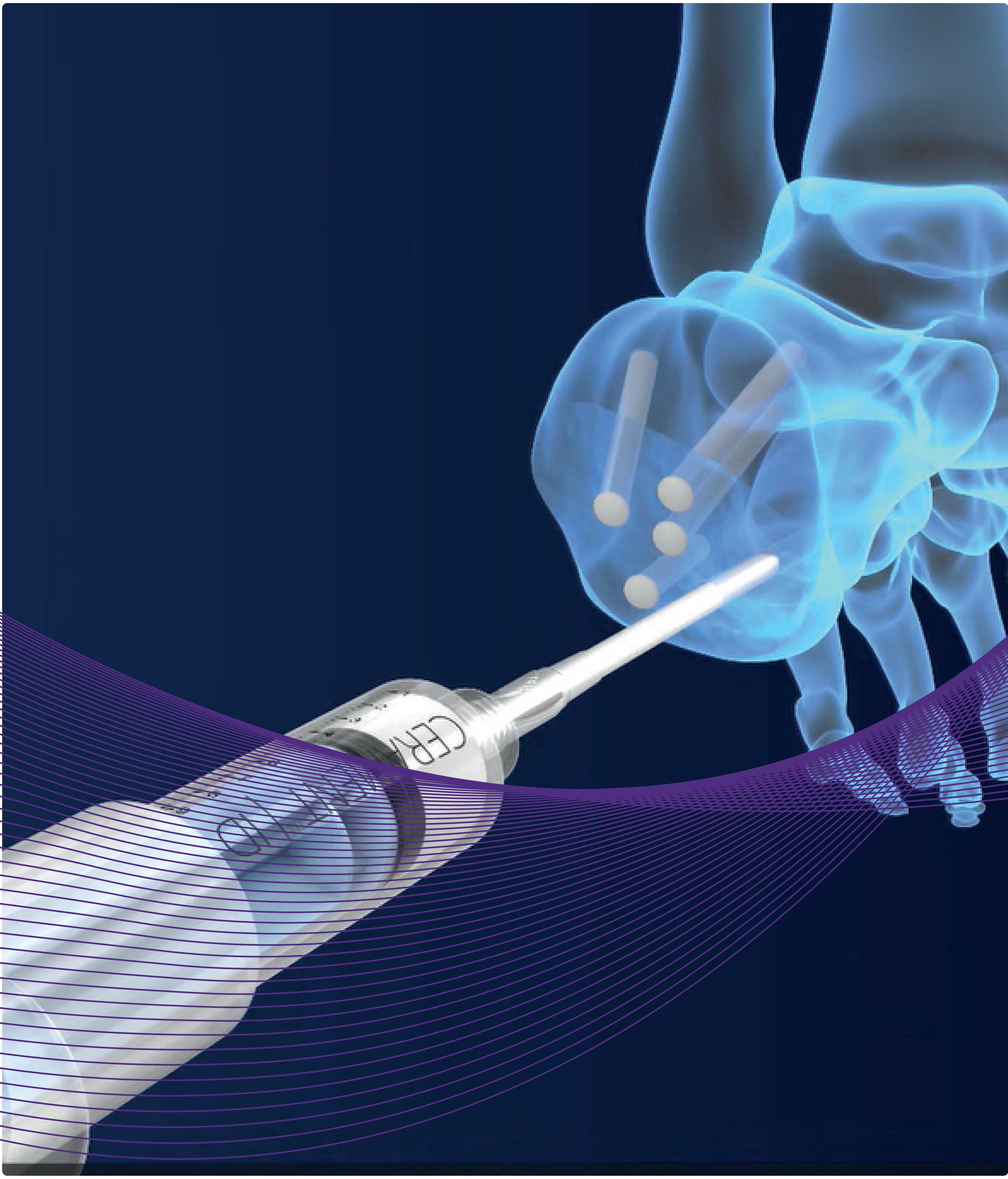


ANNUAL REPORT

2024

BONESUPPORT™

BONESUPPORT™ is a fast growing orthobiologics company that focuses on innovative products for the treatment of bone disorders. The Company develops and sells injectable bio-ceramic bone graft substitutes based on its CERAMENT® platform, which remodels to bone and has the ability to release pharmaceuticals to promote healing.

BONESUPPORT markets and sells CERAMENT®|BONE VOID FILLER (BVF), CERAMENT®|G and CERAMENT®V, and is developing pre-clinical product candidates that are designed to promote bone regrowth. BONESUPPORT's products focus on trauma, revision arthroplasty (replacement of joint prostheses), chronic osteomyelitis (bone infection) and foot and ankle surgery.

BONESUPPORT has its registered office in Lund, Sweden, and is listed on Nasdaq Stockholm. Net sales in 2024 amounted to SEK 899 million (591) and the Company had 139 (118) employees at year-end.

TABLE OF CONTENTS

The Company's formal annual accounts and consolidated accounts are included on pages 9–51 in this document.

2024
IN BRIEF

FINANCIAL RESULTS

Sales **899** SEKm	Net sales amounted to SEK 899 million (591).
Sales growth **52** %	Net sales increased by 52% in constant exchange rates. The North America segment increased by 63% in constant exchange rate The EUROW segment increased by 22% in constant exchange rates.
Margin **93** %	The gross margin was 93% (92).
Profit **204** SEKm	Adjusted operating profit[1] amounted to SEK 204 million (54).
Earnings/share **2.04** SEK	Earnings per share before dilution were 2.04 SEK (3.77).

1 Alternative performance measures, see definitions on Page 60.

STRONG SALES GROWTH LAYS THE FOUNDATION FOR CONTINUED EXPANSION

The year 2024 was very successful for BONESUPPORT, characterized by strong growth and significant clinical and regulatory advancements that further strengthened our emerging position within orthobiology. We continued to build on the CERAMENT platform and carried out important initiatives to expand our global market presence.

One of the most significant events of the year was the presentation of the very good top line results from the SOLARIO study, which demonstrates the benefits of CERAMENT G and CERAMENT V in reducing the need for systemic antibiotic therapy for bone infections. The study results have the potential to change treatment practices on a global basis and are additional evidence of the clinical benefit that our technology offers to both patients and healthcare systems. In addition, in December, clinical results were published showing a dramatically improved survival rate when using CERAMENT G or CERAMENT V, in the treatment of bone infections in patients with diabetes, which is groundbreaking and of course extremely gratifying.

Sales grew sharply during the year to record sales of SEK 899 million, which corresponds to a growth of 52 percent compared to the previous year. The strong growth was driven by increased use of CERAMENT G in the US, as well as continued market share growth in virtually all markets.

The increase in sales is driven by physicians using CERAMENT on more and more patients as well as on a broader set of indications. In addition, the recruitment of new surgeons remains high. During the year, we also took an important regulatory step for CERAMENT G with the US Food and Drug Administration's authorization for the use in open fractures. This means that CERAMENT G is authorized to be used to repair bone injuries associated with open fractures, with antibiotic elution to prophylactically prevent infection. The approval is based on strong clinical data and opens a very large market segment. CERAMENT G now has detailed, peer-reviewed and published global clinical data from more than 1,400 patients. More and more surgeons have reached the point where they can conclude and document their early experiences with CERAMENT G, and the results mirror the strong benefits demonstrated in the large published clinical studies.

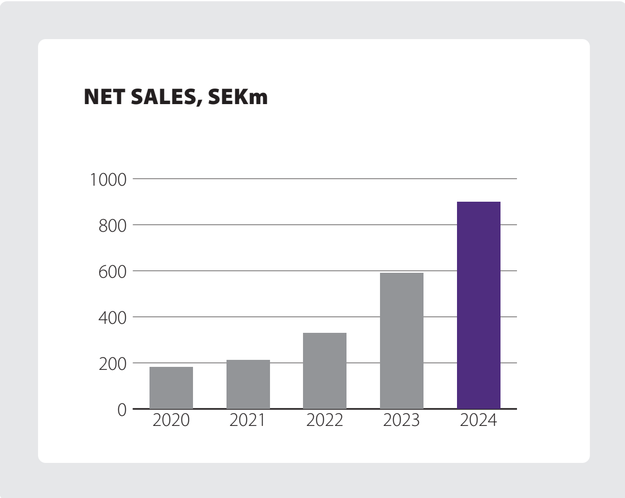
We also started preparations for the submission to the FDA for market approval of CERAMENT V in the US. The submission was made on April 1, 2025. Given the challenges of bone infections and the increasing need for rational antibiotic use, there is great interest in CERAMENT V. In the field of Spinal procedures, CERAMENT BVF received market approval in the US for Interbody Fusion in 2024. Since then, we have initiated several parallel preclinical application studies and expect results in early autumn 2025.

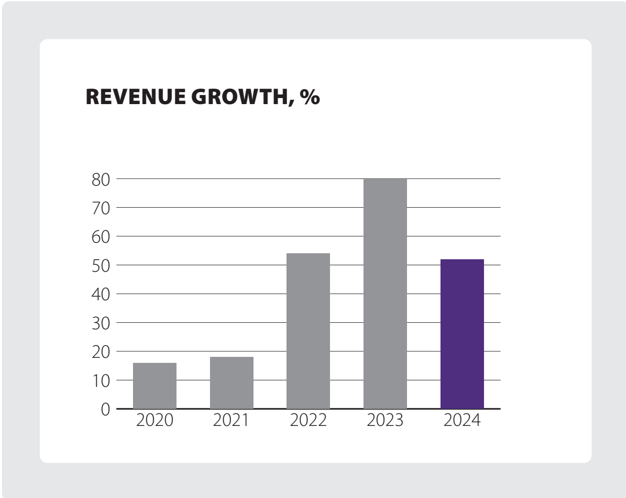
In conclusion, 2024 was an exceptional year for us. We saw not only strong sales growth, increasing market share, validation of therapeutic benefits in clinical studies, but also that BONESUPPORT established itself as a strong player in orthobiology. I would like to thank employees, customers, partners and shareholders for your commitment. With continued strong sales growth and a strong research and development program, we are well positioned to deliver on our vision of becoming a world leader in orthobiology. We are very optimistic about the future and look forward to continuing our work to improve the treatment of bone injuries and bone infections and contribute to better care and patient outcomes globally.

