates used to test for impairment, the 3-year strategy plan is used with a discount rate of 16 %. See comment under goodwill with regard to discount rate.

Goodwill

A yearly test of values is done for the cash flow generating units that has a goodwill value in the balance sheet.

Goodwill *(amount in NOK 1 000)*	**2024**	**2023**
Acquisition of Medistim Norge AS and Kir-Op AS	14 128	14 128
Total goodwill	**14 128**	**14 128**

A test of values is performed by estimating the cash flow for Medistim Norge AS. This is estimated using the company's budget for 2025 and 3-year strategy plan for the years 2026 to 2028 with the assumption of 2 % growth in 2029 compared to 2028. Cash flows for more than five years are estimated by using Gordon's growth formula with a 2 % growth in the terminal year. The cash flow is discounted using 16 % discount rate. This includes an additional yield of 9.7 % compared to risk free interest. The value of the discounted cash flow exceeded the recorded book value in the balance sheet and there was no need for a write down of goodwill.

The estimates in the tests are most sensitive to changes in the following parameters:

- Maintaining market share and product lines
- Maintaining margins and keep competitive prices
- Level of minimum return on investment
- Future growth
- Employee know-how

Maintaining market share and product lines:

Within the medical device industry there are major investments done in the development of products. Medistim Norge has certain product lines that have a large portion of total sales. Medistim Norge's financial situation will be affected if a new product was released in the market that would replace existing key products, and Medistim Norge is not distributor for the new product.

The company would also be affected if a supplier changes distributor or chooses to go direct in the Norwegian market. For this reason it is important for the company to maintain know how and performance to secure key product lines. It is equally important that the company is able to see trends and take in new products with a future potential. The largest product line for the company has 20 % of total sales. If this product line is lost together with another line that is 5 – 10 % of total sales, all goodwill needs to be written down.

Maintain margins and keep competitive prices:

Medistim Norge AS largest customers are Norwegian hospitals. The hospitals are continuously improving their purchasing routines and purchasing is centralized and professionalized. This increases the demand for better quality and prices from the suppliers. The company's ability to maintain prices by offering quality products and services is crucial in the competition for future contracts. The company is well connected to its suppliers and when the competition increases the suppliers is contributing by lowering their prices. However, it is not realistic to expect that the suppliers will compensate for all of the reduction in prices. The company's experience is that about 50 % of the price change is covered by the suppliers in an increased competitive situation. A price reduction of 10 % without any compensation from the suppliers is the break-even level for write down of goodwill.

Weighted average capital cost (WACC):

The company uses a WACC that is equal to risk free interest with an addition of a risk premium. This level is evaluated on a yearly basis and a change in the WACC could affect the evaluation of the intangible assets. Risk-free interest rate is based on 10-year government bond that at the beginning of the year was 3.9 %. In addition, a risk premium of 12.1 % is added and total discount rate is 16 %.

Future growth:

It is projected growth in sales with a variation from 5 % to 2 % in the budget and strategy period, and with 2 % growth in the terminal value. To be able to maintain this increase it is crucial that the company handles existing product lines in an effective manner and that the company is able to identify and get distribution agreements for new product lines that create more business than lost product lines.

Employee know-how:

Medistim Norge has over the years built a competence within the medical device industry and distribution. It is essential that this know-how is updated and passed on to new employees.

Sensitivity analysis:

With the assumption used in the impairment test, the recoverable amount exceeds the carrying amount with MNOK 93.5 («headroom»), and no impairment loss is recognized. Operating margin and growth is based upon historic achieved margin and sales growth. In the estimates the budget and the projections from the 3-year strategy update is used. The operating margin in the projections vary between 14.9 % and 15.7 %. Sales growth vary between 5 % and 2 %

If the operating margin is reduced from 15.0 % to 3.5 % everything else equal, carrying amount may require an evaluation of impairment loss. A change in the discount rate from 16 % to 55.0 % everything else equal, goodwill value is defended by the test. See overview below.

Discount rate	16.0 %	28.0 %	55.0 %
Headroom in MNOK	93.5	38.4	17.9
Operating margin	15.7 %	7.7 %	3.5 %
Headroom in MNOK	93.5	38.4	8.3

NOTE 13 SHARES IN SUBSIDIARIES

Shares in subsidiaries
(amount in NOK 1 000)

Unit	Country	Segment	Ownership	Balance sheet value 31.12.2024	Profit in 2024
Medistim USA Inc.	USA	Lease and sale within bypass surgery and vascular surgery	100 %	135	6 121
Medistim Deutschland GmbH	Germany	Capital sales within bypass surgery and vascular surgery	100 %	188	7 128
Medistim Norge AS	Norway	Sale of third-party products and capital sales within bypass surgery and vascular surgery	100 %	36 954	11 746
Medistim UK LTD	UK	Capital sales within bypass surgery and vascular surgery	100 %	1	-345
Medistim Japan KK	Japan	Dornmat company	100 %	86	-
Medistim Canada Inc.	Canada	Capital sales within bypass surgery and vascular surgery	100 %	1	-2 713
Medistim China Ltd	China	Service provider for distributors in China	100 %	1 002	-64
Medistim Spain S.L	Spain	Capital sales within bypass surgery and vascular surgery	100 %	29	3 320
Medistim Danmark Aps	Denmark	Sale of third-party products and capital sales within bypass surgery and vascular surgery	100 %	-	1 428
Medistim Sweden AB	Sweden	Sale of third-party products and capital sales within bypass surgery and vascular surgery	100 %	-	-401
Total shares in subsidiaries				**38 395**	**26 220**

NOTE 14 INVENTORY

Specification of inventory *(amount in NOK 1 000)*	**2024**	**2023**
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**

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.

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. Inventory is used as security for loan, see *"Note 18 non-current liabilities"*.

Specification of inventory provision *(amount in NOK 1 000)*	**2024**	**2023**
Demonstration products	3 896	3 837
Spare parts	4 911	4 180
Third party products	200	200
Total inventory provision	**9 007**	**8 217**

Inventory provision is continuously evaluated based upon end-of-life components, regulatory approvals and service obligations.

NOTE 15 ACCOUNTS RECEIVABLES AND OTHER CURRENT RECEIVABLES

Aging accounts receivable 2024 *(amount in NOK 1 000)*	Not due	0-30 days	31-60 days	61-90 days	Over 91 days	Total
Expected loss in %	0,00 %	0,00 %	0,00 %	0,00 %	39,04 %	
Book value of receivables	21 504	17 564	21 018	7 338	2 554	69 977
Expected credit loss	-	-	-	-	997	997
Total accounts receivable 2024	**21 504**	**17 564**	**21 018**	**7 338**	**1 557**	**68 980**

Aging accounts receivable 2023 *(amount in NOK 1 000)*	Not due	0-30 days	31-60 days	61-90 days	Over 91 days	Total
Expected loss in %	0.00 %	0.00 %	0.00 %	0.00 %	31.90 %	
Book value of receivables	38 889	13 000	6 959	13 327	3 125	75 300
Expected credit loss	-	-	-	-	997	997
Total accounts receivable 2023	**38 889**	**13 000**	**6 959**	**13 327**	**2 128**	**74 303**

All receivables are due within one year. Historically the group losses have been limited. End customers are often public hospitals with government funding and the risks for losses are low. However, days sales outstanding is high compared to other businesses, something that the aging receivables confirm. The increase in expected credit loss is related to one specific case.

Receivables is used as security for loan, see *"Note 18 non-current liabilities".* Other current receivables are shown in the following table.

Other current receivables *(amount in NOK 1 000)*	2024	2023
Other pre-payments	5 635	4 671
Unrealized value foreign currency	4 038	3 389
VAT receivable	5 723	6 958
Other	5 025	2 982
Total other current receivables	**20 421**	**18 000**

NOTE 16 CASH AND CASH EQUIVALENTS

Cash and cash equivalents *(amount in NOK 1 000)*	**2024**	**2023**
Available cash in bank	171 272	146 082
Restricted cash in bank	7 938	7 790
Cash and cash equivalents	**179 210**	**153 872**

Cash includes bank deposits. As of 31.12.2024 the restricted cash was TNOK 7 938 related to tax withheld on salaries. Restricted cash as of 31.12.2023 was TNOK 7 790 and was related to tax withheld from salaries. The holding company did not have a credit facility by year end 2024.