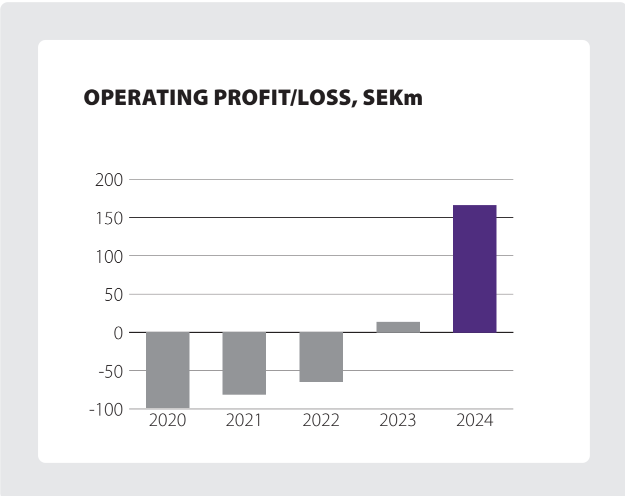
Emil Billbäck, CEO

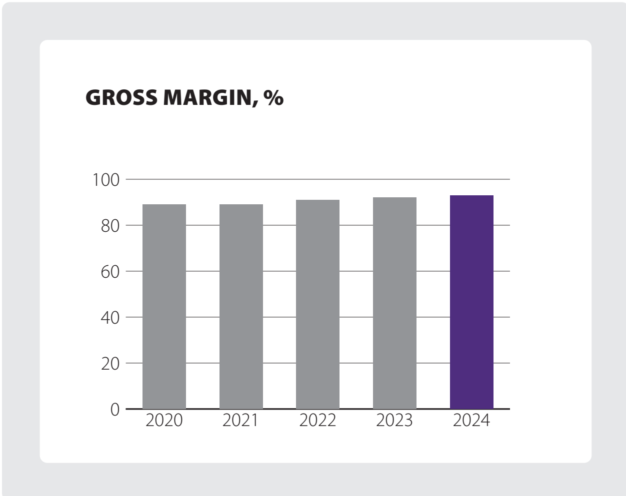
In 2024, sales rose sharply to a record turnover of SEK 899 million, which corresponds to a growth of 52 percent compared to the previous year.

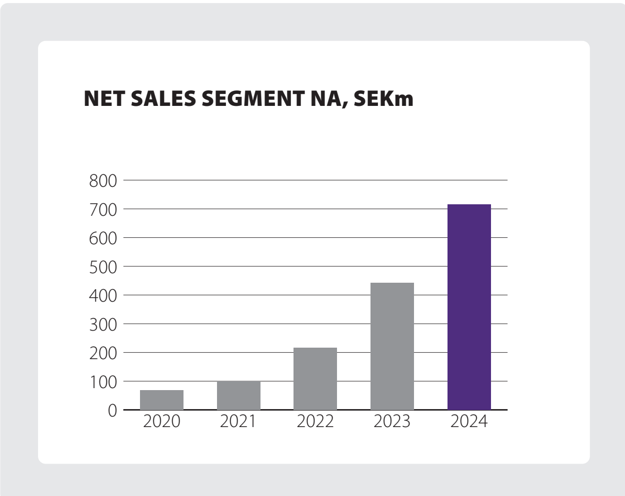
FIVE YEARS IN OVERVIEW

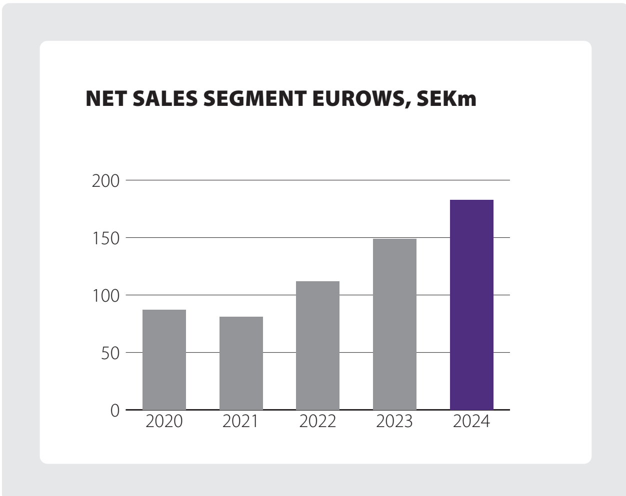












BONESUPPORT'S SHARE

BONESUPPORT has been listed on Nasdaq Stockholm since June 21, 2017 and since the beginning of 2024 on the Large Cap segment. The Company has ordinary shares (class A shares) and class C-shares. During 2024, the number of shareholders increased by 6,160 to 15,577 (9,418). The highest share price in 2024 was SEK 397.40 and the lowest was SEK 172.20. The closing price on December 31, 2024 was SEK 386.80.

SHARE CAPITAL AND NUMBER OF SHARES

On December 31, 2024, the share capital amounted to SEK 41,728 thousand (41,359) divided into 66,764,350 shares with an implied book value per share of SEK 0.625.

SHARE TURNOVER

In 2024, 43,018,255 shares were traded, representing an average turnover of SEK 46.6 million per trading day.

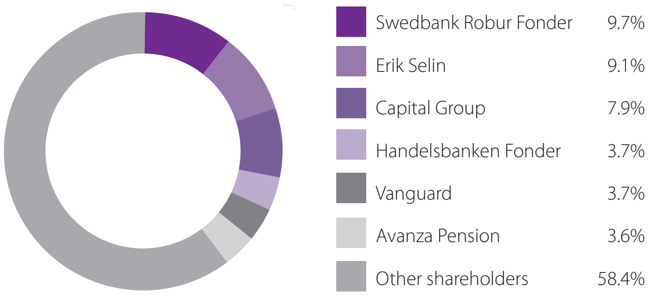
OWNERSHIP

At the end of 2024, BONESUPPORT had 15,578 (9,418) shareholders, with Swedish shareholders representing 55.9 percent of capital and 55.4 percent of votes.

DIVIDEND AND DIVIDEND POLICY

BONESUPPORT has so far not paid any dividends. Any future dividends and the size thereof will be determined on the basis of the Company's long term growth, earnings development and capital requirements, taking into account current targets and strategies.

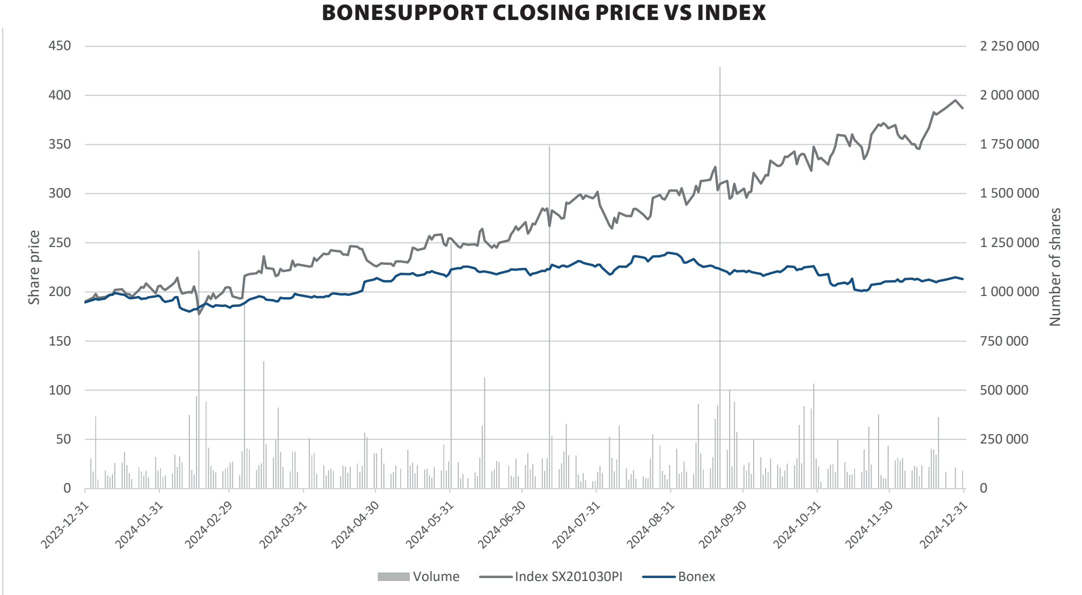
SHAREHOLDERS DECEMBER 31, 2024, % OF CAPITAL



DEVELOPMENT IN NUMBER OF SHARES

Date	Event	No. of shares
December 31, 2023	Opening balance	66,197,635
March 2024	Conversion of employee stock options to shares	1,875
March 2024	Issue of C-shares	486,840
March 2024	Conversion of 663,745 C-shares to ordinary shares	0
July 2024	Conversion of employee stock options to shares	6,000
July 2024	Conversion of 60,000 C-shares to ordinary shares	0
September 2024	Conversion of employee stock options to shares	18,000
November 2024	Conversion of employee stock options to shares	54,000
December 31, 2024	Closing balance	66,764,350

BONESUPPORT CLOSING PRICE VS INDEX



DIRECTORS' REPORT AND FINANCIAL STATEMENTS

DIRECTORS' REPORT

GROUP

GENERAL INFORMATION

BONESUPPORT HOLDING AB (publ), org.no. 556802-2171, registered in Lund, Sweden, is the Parent Company of BONESUPPORT AB who in turn is the Parent Company of the wholly owned subsidiaries in the US, United Kingdom, Germany, Sweden, Denmark, Switzerland, Spain, Italy and the Netherlands. BONESUPPORT is a rapidly growing orthobiologics company that primarily targets the major orthopedic markets in the US and Europe. BONESUPPORT was founded in 1999.

BONESUPPORT develops and commercializes innovative injectable bio-ceramic bone graft substitutes that remodel to the patient's host bone and have the ability to release drugs. BONESUPPORT's bone graft substitutes are based on the proprietary technology platform CERAMENT. To date, three primary commercial products have been commercialized:

- CERAMENT®|BVF (BONE VOID FILLER) injectable ceramic bone graft substitute that remodels to host bone.
- CERAMENT®|G injectable ceramic bone graft substitute that remodels to host bone and elutes Gentamicin during the critical first 30 days of bone healing. CERAMENT G constitutes a unique addition to the treatment and prevention of bone infection.
- CERAMENT®V injectable ceramic bone graft substitute that remodels to host bone and elutes Vancomycin during the critical first 30 days of bone healing. CERAMENT V constitutes a unique addition to the treatment and prevention of bone infection.

All three products are marketed in several markets in Europe and the rest of the world. In the US, CERAMENT BVF and CERAMENT G have been given US Food and Drug Administration (FDA) approval for use.

BONESUPPORT's strategy focuses primarily on continuing to increase sales of current products in existing and new markets, as well as generating additional clinical data through studies and health economic data (HEOR data) to highlight the benefits of CERAMENT.

BONESUPPORT has all the necessary skills to take a medical device from the research and development stage through sales to the end customers. Most of the production is outsourced to third parties. BONESUPPORT controls the product flow from supplier to customer.

The products are based on an innovative technology backed by a patent portfolio of 73 registered and/or pending patents. BONESUPPORT has approximately 20 years of documented experience of safety and efficacy with CERAMENT and estimates, based on sales data, that more than 140,000 treatments have been performed with its products worldwide. There is continued great market potential in the indications trauma, chronic osteomyelitis, foot & ankle/diabetic foot and the growing indication area of hip and knee revision (joint replacement). The Company's research focuses on further developing and refining the current technology and extending it to additional indications through the release of other drugs that promote bone healing.

Multi-year overview

	2024	2023	2022	2021	2020
Net sales, SEKm	898.7	591.1	328.8	212.9	180.9
Net sales growth, %*	52.0	79.8	54.5	17.7	16.3
Gross profit, SEKm*	832.3	540.9	297.7	189.7	161.6
Gross margin, %*	92.6	91.5	90.5	89.1	89.4
Operating result, SEKm	166.1	13.9	-64.5	-80.7	-98.6
Net profit/loss for the year, SEKm	133.8	245.0	-68.2	-85.5	-101.4
Earnings per share before dilution, SEK	2.04	3.77	-1.06	-1.34	-1.72
Earnings per share after dilution, SEK	2.01	3.74	-1.06	-1.34	-1.72
Operating cash flow, SEKm	65.8	-18.3	-47.0	-83.4	-100.3
Cash at year end, SEKm	227.0	167.4	201.3	206.5	353.7
Equity, SEKm	727.5	545.2	268.9	265.7	398.9
Net cash, SEKm*	212.4	149.9	183.8	185.0	343.3
Average number of employees**	127	105	90	92	86
Net sales per employee, SEKt**	7,077	5,629	3,654	2,314	2,103

*For definitions and calculations of Alternative Performance Measures, see Page 60.
**Expressed as average full-time equivalents.

SIGNIFICANT EVENTS IN 2024

- In March, the FDA announced that CERAMENT BONE VOID FILLER has been approved for use in Spine Inter Body Fusion (IBF) in the US.
- In March, the FDA announced that CERAMENT G was approved for use in open fractures in the US.
- In June, the results of an Australian study in the treatment of bone infection resulting from diabetes-related foot ulcers were presented. The results of the study show that the use of CERAMENT G or CERAMENT V not only significantly reduces the risk of amputation and surgical procedures, but also promotes effective healing and shorter hospital stays compared to the control group.
- CMS announced its proposal to extend NTAP for CERAMENT G in the US until September 2025.
- In September, the topline results from the SOLARIO study were presented, showing that patients with orthopedic infections, who are treated surgically with antibiotic-eluting bone substitute materials such as CERAMENT G and CERAMENT V, achieve equally good infection prevention with a short systemic course of antibiotics of a maximum of seven days, compared to current standard treatment that extends over at least four weeks.
- During the fourth quarter, in accordance with the decision made at the Annual General Meeting in May 2024, the Board of BONESUPPORT decided to utilize the authorization to enter into a share swap agreement with the Company's bank with the purpose of securing the Company's delivery of performance shares to the participants in the Long Term Incentive program that the Annual General Meeting had decided to implement. The share swap amounted to SEK 68.7 million.

REVENUES

Revenue is generated through three channels:

- A combination of sales activities performed by independent distributors and direct invoicing by the Company's subsidiary in the US
- Direct sales in six countries in Europe
- Sales through distributors in all other markets

During 2024, the focus has been on continued commercial development, including continued launch of CERAMENT G in the US, and development of the hybrid structure in Spain and Italy that was introduced during 2021. During the year, there has been ongoing evaluation of contracted distributors in order to optimize the market presence of CERAMENT and to ensure both geographical coverage and coverage for various indications.

Net sales amounted to SEK 898.7 million (591.1), an increase of 52 percent (52 percent at constant exchange rates[1]). The NA segment increased by 62 percent (63 percent at constant exchange rates) to SEK 715.9 million (442.4) and the EUROW segment increased by 23 percent (22 percent in constant exchange rates) to SEK 182.8 million (148.6).

SALES AND MARKETING

In the US, BONESUPPORT's products are distributed through the Company's distributor network, supported by its directly employed and specially trained US sales and marketing organization. The US commercial organization had 38 (30) employees at the end of the year.

At year end, in Europe, BONESUPPORT had direct sales with 29 (26) sales representatives in the UK, Ireland, Germany, Switzerland, Sweden, Denmark and the Netherlands. BONESUPPORT sells via distributors in among other places Finland, France, Ireland, Italy, Croatia, Norway, Poland, Spain and Austria. BONESUPPORT also sells through distributors in a small number of selected countries outside North America and Europe, such as South Africa and Australia. The Company has established a hybrid model in Italy and Spain, with qualified local staff from BONESUPPORT working side by side with the local distributors' sales representatives.

RESEARCH AND DEVELOPMENT

BONESUPPORT's clinical development program focuses on developing the Company's platform technology, CERAMENT. The unique properties of CERAMENT create opportunities to continuously broaden and expand the clinical application areas and utilize CERAMENT's drug-release capabilities through the development of combination products that primarily promote bone healing and protect against infection. One of the three pillars of BONESUPPORT's strategy is to deliver industry-leading scientific and clinical evidence that validates the many benefits of CERAMENT. Today, there is already a comprehensive and growing database with more than 350 research publications and abstracts of preclinical and clinical studies involving CERAMENT. Almost 2,000 patients have participated in clinical studies within current indication areas.

In 2024, the Company focused on developing evidence and compiling data in the strategically prioritized areas of Spinal Fusion and treatment of bone infection with CERAMENT V for future launches in the US. Parts of this work will continue in 2025. Top line data for the SOLARIO study, which the Company has supported through a clinical research grant to EBJIS (European Bone & Joint Infection Society), was presented in September 2024, and several independent, physician led studies have been published over the last year, further strengthening the evidence for the CERAMENT platform. The Company also plans to continue generating its own evidence and supporting third-party initiatives that can open up new application areas, as well as strengthen and expand established segments for CERAMENT. The focus, in addition to the future spine segment, is primarily on the established segments of trauma, foot & ankle/diabetic foot, and the growing segment of hip and knee revision, both in terms of bone healing and infection control.

SOLARIO study

The SOLARIO[2] study is a randomized open non-inferiority European multicenter study on 500 patients with orthopedic infection. In September 2024, the overall results from the study were presented, showing that patients treated surgically with antibiotic-releasing bone substitutes such as CERAMENT G and CERAMENT V achieved equally good infection prevention with a short systemic antibiotic course of up to seven days, compared to the previous standard treatment, which in the study was at least four weeks. Given that most patients received two or more antibiotics in parallel, this resulted in a total of 11,275 fewer antibiotic days in the shorter treatment arm. The group that received the shorter antibiotic treatment showed significantly fewer and milder side effects than the group with the longer antibiotic treatment. The results are expected to lead to a paradigm shift in the surgical treatment of bone infection, including reduced treatment time and costs for antibiotics, fewer side effects, better patient compliance, improved antibiotic use, and reduced risk of antibiotic resistance.

CERAMENT in trauma

Preclinical research. Several combinations with CERAMENT have previously been investigated to add osteoinductive properties, i.e. the ability to actively stimulate bone healing. Among other things, the Company has conducted research where CERAMENT has been combined with bisphosphonates. Bisphosphonates are a well-established substance used in the treatment of osteoporosis to inhibit osteoclast activity, resulting in improved bone healing and bone density. Preclinical research has shown that the addition of zoledronic acid to CERAMENT increases bone volume around screw implants in osteoporotic bone and that CERAMENT significantly improves the anchoring of implant screws[3].