NOTE 17 SHAREHOLDER INFORMATION

The company had 18 337 336 shares at par value of NOK 0.25 per share and total share capital amount to NOK 4 584 334. There is only one class of shares, and all shares are treated equally. Each share represents one vote. Change in issued share capital in 2024:

Status for change in issued share capital as of 31.12.2024 *(amount in NOK 1 000)*	**Number of shares**	**Par value per share**	**Share capital in NOK**
Share capital 01.01.2024	1 833 733	NOK 0.25	NOK 4 548 334
Changes	-		-
Share capital 31.12.24	**1 833 733**	**NOK 0.25**	**NOK 4 584 334**

The Board of Directors received by the shareholders meeting the 24th of April 2024 permission to purchase up to 1 833 733 Medistim ASA shares at par value NOK 458 433. The permission is valid until the next ordinary general assembly in 2025 in the price range of NOK 0.25 to NOK 500 per share. Further the Board of Directors got permission to increase share capital with NOK 458 433 or issue 1 833 733 new shares at par value NOK 0.25. The permission can be used if there is a decision to enter into a merger, acquire another company or to create an option program. The permission is valid until the next ordinary shareholders meeting in 2025. See below for changes in the equity for the last year.

Status for the permissions as of 31.12.2024 *(amount in NOK 1 000)*	**Par value per share**	**Share capital in NOK**
Permission given at the shareholders meeting in 2024	1 833 733	1 833 733
Permissions used	-	-
Number of shares 31.12.2024	**1 833 733**	**1 833 733**

The company owned 23 117 Medistim shares as of 31.12.2024. Number of Medistim shares by 01.01.2024 was 55 617.

The 20 largest shareholders in the company were as of 31.12.2024:

Shareholder	Number of shares	Share in % of Total
ACAPITAL MEDI HOLDCO AS	1 900 219	10,36 %
FLØTEMARKEN AS	1 285 000	7,01 %
State Street Bank and Trust Comp	1 249 576	6,81 %
VERDIPAPIRFOND ODIN NORDEN	1 180 000	6,43 %
FOLLUM INVEST AS	970 000	5,29 %
State Street Bank and Trust Comp	890 961	4,86 %
Skandinaviska Enskilda Banken AB	813 801	4,44 %
VERDIPAPIRFONDET HOLBERG NORGE	684 414	3,73 %
ODIN Small Cap	600 000	3,27 %
State Street Bank and Trust Comp	549 946	3,00 %
J.P. Morgan SE	517 566	2,82 %
The Northern Trust Comp, London Br	440 375	2,40 %
SKANDINAVISKA ENSKILDA BANKEN AB	413 146	2,25 %
BUANES	383 277	2,09 %
Skandinaviska Enskilda Banken AB	355 802	1,94 %
SKANDINAVISKA ENSKILDA BANKEN AB	337 332	1,84 %
J.P. Morgan SE	330 000	1,80 %
BNP Paribas	277 535	1,51 %
The Bank of New York Mellon SA/NV	268 000	1,46 %
BNP Paribas	263 705	1,44 %
Total 20 largest shareholders	**13 710 655**	**74,77 %**
Total number of shares outstanding	**18 337 336**	

Board members and management team with shares in the company:

Board members and management team with shares in the company			
Shareholder	**Number of shares**	**Shares in % of Total**	**Position**
Tove Raanes via Trane AS	1 990	0.01 %	Board Member
Roger Morberg	16 259	0.09 %	VP Sales APAC
Erik Swensen	10 994	0.06 %	VP Development
Thomas Jakobsen	30 526	0.17 %	CFO
Kari Eian Krogstad	47 083	0.26 %	CEO
Øyvin A. Brøymer (Fløtemarken AS)	1 285 000	7.01 %	Chair
Anne Waaler	2 440	0.01 %	VP Medical
Håkon Grøthe (Grøten Invest AS)	7 821	0.04 %	VP Innovation
Stephanie d'Avout Stenhagen	2 784	0.02 %	VP Sales EMEA
Ole Dalhberg	1 240	0.01 %	Board member
Tone Veiteberg	1 990	0.01 %	VP QA\Regulatory
Hæge Wetterhus	1 591	0.01 %	VP Marketing
Ole Arne Eiksund	5 872	0.03 %	CBDO
Anna Ahlberg	400	0,002%	Board Member
Jon Helge Hoem	125	0.001 %	Board Member

There were no share options outstanding as of 31.12.2024 except from the share program to CEO described under chapter 8 Corporate Governance under compensation to management and *"Note 21 Related party transactions"*.

NOTE 18 NON-CURRENT LIABILITIES

Loan and borrowings are initially recognized at fair value net of directly attributable transaction costs, and subsequently measuring at amortized cost. Medistim's non-current liabilities are related to lease contract. The lease agreements are described under *"Note 7 Right to use assets"*.

NOTE 19 OTHER CURRENT LIABILITIES

Other current liabilities *(amount in NOK 1 000)*	**2024**	**2023**
Accrual for public taxes	11 887	11 388
Accrual for holiday pay	9 976	9 882
Accrual for salaries, commission and board member fee	14 087	7 192
Accrual for customer and supplier obligations	3 749	1 550
Other	10 428	1 413
Total other current liabilities	**50 127**	**31 426**

NOTE 20 FINANCIAL RISK

The group's main source of financing is equity based from the company's operating profits.Financial liabilities are leasing agreements, and accounts payable. The financial liabilities and facilities are instruments that contribute to the financing of the group's operational activities. The group's financial assets are accounts receivables, and cash. From time to time the group also enters into financial derivative contracts to hedge currency exposure. Hedge accounting is not applied. The risk arising from financial instruments is market risk, credit risk towards customers, and liquidity risk.

Market risk:

Interest rate risk:
The group had as of 31.12.2024 no interest-bearing liabilities. If the group needs a loan, it is group policy to have floating interest since this will be the lowest interest rate over time. In general, the group considers the exposure towards changes in interest rates as low.

Foreign exchange rates risk:

The group may use forward exchange contracts to reduce exposure towards USD and EUR. Financial derivatives are recognized at fair value through profit and loss. Change in fair value is recognized in profit and loss and is presented as financial income or expense. Unrealized gains or losses are recorded in the same manner as realized gains and losses.

Change in exchange rates involves a direct and indirect financial risk for Medistim ASA. The company has revenue and expenses in EUR and USD where most revenue is in EUR and USD and expenses mostly in NOK. The development in NOK towards USD and EUR is continuously monitored. The management and Board of directors evaluate the handling of risks related to exchange rates fluctuations continuously together with its professional advisers. By the end of 2024 the company had no forward exchange contracts.

The group had a credit facility of MNOK 6.0 to enter hedging contracts. The facility represents 10 % of the value of the contracts the group can use and the group can enter hedging contracts for a total of MNOK 60. Security related to the facility is related to assets, accounts receivable and inventory with no limit. Book value of secured items was as of 31.12.2024 MNOK 25.3 for assets, MNOK 65.9 for accounts receivables and MNOK 122.6 for inventory.

Financial assets and liabilities *(amount in NOK 1 000)*

	2024			2023		
Financial assets	**Original value**	**Gain/loss**	**Book value**	**Original value**	**Gain/loss**	**Book value**
Cash in USD	8 964	3 969	12 933	8 061	2 027	10 088
Cash in EUR	20 203	-1 795	18 408	5 740	1 689	7 429
Accounts receivable in EUR	14 564	251	14 815	21 556	506	22 062
Forward currency contracts in EUR	-	-	-	-	1 710	1 710
Forward currency contracts in USD	-	-	-	-	1 680	1 680
Financial liability						
Accounts payable in EUR	1 405	-44	1 449	2 971	-60	3 031
Accounts payable in USD	590	8	598	761	-41	720

Effect on profit if currency changes with 5% *(amount in NOK 1 000)*

	2024			2023		
	Original value	**Gain/loss**	**Book value**	**Original value**	**Gain/loss**	**Book value**
Total exposure towards EUR	33 362	-1 500	31 774	24 325	3 965	28 170
Total exposure towards USD	8 374	3 961	12 335	7 300	3 748	11 048
5 % increase EUR			1 589			1 409
5 % increase USD			617			552
5 % decrease EUR			-1 513			-1 341
5 % decrease USD			-587			-526

Credit and liquidity risk:

Other financial risk as credit risk and liquidity risk is viewed by the company as low based upon the group's financial position as of 31.12.2024.