Further preclinical research has shown that the combination of CERAMENT, zoledronic acid and bone morphogenetic protein-2 (BMP-2) can also be used in the reconstruction of large segmental defects as an alternative to bone grafting.

1 Alternative Performance Measures, see definitions on Page 60.
2 Dudareva M, Kumin M, Vach W, Kaier K, Ferguson J, McNally M, Scarborough M. 'Short or Long Antibiotic Regimes in Orthopaedics (SOLARIO): a randomized controlled open-label non-inferiority trial of duration of systemic antibiotics in adults with orthopaedic infection treated operatively with local antibiotic therapy.' Trials 2019; 20: 693. Awaiting publication.
3 Deepak, Bushan, Raina et al. 'A New Augmentation Method for Improved Screw Fixation in Fragile Bone.' Frontiers in Bioengineering and Biotechnology: Volume 10 | Article 816250 | March 2022.

Clinical evidence. CERTiFy[4], a randomized controlled study conducted at 20 trauma centers in Germany on 135 patients with tibial plateau fractures, shows that CERAMENT BVF achieves bone healing comparable to autograft (transplanted bone). Additionally, treatment with CERAMENT BVF led to significantly lower patient-reported post-operative pain and significantly less blood loss compared to autograft. The study, published in The Journal of Bone and Joint Surgery in December 2019, serves as an important vector for driving changes in standard of care.

In 2022, very strong results were presented from a long-term study[5] of CERAMENT G. A hundred patients treated at Nuffield Orthopaedic Centre, Oxford University Hospitals, for bone infection were followed for an average of six years. At the end of the study, it was concluded that:

- 94 percent of the patients remained infection-free.
- Within the first year after surgery, the fracture rate amounted to three percent. No further fractures thereafter.

In 2023, additional long-term data with CERAMENT G in connection with severe open fractures[6] were presented. Eighty-one patients with severe open fractures and significant tissue damage, who underwent a one-stage procedure with CERAMENT G at Manchester University Hospital, were followed for an average of 55.8 months after surgery. At the end of the study, it was concluded that 96.3 percent of patients avoided deep infection, avoided amputation and achieved bone healing within twelve months.

The results from these two studies, over a long follow-up period, confirm that treatment protocols with CERAMENT G remain highly effective for several years.

On going research. The French CRIOAc[7] Network has initiated CONVICTION, a randomized controlled trial to evaluate the efficacy of CERAMENT G in the treatment of osteomyelitis. The French Ministry of Health has decided to fund the study. A research grant from BONESUPPORT to partially finance the products used in the study, has been awarded.

The study evaluates the effectiveness of CERAMENT G in the treatment of osteomyelitis. The study is a national multicenter study and is being conducted by clinics that are part of the CRIOAc network.

CERAMENT for foot and ankle surgery

Diabetes is one of the fastest-growing chronic diseases globally, with more than one in eleven adults currently living with the condition. Approximately 3.2 percent of people with diabetes suffer from infected foot ulcers – a serious condition that often leads to severe complications, bone infection, and increased risk of amputation.

A clinical study by Vasukutty et al.[8], published in *The Diabetic Foot Journal*, showed that the use of CERAMENT G in combination with surgical debridement resulted in 94 percent of patients avoiding amputation. Data from Australia[9] published in 2024 showed that patients treated with CERAMENT G or CERAMENT V had an amputation rate of only two percent compared to 18 percent in the control group treated with standard care. The number of hospital days was significantly lower in the CERAMENT group; 12.5 days compared to 25.1 for the control group. Metaoy et al.[10] also showed in a recently published study significant clinical benefits of antibiotic-releasing CERAMENT G and CERAMENT V in the treatment of bone infections due to diabetes-related foot ulcers. The study included 105 patients and showed that survival in the CERAMENT group was 87.5 percent compared to only 44.9 percent ($p<0.00001$) for the standard treatment group, measured over five years. Additionally, significant improvements in infection control and reduced risk of reinfection and amputation were noted.

With an estimated global population of 1.3 billion diabetes patients by 2050, according to *The Lancet*[11], innovative treatment solutions like CERAMENT are crucial to meeting growing healthcare challenges and improving patients' quality of life. BONESUPPORT financially supports several physician-initiated studies in this area.

CERAMENT in hip and knee surgery

Periprosthetic joint infection (PJI) is a serious complication following knee and hip prosthesis surgery, with an incidence of approximately 1-2 percent after primary joint replacement surgeries. PJI can lead to severe consequences such as sepsis, prosthesis loosening, and the need for additional surgical interventions. The risk of periprosthetic joint infection after a previous revision surgery has an incidence of 7-19 percent and is associated with severe complications.

Logoluso et al.[12] demonstrated as early as 2016 in a prospective study that CERAMENT G can be used in conjunction with two-stage revision of infected hip and knee revisions. Ninety-five percent of patients were infection-free during the average follow-up period of 18 months (12-36 months).

At Charité University Hospital in Germany[13], a study has been conducted on one-stage revision with CERAMENT G in patients needing hip revision due to infection. Publication is expected in 2025.

CERAMENT in Spine surgery

Each year, approximately 1.5 million instrumented spinal surgeries are performed, including 750,000 Spinal Fusion procedures in the US.

4 Hofmann et al. 'Autologous Iliac Bone Graft Compared with Biphasic Hydroxyapatite and Calcium Sulfate Cement for the Treatment of Bone Defects in Tibial Plateau Fractures.' The Journal of Bone and Joint Surgery: Volume 102 - Issue 3 - p 179-193. February 2020.
5 McNally M et al. 'Mid- to Long-Term Results of Single-Stage Surgery for Patients with Chronic Osteomyelitis Using a Bioabsorbable Gentamicin-Loaded Ceramic Carrier.' The Bone & Joint Journal, 104-B.9, 1095–1100. September 2022.
6 Henry et al. ´Long-Term Follow-Up of Open Gustilo-Anderson IIIB Fractures Treated with an Adjuvant Local Antibiotic Hydroxyapatite Bio-Composite.' Cureus 15(5): e39103. May 2023.
7 CRIOAc (Reference Center for Osteoarticular Infections) is a healthcare network in France that is implemented through a nationwide health ministry program to improve outcomes in the management of bone and joint infections. Awaiting study finalization.
8 Vasukutty et al. 'Limb salvage surgery in diabetic foot infection: encouraging early results with a local antibiotic carrier.' The Diabetic Foot Journal. 2022;25(2):1–5. August 2022.
9 Chow et al. 'Definitive single-stage surgery for treating diabetic foot osteomyelitis: a protocolized pathway including antibiotic bone graft substitute use.' ANZ Journal of Surgery. May 2024.
10 Metaoy S, Rusu I & Pillai A. 'Adjuvant local antibiotic therapy in the management of diabetic foot osteomyelitis.' Clin Diabetes Endocrinol 10, 51. December 2024.
11 Liane K et al. 'Global, regional, and national burden of diabetes from 1990 to 2021, with projections of prevalence to 2050: a systematic analysis for the Global Burden of Disease Study 2021.' The Lancet, Volume 402, Issue 10397, 203 – 234. July 2023.
12 Logoluso et al. 'Calcium based, antibiotic-loaded bone substitute as an implant coating: a pilot clinical study.' J Bone Joint Infect. 2016;1:59-64. 2016.
13 CeraHip - Pilot study on the performance of single-stage cementless septic total hip arthroplasty (THA) with resorbable antibiotic-containing bone graft substitute. drks.de/search/en/trial/DRKS00024071. Awaiting publication.

In the area of Spinal Fusion, about 20 percent of procedures fail due to insufficient bone formation, and 2-6 percent of the total number of procedures become infected. An infection in the spine can have devastating consequences and often leads to very serious complications, which is why off-label use of local antibiotics is common. Market data indicates that local antibiotics are used in 40 percent of all spinal surgeries. During 2024, several preclinical studies have been initiated to develop practical application data, and the work continues during 2025.

HEALTH ECONOMICS

One of the largest challenges when introducing new and innovative healthcare treatment is to ensure that healthcare systems around the world understand the value of the treatment and include it in the care offered to the patient. BONESUPPORT undertakes a variety of activities to ensure that the Company's products are included in the remuneration systems where our products are marketed.

One of the obvious positive health economic benefits that comes from the clinical benefits CERAMENT offers is a reduced utilization of healthcare resources. A reduced number of re-infections and reduced amputation frequency as a result from treatment with CERAMENT G and CERAMENT V in a one-step procedure, naturally leads to fewer return visits and fewer surgeries. This, in turn, leads to reduced hospital stays. The significance of health benefits and the calculation models for evaluating the cost-effectiveness of health benefits differ between different healthcare systems.

In connection with the launch of CERAMENT G in the US, BONESUPPORT has been granted New Technology Add-on Payment (NTAP), providing enhanced reimbursement for new innovative surgical procedures in inpatient care. As of January 1, 2024, Transitional Pass-Through (TPT) payment has also been granted, offering increased reimbursement in outpatient care within the American Centers for Medicare & Medicaid Services (CMS). These programs are established to promote innovation and enhance access to groundbreaking treatments. TPT is active until December 2026.

Health economic model osteomyelitis US

In 2022, a cost-benefit analysis was conducted to assess the potential implications for the American healthcare system of transitioning to a single-stage procedure with CERAMENT G. The modelling, which is based on available clinical data as well as cost data from CMS, Centers for Medicare & Medicaid Services, was done in collaboration with national expertise in health economics and clinical orthopedics. The results were presented at the end of 2022, partly at the leading health economic conference ISPOR and partly at the SOMOS conference aimed at orthopedic surgeons. The analysis shows that a one-step procedure with CERAMENT G is a cost-effective strategy for treating bone infection compared to current US healthcare standards. When using CERAMENT G, instead of PMMA beads with antibiotics, the cost reduction is estimated on average to be about SEK 300 thousand (USD 27,943) per patient, over a period of two years, due to fewer surgeries and fewer surgical complications during and after procedures[14]. The analysis also shows improved quality of life for patients. It will be an important tool for communicating the value of CERAMENT G to, among others, private insurance companies.