Credit risk:

The group is at some extent exposed towards credit risk. The general risk is low since the majority of customers are financed by public authorities. Still history records for payments, the size of the transaction and the other party's credit risk is evaluated from case to case. The level of credit given is evaluated when there is a change in market conditions. The level of risk is reduced by using bank guaranties and prepayments in cases where the level of risk is found to be higher than normally accepted. See *"Note 15 Accounts receivables and other receivables"* for a table showing the aging of accounts receivables.

Liquidity risk:

Liquidity risk is the risk that the group is not able to meet its obligations in time. Managing liquidity risk is therefore prioritized to secure financial flexibility. Medistim main source of cash is cash generated from operations. The group has over the last 5 years experienced an increase in profit and available cash. Therefore, the group has been able to build up a cash reserve due to strong profits to handle the increased need for working capital as the group grows. The liquidity buffer also secures cash in situations where the incoming cash is delayed.

Macroeconomic turmoil:

Despite challenging market conditions, the company have been able to deliver solid profit and cash flow over the years. The need for Medistim's products has not changed, even if the global market has been facing macro-economic turmoil, with energy crisis, inflation pressure, increasing interest rates, higher cost levels and threat of higher tariff rates. The non-current consequences of growing geopolitical uncertainty are unclear but might lead to continuing challenges in the global flow of goods. Medistim is taking mitigating actions to ensure access to key components to secure production and maintain growth and profitability also for the future. Further, the company is financially solid to face future challenges, with no interest-bearing liability and an equity ratio of 75.9 %. The following table sets out the maturity profile of the financial liabilities based on contractual discounted payments.

Overview of liabilities 2024 *(amount in NOK 1 000)*

Overview of liabilities in 2024	Within 3 months	Between 3-12 months	1 to 5 years	Over 5 years	Total
Lease liabilities	2 326	6 979	21 457	3 600	34 362
Accounts payable	17 730	-	-	-	17 730
Deferred revenue	272	815	1 101	-	2 188
Income tax	-	27 375	-	-	27 375
Other liability see note 18,19,22	39 665	17 037	-	-	56 702
Total liabilities	**59 992**	**52 207**	**22 558**	**3 600**	**138 357**

Overview of liabilities 2023 *(amount in NOK 1 000)*

Overview of liabilities in 2023	Within 3 months	Between 3-12 months	1 to 5 years	Over 5 years	Total
Lease liabilities	2 287	6 861	6 303	2 192	17 643
Accounts payable	25 083	-	-	-	25 083
Deferred revenue	557	1 670	2 006	-	4 234
Income tax	-	28 404	-	-	28 404
Other liability see note 18,19,22	14 799	17 615	-	-	32 414
Total liabilities	**42 725**	**54 551**	**8 309**	**2 192**	**107 777**

Capital Management:
Management strives to strengthen the group's healthy financial position through profit and a high level of equity. This will secure continued growth and will maximize shareholders values. The group will adjust capital structure to adapt to changes in the financial climate. Capital structure can be adjusted through dividend, repayment of share capital or issue new shares. There were no changes in the financial strategy in the group in 2023 or 2024.

NOTE 21 RELATED PARTY TRANSACTIONS

Compensation to management

The management group consists of 12 people including CEO. Compensation and benefits to the management group in 2024:

COMPENSATION AND BENEFITS TO THE MANAGEMENT GROUP IN 2024

Management	Position	Salary	Bonus	Pension	Share based compensation	Other	Total
Hæge Johanne Krogh Wetterhus	VP Marketing	1 532 492	178 476	116 173	-	15 532	1 842 673
Anne Waaler	VP Medical	1 538 604	208 963	93 499	-	31 496	1 872 561
Roger Reino Morberg	VP Sales APAC	1 926 097	-	109 719	-	40 706	2 076 523
Erik Swensen	VP Development	1 552 545	110 012	105 952	-	4 480	1 772 989
Tone Ann Veiteberg	VP QA\Reg	1 345 238	190 847	85 507	-	4 480	1 626 072
Stephanie d'Avout Stenhagen	VP Sales EMEA	1 432 563	140 106	104 438	-	32 724	1 709 831
Helge Børslid	VP Operations	1 444 589	152 558	99 469	-	6 322	1 702 938
Mike Farbelow	VP Sales AMERICAS	2 738 850	508 528	109 554	-	-	3 356 933
Håkon Grøthe	VP Innovation	1 446 643	205 373	99 878	-	22 679	1 774 572
Ole Arne Eiksund	CBDO	1 521 907	206 310	97 842	-	24 128	1 850 187
Kari Eian Krogstad	CEO Medistim ASA	3 341 915	-	111 031	1 926 000	16 146	5 395 092
Thomas Jakobsen	CFO Medistim ASA	2 142 690	-	106 970	-	8 164	2 257 824
Total compensation and benefits		**21 964 132**	**1 901 173**	**1 240 032**	**1 926 000**	**206 857**	**27 238 194**

There is no severance pay agreements towards any in the management team in case of leaving the company. All members of the management group have a two-way arrangement of 3 months' notice. The exception is management in the US that has no notice period. The management group has the same pension plan as other employees. For Norwegian members of the management group, this is a contribution plan that covers 5 % of salary up to 7.1 G and 8 % of salary for G between 7.1 and 12. 1G equals NOK 124 028. Management in the US has a contribution plan that covers 4 % of salary.

Share based payments

The group has a share-based payment scheme for its CEO. The program is settled in shares. The fair value of the option at the grant date, is expensed over the vesting period. The expense is included in "salary and social expenses" in the income statement and a corresponding amount is recognized as other paid-in capital.

The board decides incentives to CEO. Bonus and incentives to the management group is decided by the CEO. Bonus and incentives for both management group and CEO is based on achieved results. The table shows the bonus paid in 2024. Some members of the management group have loan from the company at tax free interest rate related to the share program offered to the Management team in 2023.

Compensation to the board was TNOK 2 240 in 2024 and TNOK 1 800 in 2023. The chairman received TNOK 500 as compensation in 2024 and TNOK 475 in 2023 The board members received a total TNOK 290 each as compensation in 2024, a total of TNOK 1 740. In 2023 they received TNOK 265 each, a total of TNOK 1 325. Board member, Jon Hoem, received TNOK 92 related to support in strategy evaluations.

The nomination committee leader received a compensation of TNOK 20, while the two other members received TNOK 15 each. In total, the nomination committee received TNOK 50 as compensation.

Compensation to Audit committee and remuneration committee was TNOK 120 and TNOK 35 respectively.

In 2024 a new agreement was entered, replacing the prior agreement between the company and the CEO, related to the share program. The CEO 100 % owned company, K2 Consulting AS, purchased the shares from Medistim ASA with a lock in period of 1 year for the 7 500 shares and a lock in period of 2 years for the 8 000 shares. The lock in period of 1 year qualified for a 14 % share price discount and the 2 year lock in period qualified for an 18 % discount. Average share price in the subscription period was NOK 216 per share. 7 500 shares were therefore purchased at NOK 185.83 per share and 8 000 shares were purchased at NOK 177.19 per share. To finance the purchase, Medistim gave CEO a loan and when the lock in period has ended, she is given a bonus equal to the loan amount. Future grants in the CEO share program is on the same terms. Under the same program another 8 000 shares was purchased at a 25 % discount in 2024 and a 3 year lock in period. Average share price in the subscription period was NOK 193 per share and the shares was therefore purchased at NOK 144.56 per share.

Even though the changes formally are established through cancelling the old agreements and establishing new agreements with the CEO this is recognised as a change in an existing plan. The change in value of the incentive program was minor when transitioning from the old agreement to the new one, therefore the annual expense is based on the original recognition.

Share program CEO	2024	2025	2026	2027
Shares granted	9 000	7 500	8 000	8 000
Ending balance	-	7 500	15 500	23 500
Share price at the time of grant in NOK	-	296	219	204
Total expense in NOK	-	2 220 000	1 752 000	1 632 000
Expense per grant per year in NOK	-	740 000	584 000	544 000
Annual expense in NOK for the grant in 2024	**1 868 000**			

Transactions with related parties

There were no other transactions than the above described share program for management towards related parties in 2023 or in 2024.

NOTE 22 PROVISIONS

Provisions *(amount in NOK 1 000)*	2024	2023
Warranty provision	500	350
Total provision	**500**	**350**

The group provides warranties for general repairs of defects that existed at the time of sale, as required by law. Provisions related to these assurance-type warranties are recognized when the product is sold or the service is provided to the customer. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

The warranty provision is based upon the company's experience with sales and return of its own products. The estimate is based upon this experience to cover future obligations. The company has introduced extended warranty where customers for a fee extend the warranty period. The level of warranty contracts is in 2024 limited and there has been no expenses related to extended warranty contracts in 2024. In 2024, there are no additional provision related to the contracts. This will be monitored an if the level of extended warranty increases a method for estimating a provision is established.

NOTE 23 EXCHANGE RATES FOREIGN CURRENCY

Exchange rates foreign currency	Rate 01.01.2024	Average rate	Rate 31.12.2024
Currency			
USD	10.1724	10.7454	11.3534
DKK	150.82	155.85	156.62
EUR	11.2405	11.6249	11.7950
GBP	12.9342	13.7343	14.2249

Transactions in foreign currency

Transactions in foreign currency are translated to functional currency using the exchange rate at the date of the transaction. Financial instruments in foreign currency are translated to Norwegian kroner at the closing rate of the balance day. Non-financial items measured at historic cost are translated to Norwegian kroner using the exchange rate at the time of the transaction.

Foreign subsidiaries

Assets, liabilities and goodwill in foreign subsidiaries that are consolidated are translated to Norwegian kroner at the date of the balance sheet. Revenue and expenses are translated to Norwegian kroner using the rate at the transaction date.

NOTE 24 CHANGES IN LIABILITIES ARISING FROM FINANCIAL ACTIVITIES

Changes in liabilities arising from financial activities 2024 *(amount in NOK 1 000)*

	Deferred revenue	Non-current lease agreements	Current lease agreements	Total 2024
At 1st of January 2024	4 233	12 213	5 431	21 877
New lease agreements	-	9 304	16 204	25 508
Cash flows lease agreements	-	-8 791	-	-8 791
Net change in current balance	-	9 523	-9 304	219
Effects of foreign exchange		-215	-	-215
Deferred revenue	1 697	-	-	1 697
31. December 2024	**5 931**	**22 034**	**12 331**	**40 295**

Changes in liabilities arising from financial activities 2023 *(amount in NOK 1 000)*	Deferred revenue	Current lease agreements	Non-current lease agreements	Total 2023
At 1st of January 2023	5 126	7 086	10 020	22 232
New lease agreements	-	4 250	4 670	8 920
Cash flows lease agreements	-	-8 688	-	-8 688
Net change in current balance	-	9 565	-9 259	306
Deferred revenue	-893	-	-	-893
31. December 2023	**4 233**	**12 213**	**5 431**	**21 877**

NOTE 25 EVENTS AFTER 2024

Information after the reporting period that provide evidence of conditions that existed at the end of the reporting (”adjusting events”), are reflected in the amounts recognized in the financial statement. Information after the reporting period that are indicative of conditions that arose after the reporting period (“non-adjusting events”) are not reflected in the amounts recognized in the financial statement but are disclosed if material.

The Board of Directors has no knowledge about other events after 2024 that will affect the annual report and financial statement for 2024.

11. PARENT COMPANY FINANCIAL STATEMENTS

11.1 Income statement Medistim ASA

Income statement Medistim ASA *(amount in NOK 1 000)*	Note	2024	2023
Operating income			
Revenue	*26*	333 652	324 056
Other income	*26*	20 396	16 968
Total revenue		**354 048**	**341 024**
Operating expenses			
Cost of material	*27*	63 399	66 583
Salary and social expenses	*28*	94 780	89 360
Other operating expenses	*28, 40*	72 552	64 457
Total operating expenses before depreciation and amortization expenses		**230 731**	**220 400**
Operating profit before depreciation an amortization expenses		**123 317**	**120 624**
Depreciation and amortization expenses			
Depreciation and amortisation expenses	*29*	13 023	12 599
Operating profit		**110 294**	**108 025**
Financial income and expenses			
Dividend from subsidiaries	*32*	20 273	11 006
Financial income	*38*	9 046	15 160
Financial Expenses	*38*	13 062	9 504
Net financial items		**16 258**	**16 663**
Profit before tax		**126 551**	**124 687**
Tax expense		23 240	25 233
Profit for the year		**103 312**	**99 454**
Allocations			
Dividend	*37*	109 885	82 256
Other equity	*37*	6 574	17 198
Total allocation		**103 312**	**99 454**
Earnings per share			
Ordinary		5.67	5.46
Dividend per share		6.00	4.50

11.2 Balance sheet Medistim ASA

Balance Sheet Medistim ASA *(amount in NOK 1 000)*	Note	2024	2023
Assets			
Non-current assets			
Intangible assets	*29,30*	45 186	31 247
Deferred tax asset	*31*	4 395	2 592
Financial assets			
Property, plant and equipment	*29*	26 704	30 339
Investments in associated companies (IAS 1.68)	*32*	38 395	38 395
Other long term receivable		12 761	13 290
Total non-current assets		**127 441**	**115 864**
Current assets			
Inventory	*34*	122 580	114 039
Accounts receivable	*33,42*	42 604	51 721
Other receivables	*33,42*	47 224	34 734
Financial instruments	*33,42*	-	3 389
Cash and cash equivalents	*35*	126 879	82 485
Total current assets		**339 287**	**286 368**
Total assets		**466 729**	**402 231**
Equity and liabilities			
Equity			
Share capital	*36,37*	4 584	4 584
Treasury shares	*36,37*	-6	-13
Share premium	*37*	41 852	41 852
Other paid in capital	*37*	25 805	24 744
Issued capital		**72 235**	**71 167**
Retained earnings		**136 951**	**143 682**
Total equity		**209 185**	**214 849**
Non current liabilities			
Interest bearing loans	*41*	79 474	40 690
Total non current liabilities		**79 474**	**40 690**
Current liabilities			
Accounts payable		6 277	10 397
Income tax payable	*31*	25 043	25 550
Provisions		500	350
Current liabilities	*39,42*	36 365	28 139
Dividends		109 885	82 256
Total current liabilities		**178 070**	**146 693**
Total liabilities		**257 543**	**187 382**
Total equity and liabilities		**466 729**	**402 231**

11.3 Cash flow statement

Cash Flow Statement *(amount in NOK 1 000)*	Note	2024	2023
Cash flow from operations			
Profit before tax		126 551	124 687
Income tax payable		-23 089	-22 914
Depreciation and amortisation expenses	*29*	13 023	12 599
Change in inventory	*34*	-8 541	-29 337
Change in accounts receivable	*33*	9 117	21 898
Change in accounts payable		-4 120	-7 627
Change in other accruals		3 056	-2 380
Net cash from operating activities		**115 996**	**96 925**
Investing activities			
Purchase of property, plant and equipment	*29*	-6 067	-8 976
Intangible assets	*29*	-17 259	-13 327
Net cash from investing activities		**-23 326**	**-22 303**
Financing activities			
Dividend	*37*	-82 414	-82 180
Change in treasury shares	*37*	1 068	6 009
New loan		33 071	-
Net cash from financing activities		**-48 275**	**-76 172**
Cash and cash equivalents			
Net change in cash and cash equivalents		44 395	-1 548
Cash and cash equivalents as of 01.01		82 485	84 033
Cash and cash equivalents end of period		**126 879**	**82 485**
Available cash and cash withholding			
Available cash and cash equivalents of period	*35*	121 232	76 833
Cash withholding for taxes	*35*	5 648	5 652
Cash and cash equivalents end of period		**126 879**	**82 485**

11.4 Accounting principles

The financial statement and notes are according to Norwegian GAAP, Norwegian accounting law and according to best practice within Norwegian GAAP.

Sales revenue

Sales revenue is recognized in the profit and loss on the date of delivery and when the major risk and ownership of the product have been transferred to the customer. Systems and probes are recognized as revenue when the goods are shipped from Medistim ASA and the risk and ownership is transferred to the distributor or end customer. The same is the case for sale of procedures for quality control of cardiac surgery and other third-party products. Services are recognized as revenue at the time the service is performed.