CERAMENT G or CERAMENT V leads to reduced days of care in patients with bone infections[15]

The Nuffield Orthopaedic Centre (NOC) has shown that they have been able to reduce the degree of re-infection in osteomyelitis patients by 56 percent compared to their previous standard of treatment. In an analysis involving approximately 25,000 patients who underwent surgical treatment for osteomyelitis in 2013-2017, the patient group treated at NOC after the introduction of CERAMENT G or CERAMENT V in a one-step procedure was compared with patients cared for at other hospitals in England. The results presented in The Journal of Bone and Joint Infection[15] showed that CERAMENT G or CERAMENT V in a one-step procedure contributed to significantly improved patient outcomes. The hospital stay, in connection with osteomyelitis surgery and the following two years, were on average 16 days shorter for the group that received CERAMENT G and CERAMENT V at NOC. In addition, patients at NOC had a significantly lower risk of amputation (6.47 percent) compared to the Rest of England control group (12.71 percent). With the addition of CERAMENT G or CERAMENT V in the treatment of osteomyelitis, the total saving in the number of days of care associated with surgery and subsequent care, could amount to approximately GBP 44 million annually, calculated on 6,250 treated patients per year.

Reduced risk of deep infections with CERAMENT G and CERAMENT V

Another area where CERAMENT G and CERAMENT V can help reduce healthcare costs is in the treatment of serious trauma fractures. Open tibial fractures represent about 15 percent[15] of all tibial fractures and have a high incidence of infection, with no bone healing as a result. Bone infections often lead to great suffering for the patient and very high healthcare costs. In a Belgian study by Hoekstra et al.[16] of 358 patients, the cost of tibial fractures was studied. The study showed that healthcare costs for patients affected by a deep infection were on average five times higher than for those who did not get an infection, resulting in the cost of treatment increasing from EUR 9,500 to EUR 48,700. A recently published retrospective study from the Netherlands by Haidari et al.[17] points in the same direction. The study examined how the occurrence of fracture-related infections (FRI) in patients with severe bone fractures affects direct hospital costs. A total of 246 patients were included in the study, and 18.3 percent were diagnosed with FRI. A single occurrence of FRI tripled the direct hospital costs, while recurrent infection could result in sevenfold increased costs. The main reasons for the increased costs were longer hospital stays, more surgical procedures, and prolonged intravenous antibiotic treatment. The average cost of treating this type of trauma was EUR 25,000. There are a number of studies that show that CERAMENT contributes to cost-effective care by reducing the number of deep infections. One of these is a study by Henry et al.[18] on 81 patients with severe open

14 Carter M et al. 'EE240 Does Single Stage Surgery of Long Bone Infection Using Gentamicin-Eluting Bone-Graft Substitutes Result in Decreased Cost and Improved Quality of Life Compared to Traditional Approaches?' Value in Health 25.12 (2022): S100.

15 Ferguson J et al. 'A retrospective cohort study comparing clinical outcomes and healthcare resource utilisation in patients undergoing surgery for osteomyelitis in England: a case for reorganising orthopaedic infection services.' J. Bone Joint Infect., 6, 151–163.

16 Hoekstra et al. 'Economics of open tibial fractures: the pivotal role of length-of-stay and infection.' Health Econ Rev 2017; 7:32.

17 Haidari S et al. 'Costs of fracture-related infection: the impact on direct hospital costs and healthcare utilization. European Journal of Trauma and Emergency Surgery.' 09 April 2024 doi: 10.1007/s00068-024-02497-9

18 Henry, Joshua A et al. 'Long-Term Follow-Up of Open Gustilo-Anderson IIIB Fractures Treated with an Adjuvant Local Antibiotic Hydroxyapatite Bio-Composite.' Cureus vol. 15,5 e39103. 16 May. 2023, doi:10.7759/cureus.39103.

tibial fractures treated with CERAMENT G in a one-step procedure. In the study, with a mean follow up time of 55.5 months, three patient (3.7 percent) suffered from a deep infection compared with historical references of up to 52 percent incidence of infection. This shows that one-step treatment with antibiotic-eluting CERAMENT for open tibial fractures can effectively reduce the incidence of cost-driving infections.

STAFF AND ORGANIZATION

The average number of employees in 2024 was 128 (105) for the Group. Of these, 63 percent (68) worked within in Sales and marketing and 25 percent (27) within Research and development.

RESULTS

Gross profit

As a result of the increased net sales in North America, an increased gross profit of SEK 832.3 million (540.9) was reported, corresponding to a gross margin of 92.6 percent (91.5).

Operating expenses

Sales and marketing costs excluding sales commissions and fees increased to SEK 264.0 million (217.2). The increase is mainly due to an increase in sales staff and an increased activity level throughout the year, with a large focus on the launch of CERAMENT G in NA. Sales commissions and fees increased in line with sales growth by SEK 92.2 million to SEK 246.3 million (154.1). Research and development costs increased to SEK 76.0 million (57.1). Administrative expenses increased to SEK 99.0 million (90.3) and include costs within the framework of active incentive programs with SEK 37.7 million (40.1). Of the total operating expenses, depreciation amounted to SEK 7.8 million (7.8).

Operating profit

The reported operating profit amounted to SEK 166.1 million (13.9). The increase in sales contributed positively at the same time as operating expenses increased in comparison with the previous year, as a result of high activity level and the launch of CERAMENT G in the US. The operating profit included expenses for incentive programs amounting to SEK 37.7 million, compared with SEK 40.1 million previous year. The underlying improvement before effects from the Group's incentive programs amounted to 149.8 million.

Net financial items

Net financial items amounted to SEK 6.5 million (1.8).

During the fourth quarter, in accordance with the decision made at the Annual General Meeting in May 2024, the Board of BONESUPPORT decided to utilize the authorization to enter into a share swap agreement with the Company's bank with the purpose of securing the Company's delivery of performance shares to the participants in the Long Term Incentive program LTI 2024. A total of 200,000 shares were hedged at an average value of SEK 343.343 per share. The difference between fair value and the value in accordance with the agreement is included in financial items as a revenue of SEK 5.0 million.

Income tax

The tax expense amounted to SEK 38.9 million, compared to a tax income of SEK 229.3 million in the comparison period.

During 2023, the Company assigned a value for the first time to tax losses carried forward in the balance sheet. The deferred tax income regarding these tax losses carried forward and other temporary differences amounted to SEK 237.2 million during the comparison year.

Net profit for the year

For the reasons described above, the net profit for the year amounted to SEK 133.8 million (245.0).

INVESTMENTS

Investments amounted to SEK 4.3 million (5.2) for capitalized development expenses and patents during the year, and SEK 1.5 million (0.8) for equipment and tools.

FINANCIAL POSITION AND CASH FLOW

Cash and cash equivalents at the end of the year amounted to SEK 227.0 million (167.4), an increase of SEK 59.7 million since the beginning of the year. The change is mainly explained by cash flow from operating activities amounting to SEK 65.7 million (-18.3). A direct effect of the increase in sales is increased capital tied up in trade receivables and inventories.

At the end of the year, equity amounted to SEK 727.5 million (545.2), of which SEK 41.7 million (41.4) constituted share capital.

QUALITY SYSTEMS AND PRODUCT APPROVAL

BONESUPPORT's quality system complies with the EU Medical Device Regulation 2017/745 (EU MDR), ISO 13485 "Medical device-Quality management system-Requirements for regulatory purposes", the FDA's Quality System Requirements and other relevant national regulations.

The Company's products are so called class III products in Europe, undergoing extensive design verification/validation before being assessed and approved for CE marking by the controlling body, the British Standard Institute (BSI).

ENVIRONMENT

The Company's operations are not subject to authorization under the Swedish Environmental Code.

More information about its sustainability work, can be found on the Company's web page.

OPERATIONAL AND FINANCIAL RISKS

During 2018, BONESUPPORT established the strategic platform for its operations. There are many potential application areas for the CERAMENT platform. In its strategy, the Company has chosen to focus on those areas where there is strong clinical evidence of CERAMENT's therapeutic benefits, i.e. trauma, revision arthroplasty, osteomyelitis, foot and ankle surgery and bone tumors. By concentrating its resources on these indications, the Company addresses a global market of 3.8 million procedures per year, of which Spine makes up 2.3 million and extremities 1.5 million. Currently, the Company prioritizes 770 thousand procedures in extremities (380 thousand procedures in the US and 390 thousand procedures in Europe) as well as 750 thousand procedures in Spine in the US. During 2024, the Company has continued to focus on developing evidence and compiling data in the strategically prioritized areas Spinal Fusion and treatment of bone infection with CERAMENT V, for future launches in the US.

BONESUPPORT's strategy is based on three pillars:

- Innovation
- Leading clinical and health economic evidence
- Effective commercial platform

BONESUPPORT's main operating, as well as financial risks are in market development and the time it takes to create acceptance for the products and thereby generate revenue.

There is currency exposure, primarily to USD, GBP and EUR. Since the revenues are mainly generated in these currencies, a weak SEK has a positive effect.

BONESUPPORT's results have been affected, and will continue to be affected in the future, by several factors wholly or partly outside the Company's control. In addition to the above, the following is a description of the main factors that BONESUPPORT believes have affected the results of the business and which can be expected to continue to affect the Company's results.