Current assets and current liability

Current assets and current liability are defined as items that are due for payment within one year at the last day of the accounting year, and items defined as working capital. Current assets are evaluated at the lowest of cost and net sales value. (The lowest value principle).

Fixed assets and non-current liability

Fixed assets are defined as property for non-current use. Fixed assets are valued at cost in the balance sheet and depreciated of the expected economic lifetime. Fixed assets are written down to real value if the reduction in value is expected to be permanent. Write down is reversed if the basis for the write down no longer exists.

Shares in subsidiaries

Shares in subsidiaries are valuated according to cost. Shares in Medistim Norge AS, Medistim US Inc, Medistim Denmark Aps, Medistim UK Ltd, and Medistim Deutschland GmbH are owned 100 %. The shares are recorded at cost or written down to real value if real value is assumed to be the lowest and that it is permanent. Dividend and group contributions are recognized as revenue in the holding company as financial revenue in the year that it has been accrued given that Medistim had the ownership of the shares in this period.

Foreign currency

Balance sheet items in foreign currency are valued at the exchange rate on the balance sheet day. Sales revenue is recorded at the exchange rate that was at the time of the sale. Unrealized gains or losses on hedging contracts are recorded in the profit and loss.

Inventory

Inventory is valued at the lowest of cost (FIFO principle) and net sales value (lowest value principle). For components, the lowest of historic cost and current price is used to value the component inventory.

Work in progress and finished goods

Cost for finished goods includes direct cost and a portion of indirect and fixed production cost. Basis for the allocated cost to the products is a normal production situation. Goods in progress are valued at the component cost price.

Accounts receivables

Account receivables and other receivables are recorded in the balance sheet at par value with deduction for estimated losses. The accrual for losses is based upon a separate evaluation in each case. In addition, there has been made an unspecified accrual on receivables to cover expected losses. The same evaluation is made for other receivables.

Taxes

Tax cost in the income statement includes payable tax for the current accounting year and changes in temporary differences that are due for payment the coming accounting year. Temporary differences occurs using the tax rate by the end of the accounting year (22 %) and comparing tax increasing or tax reducing temporary differences between accounting values and tax values. Tax increasing or reducing temporary differences that can be reversed in the same period is recorded at net value. Deferred tax asset is recorded if it is likely that the company will be able to utilize the tax asset.

Pension liabilities

All employees have a contribution pension plan.

Share based payments

The Group has a share-based payment scheme for its CEO, the program is measured at fair value at grant date. The share-based payment for the company's top leader is a scheme by issuing shares. For transactions that are settled in equity instruments (arrangements by issuing shares), recognize the value of shares granted during the period as a compensation expense in the income statement and a corresponding additional paid-in capital.

Research and development

The activities in the development department are split in 3 categories. These are maintenance, general research and development of new products. Maintenance and general research is expensed in the P & L while new products are recorded as an asset and depreciated over expected lifetime. When recorded as an asset it is expected that revenues from the product will exceed capitalized amounts. An immaterial asset that is acquired, or other immaterial assets that are developed, are recorded as an asset in the balance sheet if they are identifiable and that it is likely to give future economic benefits. The asset is amortized over the expected economic lifetime of the asset. The values of the assets are evaluated yearly and if the book value exceeds future economic benefit the asset is written down. The evaluation is performed by the management in the company.

Cash flow analysis

The cash flow analysis is prepared using indirect method. Cash is defined as cash in bank and other financial assets that are due within 3 months after it is acquired.

Other financial assets

Shares and other financial assets are evaluated at the lowest of cost and market value. The company enters hedging contracts in USD and EUR. The value of the contracts is based upon the exchange rate at the balance sheet day and a change in value is recorded in the P & L.

Accruals

Obligations and accruals are made if it is more than 50 % likely that the obligation is real. Best estimate is used to estimate the obligation.

11.5 Notes to the accounts

NOTE 26 GEOGRAPHIC SPLIT OF SALES

Geographic split of sales *(amount in NOK 1 000)*	**2024**	**2023**
USA	142 127	131 137
Asia	46 695	82 984
Europe	147 213	112 527
Rest of the World	18 013	14 376
Total revenue	**354 048**	**341 024**

For 2023, other income amounted to TNOK 16 968, where TNOK 3 264 was income related to services towards subsidiaries and TNOK 13 704 was management fee. For 2024 other income amounted to TNOK 20 396 where TNOK 4 111 was services towards subsidiaries and TNOK 16 284 was management fee.

NOTE 27 COST OF MATERIAL

Cost of material *(amount in NOK 1 000)*	2024	2023
Change of inventory of finished goods Medistim products	483	-18 534
Raw materials and components used	-9 025	-12 092
Purchace of raw material and components	71 940	97 209
Total cost of material	**63 399**	**66 583**

The inventory change related to salary is included under “Change of inventory of finished goods”. Similarly, change in obsoletions is included under “Materials and components used”.

NOTE 28 SALARIES AND OTHER BENEFITS

Salaries and other benefits *(amount in NOK 1 000)*	2024	2023
Salary	82 599	75 400
Social taxes	13 375	13 700
Other salary and social expenses	-1 194	260
Total salary expenses	**94 780**	**89 360**

The total number of employees was through the year 108. Medistim has a pension plan for all its employees. This is a contribution plan that covers 5 % of salary up to 7.1 G and 8 % of salary for G between 7.1 and 12. 1G is the base amount (NOK 124 028) in the social security system. The cost for the contribution plan was in 2024 TNOK 4 470, while it was TNOK 4 208 in 2023. It is compulsory by law for the company to have a pension plan for its employees. The pension plans in the company fulfill the obligation in the law.

COMPENSATION AND BENEFITS TO THE MANAGEMENT GROUP IN 2024

Management	Position	Salary	Bonus	Pension	Share based compensation	Other	Total
Hæge Johanne Krogh Wetterhus	VP Marketing	1 532 492	178 476	116 173	-	15 532	**1 842 673**
Anne Waaler	VP Medical	1 538 604	208 963	93 499	-	31 496	**1 872 561**
Roger Reino Morberg	VP Sales APAC	1 926 097	-	109 719	-	40 706	**2 076 523**
Erik Swensen	VP Development	1 552 545	110 012	105 952	-	4 480	**1 772 989**
Tone Ann Veiteberg	VP QA\Reg	1 345 238	190 847	85 507	-	4 480	**1 626 072**
Stephanie d'Avout Stenhagen	VP Sales EMEA	1 432 563	140 106	104 438	-	32 724	**1 709 831**
Helge Børslid	VP Operations	1 444 589	152 558	99 469	-	6 322	**1 702 938**
Ole Arne Eiksund	Busines development	1 446 643	205 373	99 878	-	22 679	**1 774 572**
Håkon Grøthe	VP Innovation	1 521 907	206 310	97 842	-	24 128	**1 850 187**
Kari Eian Krogstad	CEO Medistim group	3 341 915	-	111 031	1 926 000	16 146	**5 395 092**
Thomas Jakobsen	CFO Medistim Group	2 142 690	-	106 970	-	8 164	**2 257 824**
Total compensation and benefits		**19 225 282**	**1 392 645**	**1 130 478**	**1 926 000**	**206 857**	**23 881 262**

There are no special agreements towards any in the management team in case of leaving the company. All in the team has a two-way arrangement of 3 months' notice. There are no options to employees or members of the Board except for CEO. The CEO will receive up to 24 500 shares as part of compensation if in position in 2026. Bonus paid in 2024 was based upon 2023 results.

In relation to the share program for management except CEO, following members of management participated in the share program. See below schedule showing value of the shares, discount given and financing from the company to participate in the share program.

Under other benefits it is included an expense related to CEO share option. CEO receives shares over a time period if in position as CEO. The share program is described in the annual report under the chapter "salary and benefits to management and leading employees". The expense for the share option is calculated based upon the share price at the time of the granted option. The expense is distributed in equal rates over the vesting period. The share program is described in detail under *"Note 21 Related party transactions"* in the group accounts.

Compensation to the Board of Directors 2024 *(amount in NOK 1 000)*		Directors fee	Audit or remuneration committee
Chair	Øyvind Brøymer	500	20
Board member	Tove Raanes	290	50
Board member	Jon Helge Hoem	290	-
Board member	Ole Jesper Dahlberg	290	-
Board member	Anna Sofia Ahlberg	290	35
Board member	Peder Strand	290	15
Board member	Gry Dahle	290	-
Total compensation to the Board of Directors		**2 240**	**120**

Board member, Jon Hoem, received TNOK 92 for his contribution to strategy evaluations.

Compensation to auditor *(amount in NOK 1 000)*	2024	2023
Statutory audit	1 374	1 704
Other services	92	115
Total compensation to auditor	**1 466**	**1 819**

The amounts are without VAT

NOTE 29 ASSETS AND DEPRECIATION

Assets and depreciation *(amount in NOK 1 000)*	Plant & machinery	Equipment	Total fixed assets	Capitalized development	Total
Historic cost as of 01.01.2024	90 768	14 722	105 490	106 092	211 582
Additions	5 569	499	6 067	17 259	23 326
Historic cost as of 31.12.2024	96 337	15 221	111 557	123 351	234 908
Accumulated depreciation as of 01.01.2024	63 375	11 776	75 151	74 845	149 996
Ordinary depreciation	8 489	1 841	10 330	3 320	13 650
Reversed depreciation	-627	-	-627	-	(627)
Accumulated depreciation as of 31.12.2024	71 237	13 617	84 854	78 165	163 019
Book value at 31.12.2024	**25 100**	**1 603**	**26 704**	**45 186**	**71 889**

Plant and machinery is depreciated over 3 to 7 years on a straight-line basis dependent upon expected economic lifetime. Tools and equipment is depreciated over 3 to 5 years on a straight-line basis dependent upon expected economic lifetime.

Development cost is recorded as intangible assets when a project has reached technological feasibility and it is likely that it will result in a new product or improved product that has revenue potential that exceeds the investment. Maintenance of existing products is expensed. The investment is depreciated over 3 to 8 years dependent upon whether it is a new product or improvement of existing product. A new product that represents a new technological platform has a longer expected lifetime and for Medistim products this is 8 to 10 years. Product improvements on existing technological platform is replaced more rapid and is therefore depreciated over 3 years.

NOTE 30 RESEARCH AND DEVELOPMENT

In total MNOK 15.7 of the R&D expenses was recorded in the P&L in 2023. Similar expense was MNOK 16.4 in 2024. With MNOK 18.6 recognized as asset a total of MNOK 35 was used in R&D in 2024. Comparable number for 2023 was MNOK 29. Medistim received TNOK 309 in Skattefunn funds in 2023 and TNOK 1 381 in 2024. From Innovasjon Norge a support of TNOK 522 was received in 2023. The capitilized expenses in 2024 were related to the coronary and vascular products on the MiraQ platform.

NOTE 31 INCOME TAX AND TEMPORARY DIFFERENCES

Income tax and temporary differences *(amount in NOK 1 000)*	**2024**	**2023**
Current income tax charge for the		
Year before deferred tax asset is utilised	25 043	25 550
Change in deferred tax	-1 803	-317
Income tax expense reported	**23 240**	**25 233**
Reconciling income tax expense against profit		
Income tax expense for the year	23 240	25 233
22 % of profit before tax	27 841	27 431
Permanent differences	**-4 602**	**-2 198**
Specification of taxable income		
Profit before tax	126 551	124 687
Permanent differences	-20 917	-12 704
Change in temporary differences	8 196	2 712
Taxable profit	**113 790**	**114 695**
Payable tax in balance sheet		
Tax expense for the year	23 240	25 233
Change in deferred tax	-1 803	-317
Total payable tax	**25 043**	**25 550**
Specification of deferred tax asset		
Differences in accounting and tax values		
Fixed assets	-134	1 742
Current assets	-19 566	-13 454
Accrual for obligations	-277	-71
Total differences	**-19 977**	**-11 783**
Deferred tax asset 22 %	**4 395**	**2 592**
Deferred tax asset in balance sheet	**4 395**	**2 592**

Deferred tax asset in the balance sheet increased to MNOK 4.4 in 2024 from MNOK 2.6 in 2023. Deferred tax asset consists to temporary differences in valuation of assets. All deferred tax asset is recorded in the balance sheet as of 31.12.2024, since it is likely that the company will have future taxable income that will exceed temporary differences.

NOTE 32 SHARES IN SUBSIDIARIES

Medistim ASA has investments in the following subsidiaries:

Shares in subsidiaries *(amount in NOK 1 000)*

Unit	Country	Segment	Ownership	Balance sheet value 31.12.24	Profit in 2024
Medistim USA Inc.	USA	Lease and sale within bypass surgery and vascular surgery	100 %	135	6 121
Medistim Deutschland GmbH	Germany	Capital sales within bypass surgery and vascular surgery	100 %	188	7 128
Medistim Norge AS	Norway	Sale of third-party products and capital sales within bypass surgery and vascular surgery	100 %	36 954	11 746
Medistim UK LTD	UK	Capital sales within bypass surgery and vascular surgery	100 %	1	-345
Medistim Japan KK	Japan	Dornmat company	100 %	86	-
Medistim Canada Inc.	Canada	Capital sales within bypass surgery and vascular surgery	100 %	1	-2 713
Medistim China Ltd	China	Service provider for distributors in China	100 %	1 002	-64
Medistim Spain S.L	Spain	Capital sales within bypass surgery and vascular surgery	100 %	29	3 320
Medistim Danmark Aps	Denmark	Sale of third-party products and capital sales within bypass surgery and vascular surgery	100 %	-	1 428
Medistim Sweden AB	Sweden	Sale of third-party products and capital sales within bypass surgery and vascular surgery	100 %	-	-401
Total				**38 395**	**26 220**

Medistim Norge AS has a subsidiaries Medistim ASA owns indirectly through Medistim Norge AS in Denmark and Sweden. The company is named Medistim Denmark Aps and Medistim Sweden AB and is within the same segment as Medistim Norge AS.

Summary of financial information from subsidiaries all 100 % owned *(amount in NOK 1 000)*					
Unit	**Assets**	**Liability**	**Equity**	**Income**	**Profit**
Medistim USA Inc.	172 221	39 632	132 589	223 167	6 121
Medistim Deutschland GmbH	17 287	5 716	11 570	60 680	7 128
Medistim Norge AS	43 425	9 969	33 456	88 523	11 746
Medistim UK LTD	3 458	13 264	-9 806	4 317	-345
Medistim Japan KK	86	-	86	-	-
Medistim Canada Inc.	10 383	16 678	-6 295	13 993	-2 713
Medistim China Ltd	2 395	1 229	1 166	7 374	-64
Medistim Spain S.L	21 037	11 436	9 602	27 242	3 320
Medistim Danmark Aps	4 117	2 525	1 592	9 921	1 428
Medistim Sweden AB	2 743	3 123	-381	8 698	-401
Total	**277 153**	**103 573**	**173 579**	**443 914**	**26 220**

Medistim Norge AS has offices in Oslo, Norway. Medistim USA Inc has offices in Minneapolis in the USA. Medistim Deutschland GmbH has offices in Munich in Germany, Medistim UK has offices in Nottingham in UK, Medistim Japan KK has offices in Tokyo and Medistim Denmark has offices in Copenhagen in Denmark. Medistim Spain S.L has offices in Madrid. Medistim Canada has offices in Toronto, Canada, Medistim China has offices in Guangzhou in China and Medistim Sweden has offices in Gothenburg, Sweden. Book value of goodwill related to the acquisition of Medistim Norge AS was as of 31.12.2024 TNOK 14 128. Goodwill at the time of acquisition was TNOK 16 097. None of the subsidiaries are listed at a stock exchange. Of Medistim UK's liability of TNOK 13 264, TNOK 7 587 is a non-current liability towards Medistim ASA. The liability is part of a cash transfer to finance and establish the company in UK. Interest has been charged on this liability. Medistim ASA received from its Norwegian subsidiary a dividend of MNOK 12 in 2024. Medistim ASA has interest bearing liability towards Medistim US Inc of MNOK 79.5.

NOTE 33 ACCOUNT RECEIVABLES, OTHER RECEIVABLES AND FINANCIAL INSTRUMENTS

Accounts receivable *(amount in NOK 1 000)*	**2024**	**2023**
Accounts receivable	43 503	52 620
Provision for bad debt	-899	-899
Total account receivable	**42 604**	**51 721**

All receivables are due within one year. Losses in 2024 were TNOK 1 and losses in 2023 were TNOK 288. It is recorded an accrual of TNOK 899 to cover expected losses. Historically the company has small losses on receivables. Other receivables are shown in the following table.