- Before market launch, medical device products must meet the strict requirements for quality, safety and effect that is expected by regulatory authorities. A failure can result in delayed or cancelled launch.
- Risks related to the regulatory environment for medical devices and combination products, such as the high costs of complying with applicable regulatory frameworks, in particular as regards the requirements arising from the EU Directive on medical devices, and corresponding national and regional medical devices legislation, and the effects of amended regulations as well as the consequences resulting from failure to comply with the applicable regulatory framework.
- Risks related to the conduct and outcome of clinical trials, such as time-consuming and costly clinical trials and may be delayed, become more expensive or be discontinued as a result of a number of factors including lack of authorization for the conduct of studies, lack of patient recruitment, undesirable side effects or lack of required clinical efficacy.
- Risks related to a lack of market acceptance from healthcare providers, patients and healthcare payers, for example based on perceived advantages over competing treatments, the presence and extent of side effects and costs of treatment compared to competing treatments, and risks related to a lack of availability of adequate reimbursement systems that may lead to a reluctance to use the Company's products.
- Risks that BONESUPPORT does not achieve sufficient revenue or cash flow to finance its operations in the future or is unable to obtain the necessary funding where necessary.
- Risks related to manufacturing, supply and warehousing, such as the Company's suppliers and manufacturers not fulfilling their commitments or having their operations curtailed as a result of government intervention, which would risk entailing time-consuming and costly processes for the Company to replace/find new suppliers.
- Risks related to competition and that the Company has a limited product portfolio based on a technology platform such that competing products may prove to be better or achieve greater market acceptance or that the Company's product candidates do not show sufficient potential for further development, which could lead to failure to obtain market approval.
- Risks related to key employees and qualified personnel, such as the Company's dependence on its senior executives and other key personnel and if the Company loses key employees, or fails to recruit the necessary personnel, may lead to delays or interruptions in the continued business and product development.
- Risks related to intellectual property rights such as the Company's patent protection not being sufficient to adequately protect its operations, that the Company infringes the intellectual property rights of third parties or that the Company becomes involved in intellectual property disputes.
- Risks related to potential product liability claims and insurance issues such that the Company faces significant liability risks if its products or product candidates should cause patients to suffer side effects involving illness, bodily injury or death, and that the Company's insurance coverage cannot be maintained or provide adequate protection.

A more detailed description of risks is given in Note 2. Regarding the Group's internal control and risk management system in connection with the preparation of consolidated accounts, please refer to the Corporate Governance Report.

LEGAL DISPUTES

BONESUPPORT has no ongoing or known potential legal disputes within the Group.

LONG TERM STRATEGIC ACTIVITIES

BONESUPPORT's strategy can be broken down into the following main activities:

- Produce compelling clinical and health economic data.
- Commercial focus on selected markets and indications.
- Extended regulatory market approval for CERAMENT G in the US.
- Market launch in the spinal fusion segment, an indication that would add 750,000 procedures annually to CERAMENT's addressable market in the US.
- Develop new products that meet market needs in the short, medium and long term.

BONESUPPORT will develop further compelling clinical and health economic data to strengthen its position in the markets for trauma, revision arthroplasty, chronic osteomyelitis and foot infections due to diabetes.

A number of combinations with CERAMENT have been studied to supply osteoinductive properties, i.e. the capability to actively stimulate bone healing. Among other research activity, the Company has conducted research using preclinical candidates which combined CERAMENT with bisphosphonates, bone-joint proteins (BMP), bone marrow aspirates (BMA) and demineralized bone matrix (DBM). Priority product candidates for own development are CERAMENT with bisphosphonate and CERAMENT with DBM, while CERAMENT with BMP is a candidate for potential partner development.

PROSPECTS

BONESUPPORT's aim during 2025 is a growth in net sales with more than 40 percent in constant exchange rates.

THE BOARD OF DIRECTORS AND ITS WORK

Håkan Björklund, Lennart Johansson, Mary I O'Connor, Björn Odlander and Christine Rankin were re-elected at the Annual General Meeting in May 2024. Lennart Johansson was reelected Chair of the Board.

The work of the Board of Directors is governed by rules of procedure that are revised and adopted by the Board at least once a year. The Rules of Procedure mainly contain provisions for the work of the Board of Directors, as well as instructions for the division of duties between the Board of Directors and the CEO, as well as instructions for financial reporting. The Swedish Code of Corporate Governance applies. More details are given in the Corporate Governance Report.

CORPORATE GOVERNANCE
The Company has chosen to issue the Corporate Governance Report separately to the Annual Report. The Corporate Governance Report can be found on Pages 52-56.

PRINCIPLES OF REMUNERATION TO SENIOR EXECUTIVES
Pursuant to the Swedish Companies Act, the Annual General Meeting shall decide on guidelines for remuneration of the CEO and other senior executives.

At the Annual General Meeting on May 17, 2023, updated guidelines were adopted with primarily the content below.

These guidelines cover the persons who are members of BONESUPPORT HOLDING AB's ("BONESUPPORT") Group management. Group management currently consists of nine positions. The guidelines also include any remuneration to Board Members for work in addition to Board fees.

The guidelines shall be applied to the remuneration agreed, and changes made to already agreed remuneration, after the guidelines have been adopted by the Annual General Meeting 2022. The guidelines do not cover remuneration resolved by the General Meeting, such as fees to Board Members or share-related incentive programs.

The Company's starting point is that remuneration shall be at a market and competitive level and shall consist of the following components: fixed salary, variable cash remuneration, pension benefits and other benefits. The level of remuneration for each individual executive shall be based on factors such as duties, expertise, experience, position and performance. In addition, the Annual General Meeting may – and independently of these guidelines – resolve on, for example, share and share price-related remuneration.

In the case of employment relationships governed by rules other than Swedish regulations, appropriate adjustments may be made, in respect of pension benefits and other benefits, to comply with such mandatory rules or established local practice, taking into account, as far as possible, the overall purpose of these guidelines.

The CEO and other senior executives shall be offered a fixed annual salary. The fixed salary shall be determined taking into account the senior executive's expertise, area of responsibility and performance. The fixed salary should be reassessed annually.

In addition to fixed salary, the CEO and other senior executives may, by separate agreement, receive variable cash remuneration. Variable cash remuneration covered by these guidelines shall aim to promote BONESUPPORT's business strategy and long-term interests, including its sustainability.

Compliance with criteria for the payment of variable cash remuneration shall be measured over a period of one year. The annual variable cash remuneration may not exceed 75 percent of the fixed annual salary for the CEO, 52.5 percent for the CFO and not more than 40 percent of the fixed annual salary of other senior executives, the individual highest level being determined, inter alia, in the light of his or her position. The variable cash remuneration shall not be pensionable, subject to mandatory collective agreement provisions.

The variable cash remuneration shall be linked to one or more predetermined and measurable criteria that may be financial, such as net sales and operating profit, or non-financial, such as qualitative targets (also referred to as MBOs). The variable cash remuneration shall be less than 40 percent dependent on non-financial criteria. Clearly and measurably linking the remuneration of senior executives to BONESUPPORT's financial and operational development, promotes the implementation of the Company's business strategy, long term interests and sustainability.

Once the measurement period for compliance with the criteria for the payment of variable cash remuneration has been completed, the extent to which the criteria have been met shall be assessed. The Remuneration Committee is responsible for such assessment. Compliance with financial criteria shall be determined based on the latest financial information published by the Company. The Board of Directors shall have the possibility to recover, in whole or in part, variable remuneration paid on the basis of information that has subsequently been found to be incorrect.

Pension benefits, including health insurance, shall be defined contribution to the extent that the executive is not covered by a defined benefit pension in accordance with mandatory collective agreement provisions. Premiums for defined contribution pensions, including health insurance, may amount to a maximum of 40 percent of the fixed annual salary.

Other benefits may include life insurance, medical insurance and car benefit.

Senior executives shall be employed until further notice or for a certain period of time. In the event of termination by BONESUPPORT, the notice period may not exceed twelve months. Severance pay, in addition to salary and other remuneration during the notice period, may not exceed an amount equal to twelve times the monthly salary. In the event of resignation by the senior executive, the notice period may not exceed six months.

In addition, compensation may be paid for any commitment to restrict competition in order to compensate for any loss of income. Such remuneration shall be paid only to the extent that the former senior executive is not entitled to severance pay. The remuneration shall be based on the fixed salary at the time of termination and shall amount to a maximum of 60 percent of the fixed salary at the time of termination, subject to mandatory collective agreement provisions, and shall be paid for the duration of the anti-competition undertakings, which shall not exceed twelve months after termination of employment.

To the extent that the Board Member performs work on behalf of the Company, in addition to the work of the Board of Directors, a market-based consulting fee for such work may be paid to a Board Member or to a company controlled by a Board Member, provided that the services contribute to the implementation of BONESUPPORT's business strategy and the safeguarding of BONESUPPORT's long term interests, including its sustainability.

The Board of Directors has set up a Remuneration Committee. The Remuneration Committee's tasks include preparing the Board's resolution on proposals for guidelines for remuneration to senior executives. The Board of Directors shall prepare proposals for new guidelines at least every four years and shall submit the proposal for resolution at the Annual General Meeting. The guidelines shall remain in force until new guidelines have been adopted by the Annual General Meeting. The Remuneration Committee shall also monitor and evaluate programs for variable remuneration to Company management, the application of guidelines for remuneration to senior executives and the current remuneration structures and levels in the Company. The members of the Remuneration Committee are independent in relation to the Company and Company management. The CEO or other members of the executive management may not be present at the Board's discussion of and decisions on remuneration-related matters, to the extent that they are affected by the issues.

The Board of Directors may decide to temporarily deviate from the guidelines in whole or in part, if in an individual case there are special reasons for this and a deviation is necessary to satisfy the Company's long-term interests, including its sustainability, or to ensure the Company's financial viability. As stated above, it is part of the Remuneration Committee's task to prepare the Board's decisions on remuneration issues, which includes decisions to deviate from the guidelines.

In addition to the commitments to pay ongoing remuneration such as salary, pension and other benefits, there is no previously resolved remuneration to any senior executive that has not become due for payment. For further information on remuneration to senior executives, see *Note 11 Compensation to senior executives and related party transactions*.

Proposal for changes to the guidelines at the 2025 Annual General Meeting:
The Board intends to propose minor adjustments to the remuneration guidelines at the 2025 Annual General Meeting, including that variable remuneration shall qualify for pension benefits also when the Company voluntarily chooses to adapt the remuneration to collective agreement provisions (not only due to mandatory collective agreement provisions), and that the proportion of variable cash remuneration linked to non-financial criteria shall be a maximum of 40 percent (the current guidelines state that it should be *less than* 40 percent).

The Board's proposal entails no other changes in relation the remuneration guidelines that were adopted by the Annual General Meeting on May 17, 2023.

PARENT COMPANY

REVENUES, NET PROFIT AND FINANCIAL POSITION
The Parent Company BONESUPPORT HOLDING AB (publ) owns and administers the shares in BONESUPPORT AB, which in turn owns the shares in the other Group companies. BONESUPPORT HOLDING AB does not undertake any operational activities. BONESUPPORT HOLDING AB was registered on March 15, 2010 in connection with the restructuring of the Group.

In 2024, management fees were charged within the Group. In the Parent Company, SEK 67.4 million (53.7) has been recognized as net sales and SEK 87.2 million (70.7) as administrative costs. The Parent Company's operating expenses amount to SEK 90.1 million (71.4). The net result for the year amounted to SEK -9.1 million (+10.5). The net result includes deferred tax income amounting to SEK 2.1 million (17.4). The deferred tax income is attributable to the Parent Company during 2023 for the first time recognizing a value in the balance sheet regarding tax losses carried forward.

During the year, no unconditional shareholder contributions were made to BONESUPPORT AB, just as in the previous year.

Equity amounted to SEK 1,287.6 million (1,269.8). Cash and bank balances amounted to SEK 19.0 million (43.5) at the end of the year.

FINANCIAL RISKS
The Parent Company's financial risks are essentially the same as the Group's.

OWNERSHIP AT DECEMBER 31, 2024
The largest shareholders at the end of the year were Swedbank Robur Funds 9.7%, Erik Selin 9.1%, Capital Group 7.9%, HealthCap V LP 4.0%, Vanguard 3.7%, Handelsbanken Funds 3.7% and Avanza Pension 3.4%.

THE SHARE
The Company has ordinary shares and class C-shares. The quotient book value of the shares is SEK 0.625 per share. As of December 31, 2024, the total number of ordinary shares amounted to 65 859,195 (65,055,575) divided among 15,577 shareholders (9,418), and the total number of class C-shares amounted to 905,155 (1,142,060). The ordinary shares entitle to one vote each and the C-shares entitle to one tenth of a vote each. There is no shareholder owning more than a tenth or more of the total number of votes.

According to the Articles of Incorporation, the number of shares shall be not less than 29,000,000 (29,000,000) and not more than 116,000,000 (116,000,000).

Own shares
BONESUPPORT HOLDING AB holds all class C-shares.

Pursuant to authorization from the Annual General Meeting on May 22, 2018, the Board of Directors of BONESUPPORT HOLDING AB resolved to issue 505,000 class C-shares and then immediately repurchase them. The shares were issued and repurchased in accordance with the performance share programs LTI 2018/2021 and LTI Board of Directors 2018 adopted by the Annual General Meeting on May 22, 2018. SEK 315,625 was paid for the class C-shares in 2019.

Pursuant to authorization from the Annual General Meeting on May 14, 2019, the Board of Directors of BONESUPPORT HOLDING AB resolved to issue 730,000 class C-shares and then immediately repurchase them. The shares were issued and repurchased in accordance with the performance share program LTI 2019/2022 adopted by the Annual General Meeting on May 14, 2019. SEK 456,250 was paid for the class C-shares in 2020.

Pursuant to authorization from the Annual General Meeting on May 19, 2020, the Board of Directors of BONESUPPORT HOLDING AB resolved to issue 55,000 class C-shares and then immediately repurchase them. The shares were issued and repurchased in accordance with the performance share program LTI 2020/2023 adopted by the Annual

General Meeting on May 19, 2020. SEK 34,675 was paid for the class C-shares in 2021.

Pursuant to authorization from the Annual General Meeting on May 18, 2021, the Board of Directors of BONESUPPORT HOLDING AB resolved to issue 287,134 class C-shares and then immediately repurchase them. The shares were issued and repurchased in accordance with the performance share program LTI 2021/2023 adopted by the Annual General Meeting on May 19, 2021. SEK 179,458.75 was paid for the class C-shares in 2021.

Pursuant to authorization from the Annual General Meeting on May 19, 2022, the Board of Directors of BONESUPPORT HOLDING AB resolved to issue 639,572 class C-shares and then immediately repurchase them. The shares were issued and repurchased in accordance with the performance share program LTI 2021/2023 adopted by the Annual General Meeting on May 19, 2021. SEK 399,733 was paid for the class C-shares in 2022. The purpose of the issue and the repurchase of series C-shares was to, after the class C-shares had been converted to ordinary shares, ensure delivery of performance shares to employees within the BONESUPPORT Group participating in the performance share program LTI 2021/2023, adopted by the Annual General Meeting on May 20, 2021. This means that the issue of class C-shares replaces the share swap resolved by the same Annual General Meeting. Allotment of performance shares took place in March 2023.

Pursuant to authorization from the Annual General Meeting on May 16, 2024, the Board of Directors of BONESUPPORT HOLDING AB resolved to issue 486,840 class C-shares and then immediately repurchase them. The shares were issued and repurchased in accordance with the performance share program LTI 2023/2026 adopted by the Annual General Meeting on May 17, 2023. SEK 304,275 was paid for the class C-shares in 2024. Allotment of performance shares took place in March 2024.

The share of the class C-shares in the share capital amounts to two (two) percent.

THE BOARD OF DIRECTORS' PROPOSAL FOR APPROPRIATION

Appropriation Parent Company, SEK	
Unrestricted equity in the Parent Company	
Share premium reserve	1,565,929,044
Accumulated losses	-310,967,059
Net loss for the year	-9,086,508
Total unrestricted equity in the Parent Company	**1,245,875,477**

The Board of Directors proposes that the share premium reserve, accumulated losses and net profit for the year be carried forward.

CONSOLIDATED INCOME STATEMENT

SEKt	Note	2024	2023
Net sales	4	898,727	591,077
Cost of sales	4, 6, 7	-66,476	-50,160
Gross profit	4	**832,251**	**540,917**
Selling expenses	6, 7, 10, 11, 21	-264,000	-217,166
Sales commissions and fees	4, 6	-246,349	-154,140
Research and development expenses	6, 7, 10, 11	-76,006	-57,105
Administrative expenses	6, 7, 8, 10, 11, 12	-98,988	-90,313
Other operating income	13	94,183	32,700
Other operating expenses	6, 14	-74,944	-40,963
Operating profit	4	**166,147**	**13,930**
Profit/loss from financial items			
Interest income	15	8,771	4,935
Interest expenses	15	-2,294	-3,117
Net financial items	4	**6,477**	**1,818**
Profit before income tax	4	**172,624**	**15,748**
Income tax	16	-38,870	229,273
Net profit for the year		**133,754**	**245,021**
Attributable to:			
Equity holders of the Parent Company		133,754	245,021
Earnings per share calculated on earnings attributable to equity holders of the Parent Company:			
Earnings per share before dilution, SEK	23	2.04	3.77
Earnings per share after dilution, SEK	23	2.01	3.74

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEKt	2024	2022
Net profit for the year	**133,754**	**245,021**
Other comprehensive income		
Other comprehensive income to be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	5,443	-1,225
Other comprehensive income of the year	**5,443**	**-1,225**
Total comprehensive income of the year	**139,197**	**243,796**
Attributable to:		
Equity holders of the Parent Company	139,197	243,796
Total comprehensive income of the year	**139,197**	**243,796**

Other comprehensive income of the year refers in its entirety to exchange differences with no tax effects.