Other Receivables *(amount in NOK 1 000)*	**2024**	**2023**
Prepayments	4 112	2 174
Prepaid taxes and VAT	2 437	2 788
Accrued revenue	24 708	18 772
Dividend subsidiaries	12 000	11 000
Other current receivables	3 968	-
Total other receivables	**47 224**	**34 734**
Financial instruments		
Unrealized gain hedging	-	3 389
Financial instruments	**0**	**3 389**

NOTE 34 INVENTORY

Inventory *(amount in NOK 1 000)*	**2024**	**2023**
Components	87 302	78 278
Finished goods	44 085	43 779
Inventory accrual	-8 806	-8 017
Total inventory	**122 580**	**114 039**

Finished goods are valued at production cost that includes cost for components and internal labor cost. Work in progress is valued at the total of the component cost. Inventory accrual is related to service inventory and demonstration inventory. The sales value of the products is assessed and found lower than historic cost. See the following table:

Specification of accrual *(amount in NOK 1 000)*	**2024**	**2023**
Demonstration units	2 622	2 151
Service parts	3 861	1 687
Other	2 323	4 180
Total specification of accrual	**8 806**	**8 017**

NOTE 35 CASH IN BANK

Restricted cash amounted to TNOK 5 648 as of 31.12.2024 and was related to tax withheld on salary paid to employees. The comparable amount as of 31.12.2023 was TNOK 5 652.

NOTE 36 SHAREHOLDER AFFAIRS

The company had 18 337 336 shares at par value of NOK 0.25 per share and total share capital amount to NOK 4 584 334 as of 31 December 2024. There is only one class of shares, and all shares are treated equally. Each share represents one vote.

Change in issued share capital in 2024	Number of shares	Par value per share	Share capital in NOK
Share capital 01.01.2024	18 337 336	kr 0,25	kr 4 584 334
Changes			
Share capital 31.12.2024	**18 337 336**	**kr 0,25**	**kr 4 584 334**

The Board of Directors received by the shareholders meeting the 24th of April 2024 permission to purchase up to 1 833 733 Medistim ASA shares at par value NOK 458 433. The permission is valid until the next ordinary general assembly in 2024 in the price range of NOK 0.25 to NOK 500 per share. Further the Board of Directors got permission to increase share capital with NOK 458 433 or issue 1 833 733 new shares at par value NOK 0.25. The permission can be used if there is a decision to enter into a merger, acquire another company or to create an option program. The permission is valid until the next ordinary shareholders meeting in 2024. See below for changes in the equity for the last year.

Status for the permissions as of 31.12.2024	Capital increase	Medistim shares
Permission given at the shareholders meeting in 2024	18 337 336	18 337 336
Permissions used	-	-
Status for the permissions as of 31.12.2024	**18 337 336**	**18 337 336**

The company owned 55 617 Medistim shares as of 31.12.2023. Number of Medistim shares by 31.12.2024 was 23 117.

Shareholder structure

20 Largest Shareholders

Shareholder	Number of shares	In % of total	Country
ACAPITAL MEDI HOLDCO AS	1 900 219	10,36 %	Norway
FLØTEMARKEN AS	1 285 000	7,01 %	Norway
State Street Bank and Trust Comp	1 249 576	6,81 %	United States
VERDIPAPIRFOND ODIN NORDEN	1 180 000	6,43 %	Norway
FOLLUM INVEST AS	970 000	5,29 %	Norway
State Street Bank and Trust Comp	890 961	4,86 %	United States
Skandinaviska Enskilda Banken AB	813 801	4,44 %	Sweden
VERDIPAPIRFONDET HOLBERG NORGE	684 414	3,73 %	Norway
ODIN Small Cap	600 000	3,27 %	Norway
State Street Bank and Trust Comp	549 946	3,00 %	United States
J.P. Morgan SE	517 566	2,82 %	Luxembourg
The Northern Trust Comp, London Br	440 375	2,40 %	United Kingdom
SKANDINAVISKA ENSKILDA BANKEN AB	413 146	2,25 %	Luxembourg
BUANES ASBJØRN JOHN	383 277	2,09 %	Norway
Skandinaviska Enskilda Banken AB	355 802	1,94 %	Sweden
SKANDINAVISKA ENSKILDA BANKEN AB	337 332	1,84 %	Luxembourg
J.P. Morgan SE	330 000	1,80 %	Luxembourg
BNP Paribas	277 535	1,51 %	Luxembourg
The Bank of New York Mellon SA/NV	268 000	1,46 %	Belgium
BNP Paribas	263 705	1,44 %	France
Total 20 largest shareholders	**13 710 655**	**74,77 %**	
Total number of shares outstanding	**18 337 336**		

The shareholders in the company for the management group and board member, were as of 31.12.2024:

Board members and management team with shares in the company			
Shareholder	**Number of shares**	**In % of Total**	**Position**
Tove Raanes via Trane AS	1 990	0.01 %	Board Member
Roger Morberg	16 259	0.09 %	VP Sales APAC
Erik Swensen	10 994	0.06 %	VP Development
Thomas Jakobsen	30 526	0.17 %	CFO
Kari Eian Krogstad	47 083	0.26 %	CEO
Øyvin A. Brøymer (Fløtemarken AS)	1 285 000	7.01 %	Chair
Anne Waaler	2 440	0.01 %	VP Medical
Håkon Grøthe (Grøten Invest AS)	7 821	0.04 %	VP Innovation
Stephanie d'Avout Stenhagen	2 784	0.02 %	VP Sales EMEA
Ole Dalhberg	1 240	0.01 %	Board member
Tone Veiteberg	1 990	0.01 %	VP QA\Regulatory
Hæge Wetterhus	1 591	0.01 %	VP Marketing
Ole Arne Eiksund	5 872	0.03 %	CBDO
Anna Ahlberg	400	0,002 %	Board Member
Jon Helge Hoem	125	0.001 %	Board Member

There were no share options outstanding as of 31.12.2024 except from the share program to CEO described in *"8.12 Remuneration of executive personnel"* and *"Note 21 Related party transactions"*

NOTE 37 CHANGE IN EQUITY

Change in Equity *(amount in NOK 1 000)*	Share capital	Treasury shares	Share premium	Other paid in capital	Retained earnings	Total
Equity 31.12.2023	4 584	(13)	41 852	24 744	143 683	214 849
Change in equity:						
Change in treasury shares	-	8	-	1 060	-	1 068
Other corrections	-	-	-	-	(158)	(158)
Profit for 2024	-	-	-	-	103 312	103 312
Dividend to shareholders	-	-	-	-	(109 885)	(109 885)
Equity 31.12.2024	**4 584**	**(6)**	**41 852**	**25 805**	**136 951**	**209 185**

Other corrections are shares issued between year end and the general meeting that decide the dividend based upon profit for 2024.

NOTE 38 FINANCIAL RISK

Change in exchange rates involves a direct and indirect financial risk for Medistim ASA. The company has revenue and expenses in EUR and USD where most revenue is in another currency and expenses mostly in NOK. Efforts are made to neutralize net exposure. Hedging contracts are evaluated to reduce exposure. The development in NOK towards USD and EUR is continuously monitored.

Unrealized gain or loss related to the contracts is recorded in the balance sheet and the change of the value related to the contracts is recorded in the profit and loss. By year end 2024 the company had zero hedging contracts in USD and in EUR. Medistim ASA had an ongoing contract during the year by 12 hedging contract in USD and EUR. The management and Board of directors evaluate the handling of risks related to exchange rates fluctuations continuously together with its professional advisers.

Gains and losses related to currency *(amount in NOK 1 000)*	2024	2023
Foreign Exchange gain	5 500	12 932
Foreign Exchange loss	11 080	8 594
Total gains and losses related to currency	**-5 580**	**4 338**

NOTE 39 SPECIFICATION OF CURRENT LIABILITIES

Specification of current liabilities *(amount in NOK 1 000)*	**2024**	**2023**
Employee withholding, social security taxes	17 283	16 204
Bonus and commission	2 600	2 058
Board compensation	2 488	2 236
Other	13 994	7 641
Total current liabilities	**36 365**	**28 139**

NOTE 40 OTHER OPERATING EXPENSES

Other operating expenses *(amount in NOK 1 000)*	**2024**	**2023**
Office rental	10 226	9 193
Travel expenses	4 103	5 147
Marketing	4 382	3 212
Consultancy fee	24 819	21 316
Insurance	2 095	1 018
Freight	1 593	1 254
Communication	20 062	18 232
Other	5 272	5 086
Total other operating expenses	**72 552**	**64 457**

NOTE 41 NON-CURRENT LIABILITY AND LOAN SECURITY

Medistim ASA have MUSD 7 as longterm liability against Medistim USA. No security or covenant related against the liability.

Medistim ASA has a credit facility of MNOK 6.0 to enter foreign currency hedging contracts. The facility represents 10 % of the total value the company can sign up contracts for. As security for the facilities are assets, accounts receivable and inventory with MNOK 10. Book value of secured items was as of 31.12.2024 MNOK 25.3 for assets, MNOK 65.6 for accounts receivables and MNOK 122.6 for inventory.

NOTE 42 RECEIVABLES AND LIABILITY TOWARDS SUBSIDIARIES

Receivables and liability toward subsidiaries *(amount in NOK 1 000)*	**2024**	**2023**
Other long term receivable	8 723	7 588
Account receivable	32 389	30 485
Other receivable	35 326	29 772
Account payable	67	67
Non-current liability	79 474	40 690
Total Receivables and liability towards subsidiaries	**-3 102**	**27 088**

NOTE 43 EVENTS AFTER 2024

The Board of directors has no knowledge about events after 2024 that will affect the annual report and financial statement for 2024. Statement pursuant to section 5-5 of the Securities Trading Act.

Declaration from the Board of Directors

We hereby confirm that the annual accounts for the group and the company for 2024 to the best of our knowledge have been prepared in accordance applicable accounting standards and give a true and fair view of assets, liabilities, financial position and profit and loss for the group and the company as a whole. The director's report give a true and fair view over development and performance of the business and the position of the group and the company, and a description of principal risk and uncertainties facing the group.

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.

ALTERNATIVE PERFORMANCE MEASURES

Alternative performance measures, concepts and abbreviations

Alternative performance measures are used by investors, securities analysts and other interested parties. The intention with the alternative performance measures is to provide a better overview of achieved results and development in the company. In addition, concepts and abbreviations that are relevant for the branch Medistim operates in is explained in the following list. The company has referred to these measures over many years and has continued to do so to be consistent.

Since Medistim develops its own products it is a point to put focus on how much is used within R & D. High values of intangible assets could result in a one time expense if the impairment test fail, and is highlighted for this reason. The company's exposure to foreign currency, the regulatory regime that forces the company to secure end of life parts and international customers with longer credit time, makes it useful to have measures for currency neutral development and changes in working capital. Below is the list of alternative performance measures, concepts and abbreviations Medistim uses in its reporting.

Alternative performance measures	
Profit before R&D, depreciation & 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 expenses. Corresponds to operating profit before depreciations and amortization expenses.
EBIT:	Earnings before interest and taxes. Corresponds to operating profit.
Currency neutral growth:	Compares this years 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
Concepts and abbreviations	
VeriQ:	Medistim's 3rd Generation system platform
MiraQ:	Medistim's 4th generation system platform
TTFM:	Transit time flow measurement
Vascular Surgery:	Surgery involving veins and arteries in the body except on the heart
CABG:	Coronary Artery Bypass Surgery
REQUEST:	Registry for Quality Assessment with Ultrasound imaging and TTFM in Cardiac Bypass surgery. A study initiated by Medistim ASA to collect data regarding the combined use of ultrasound imaging and TTFM.
HFUS:	High-frequency Ultrasound
CIDAC:	Comparison of intraoperative duplex ultrasound and angiography after Carotid Endarterectomy
NICE:	British National Institute for Health and Clinical Excellence; an organization that recommends standard of care within healthcare.
AATS:	The American Association for Thoracic Surgery
ESC:	European Society of Cardiology
STS:	Society for Thoracic Surgery - an American organization focusing on thoracic surgery
EACTS:	European Association for Cardio-Thoracic Surgery - a European organization focusing on Thoracic surgery
ASCVS:	Asian Society for Cardiovascular and Thoracic Surgery - an Asian organization focusing on cardiovascular surgery
ICC:	International Coronary Congress - an organization that focuses on CABG surgery

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 *(amount in NOK 1 000)*	2024	Revenue 2024 with 2023 rates
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**

Return on invested capital (ROIC) *(amount in NOK 1 000)*	2020	2021	2022	2023	2024
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 %**

Reconciliation of working capital: *(amount in NOK 1 000)*	31.12.2024	FY 2023
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**

Oslo, April 8th, 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.

Bygdøy allé 2
PO Box 1704 Vika
0121 Oslo, Norway
www.bdo.no

Independent Auditor's Report

To the General meeting of Medistim ASA

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Medistim ASA.

The financial statements comprise:	In our opinion:
• The financial statements of the parent Company, which comprise the balance sheet as at 31 December 2024, income statement and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and • The financial statements of the Group, which comprise the balance sheet as at 31 December 2024, and income statement, statement of comprehensive income, statement of changes in equity and cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.	• The financial statements comply with applicable statutory requirements, • The accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway. • The accompanying financial statements give a true and fair view of the financial position of the Group as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the Audit Committee.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other 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 opinion.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of Medistim ASA for 15 years from the election by the general meeting of the shareholders on May 2009 for the accounting year 2009 (with at renewed election on the April 2023).

Key Audit Matters

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

Description of the key audit matter	**How the key audit matter was addressed in the audit**
Revenue recognition: The Group operates with three distinct sales categories as described further in note 1 in the annual report. The complexity arising from these different sales categories, particularly in assessing potential IFRS 15 and IFRS 16 implications, has been a key area of focus in our audit. Timing of when the performance obligation is considered fulfilled is not solely dependent on the sales model but is instead driven by the specific terms of delivery and the customer contracts. The Group applies different revenue recognition points depending on the nature of the transaction, described as followed: 1. Sale of products developed and produced by Medistim in Asia, the USA, and most of Europe, as well as smart cards under the leasing model, are primarily recognized as revenue at point in time when the goods are shipped from the Group's warehouses. 2. Sale of products developed and produced by Medistim sold in Germany and third-party products are recognized at point in time when the goods are received at the customer's warehouse. 3. Leasing revenue from system leases is recognized on a straight-line basis over the lease term. Leasing revenue from payments per procedure is recognized in line with the use of the equipment and the probes.	We have assessed the appropriateness of management's revenue recognition policies and the application of these policies. Our work included review and evaluation of procedures and systems related to the Company and Group revenues. We have obtained an understanding of the relevant internal controls and tested these controls, as well as performed additional tests to verify that the revenue recognition has been performed in accordance with the policies described. Furthermore, we have assessed the adequacy of the description of the Group's policies for revenue recognition in the notes to the financial statements. We refer to Note 1 to the consolidated financial statements.

Other information

The Board of Directors and the Managing Director (management) are responsible for the other information. The other information comprises the Board of Directors' report and other information in the Annual Report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we 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.

Opinion on the Board of Directors' report

Based on our knowledge obtained in the audit, in our opinion the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

Management is responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation of the financial statements of the Group that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU. Management is responsible for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements of the Company use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations. The financial statements of the Group use the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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 financial statements.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to:
https://revisorforeningen.no/revisjonsberetninger

Report on compliance with requirement on European Single Electronic Format (ESEF)

Opinion

As part of the audit of the financial statements of Medistim ASA we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file 5967007LIEEXZXJOX483-2024-12-31-en.zip, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format and iXBRL tagging of the consolidated financial statements.

In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF Regulation.

Management's responsibilities

Management is responsible for the preparation of the annual report in compliance with the ESEF Regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.

Auditor's responsibilities

For a description of the auditor's responsibilities when performing an assurance engagement of the ESEF reporting, see: https://revisorforeningen.no/revisjonsberetninger

BDO AS

Erik H. Lie
State Authorised Public Accountant
(This document is signed electronically)

Signaturene i dette dokumentet er juridisk bindende. Dokument signert med "Penneo™ - sikker digital signatur". De signerende parter sin identitet er registrert, og er listet nedenfor.

"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

Lie, Erik Helge
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