CONSOLIDATED BALANCE SHEET

SEKt	Note	December 31, 2024	December 31, 2023
ASSETS			
Non-current assets			
Capitalized development expenses	18	11,048	8,166
Patents	18	3,494	4,040
Right of use assets	26	15,731	18,946
Equipment and tools	19	4,951	5,050
Deferred tax receivable	16	221,445	249,677
Financial assets		426	1
Total non-current assets		**257,095**	**285,880**
Current assets			
Raw materials and consumables	17	64,430	55,093
Finished goods and goods for resale	17	69,683	28,211
Trade receivables	21, 25	195,941	116,563
Other current receivables	21, 25	19,368	11,013
Prepaid expenses	22	9,631	3,359
Accrued income	22	36,539	1,299
Cash and cash equivalents	25, 27	227,004	167,351
Total current assets		**622,596**	**402,936**
TOTAL ASSETS		**879,691**	**688,816**

CONSOLIDATED BALANCE SHEET

SEKt	Note	December 31, 2024	December 31, 2023
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the Parent			
Share capital		41,728	41,374
Other paid-in capital		1,565,929	1,563,862
Translation reserve		6,578	1,135
Accumulated losses including net result for the year		-886,770	-1,061,194
Total equity	23	**727,464**	**545,177**
Non-current liabilities			
Leasing debt	25, 26	7,660	13,222
Provisions	24	377	357
Total non-current liabilities		**8,037**	**13,579**
Current liabilities			
Leasing debt	25, 26	6,929	4,262
Trade payables	25	17,838	19,660
Income tax payable		12,720	6,524
Other current liabilities		8,925	6,649
Accrued expenses	22, 25	97,778	92,965
Total current liabilities		**144,190**	**130,060**
Total liabilities		**152,227**	**143,639**
TOTAL EQUITY AND LIABILITIES		**879,691**	**688,816**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SEKt	Share capital	Paid but not registered share issue	Other paid-in capital	Translation reserve	Accumulated losses including net result for the year	Total equity
As at January 1, 2023	**41,359**	**14**	**1,563,836**	**2,360**	**-1,338,641**	**268,928**
Comprehensive income						
Net profit for the year					245,021	245,021
Other comprehensive income						
Exchange differences on translation of foreign operations				-1,225		-1,225
Total comprehensive income				**-1,225**	**245,021**	**243,796**
Transactions with equity holders						
New share issue, employee stock options	15	-14	26			27
Transaction cost, new share issue					-163	-163
Deferred tax on earlier transaction costs					12,521	12,521
Share-based payment transactions					20,069	20,069
Total transactions with equity holders	**15**	**-14**	**26**	**0**	**32,427**	**32,454**
As at January 1, 2024	**41,374**	**0**	**1,563,862**	**1,135**	**-1,061,193**	**545,177**
Comprehensive income						
Net profit for the year					133,754	133,754
Other comprehensive income						
Exchange differences on translation of foreign operations				5,443		5,443
Total comprehensive income				**5,443**	**133,754**	**139,197**
Transactions with equity holders						
Sale of own shares					24,987	24,987
New share issue, employee stock options	50		2,067			2,117
Directed share issue	304					304
Transaction cost, new share issue					-262	-262
Deferred tax on transaction costs					54	54
Share-based payment transactions					15,890	15,890
Total transactions with equity holders	**354**	**0**	**2,067**	**0**	**40,669**	**43,090**
As at December 31, 2024	**41,728**	**0**	**1,565,929**	**6,578**	**-886,770**	**727,464**

CONSOLIDATED STATEMENT OF CASH FLOWS

SEKt	Note	2024	2023
Operating activities			
Operating profit		166,147	13,930
Non-cash adjustments	28	-4,895	67,905
Interests received		3,751	4,938
Interests paid		-1,881	-3,121
Income tax paid		-4,799	-4,218
Net cash flows from operating activities before changes in working capital		**158,323**	**79,434**
Changes in working capital			
Increase (-) in inventories		-21,999	-37,433
Increase (-) in operating receivables		-95,389	-77,619
Increase (+) in operating liabilities		24,825	17,361
Net cash flows from operating activities		**65,760**	**-18,257**
Investing activities			
Investments in intangible assets	18	-4,310	-5,240
Investments in equipment and tools	19	-1,530	-820
Investments in financial assets		-425	0
Net cash flows from investing activities		**-6,265**	**-6,060**
Financing activities			
New share issue, employee stock options		2,117	27
Directed share issue		304	0
Transaction costs, share issue		-262	0
Repayments of leasing debt	26	-6,969	-6,567
Net cash flows from financing activities		**-4,810**	**-6,703**
Net cash flows		**54,685**	**-31,020**
Cash and cash equivalents as at beginning of the year	25	167,351	201,281
Net foreign exchange difference		4,968	-2,910
Cash and cash equivalents as at end of the year	25	**227,004**	**167,351**

PARENT COMPANY INCOME STATEMENT

SEKt	Note	2024	2023
Net sales	5	67,407	53,688
Administrative expenses	5, 8, 10, 11	-87,190	-70,725
Other operating income	13	364	185
Other operating expenses	14	-3,234	-894
Operating result		**-22,653**	**-17,746**
Result from financial items			
Other interest income and similar income	15	14,008	12,660
Other interest expenses and similar expenses	15	-2,582	-1,977
Net financial items		**11,426**	**10,683**
Result before taxes		**-11,227**	**-7,063**
Income tax	16	2,140	17,391
Net profit/loss for the year		**-9,087**	**10,328**

Parent Company net profit/loss for the year equals comprehensive income.

PARENT COMPANY BALANCE SHEET

SEKt	Note	December 31, 2024	December 31, 2023
ASSETS			
Non-current assets			
Non-current financial assets			
Participations in Group companies	20, 25	956,652	956,652
Receivables on Group companies	25	355,965	305,887
Deferred tax asset	16	32,106	29,912
Total non-current financial assets		**1,344,723**	**1,292,451**
Total non-current assets		**1,344,723**	**1,292,451**
Current assets			
Current receivables			
Other receivables	21	75	75
Prepaid expenses	22	1,914	1,962
Total current receivables		**1,989**	**2,037**
Cash	25	16,965	43,315
Total current assets		**18,954**	**45,352**
TOTAL ASSETS		**1,363,677**	**1,337,803**

PARENT COMPANY BALANCE SHEET

SEKt	Note	December 31, 2024	December 31, 2023
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	23	41,728	41,374
Total restricted equity		**41,728**	**41,374**
Unrestricted equity			
Share premium reserve		1,565,929	1,563,862
Accumulated losses		-310,967	-345,769
Net profit/loss for the year		-9,087	10,328
Total unrestricted equity		**1,245,875**	**1,228,421**
Total equity		**1,287,603**	**1,269,794**
Non-current liabilities			
Liabilities to Group companies		60,735	50,524
Total non-current liabilities		**60,735**	**50,524**
Current liabilities			
Trade payables	25	881	709
Other liabilities		2,387	1,258
Accrued expenses	22, 25	12,071	15,518
Total current liabilities		**15,339**	**17,485**
TOTAL EQUITY AND LIABILITIES		**1,363,677**	**1,337,803**

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

SEKt	Share capital	Paid but not registered share issue	Share premium reserve	Accumulated losses	Total equity
As at January 1, 2023	**41,359**	**14**	**1,563,836**	**-358,127**	**1,247,082**
Comprehensive income					
Net profit for the year				10,328	10,328
Total comprehensive income				**10,328**	**10,328**
Transactions with equity holders					
New share issue, employee stock option programs	15	-14	26		27
Transaction cost, new share issue				-163	-163
Deferred tax on earlier transaction costs				12,521	12,521
Total transactions with equity holders	**15**	**-14**	**26**	**12,358**	**12,385**
As at January 1, 2024	**41,374**	**0**	**1,563,862**	**-335,441**	**1,269,794**
Comprehensive income					
Net profit/loss for the year				-9,087	-9,087
Total comprehensive income				**-9,087**	**-9,087**
Transactions with equity holders					
Sale of own shares				24,987	24,987
New share issue, employee stock option programs	50		2,067		2,117
Directed share issue	304			-304	0
Transaction cost, new share issue				-262	-262
Deferred tax on transaction costs				54	54
Total transactions with equity holders	**354**	**0**	**2,067**	**24,474**	**26,896**
As at December 31, 2024	**41,728**	**0**	**1,565,929**	**-320,054**	**1,287,603**

PARENT COMPANY STATEMENT OF CASH FLOWS

SEKt	Note	2024	2023
Operating activities			
Operating loss		-22,653	-17,746
Interest received		14,008	12,660
Interests paid		-2,582	-1,977
Net cash flows from operating activities before changes in working capital		**-11,227**	**-7,063**
Changes in working capital			
Decrease (+) / increase (-) in operating receivables		48	-896
Increase in operating liabilities		33,052	9,707
Net cash flows from operating activities		**21,873**	**1,748**
Financing activities			
New share issue, employee stock options		2,117	27
Transaction costs, share issue		-262	-163
Change in balances towards BONESUPPORT AB		-50,078	-101,699
Net cash flows from financing activities		**-48,223**	**-101,835**
Net cash flow		**-26,350**	**-100,087**
Cash as at beginning of the year	25	43,315	143,402
Cash as at end of the year	25	**16,965**	**43,315**

NOTES

NOTE 1
GENERAL INFORMATION, ACCOUNTING POLICIES

GENERAL INFORMATION
BONESUPPORT operates within orthopedic products and develops and commercializes innovative injectable bio-ceramic bone graft substitutes that remodel to the patient's host bone and have the ability to release drugs. BONESUPPORT's marketed synthetic bone graft substitutes are CERAMENT BVF, CERAMENT G and CERAMENT V, all of which are based on the innovative and patented CERAMENT technology platform.

BONESUPPORT HOLDING AB (publ) is a limited liability company with its registered office in Lund, Sweden. The address of the head office is Scheelevägen 19, 223 70 Lund, Sweden.

The Board of Directors approved these consolidated accounts on April 2, 2025 and they will be presented before the Annual General Meeting for adoption on May 27, 2025.

THE GROUP'S ACCOUNTING PRINCIPLES
The main accounting principles applied at the time of the prepared consolidated accounts are set out below. These principles have been applied consistently for all the years presented unless otherwise stated.

The consolidated accounts are prepared in accordance with accounting standards from International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as adopted by the EU. Furthermore, the consolidated accounts are prepared in accordance with the Annual Accounts Act and the Swedish Financial Reporting Board's recommendation *RFR 1 Supplementary accounting regulations for Groups*.

The Company's functional currency is SEK and all amounts are in SEK thousand unless otherwise stated.

IMPLEMENTATION OF NEW ACCOUNTING PRINCIPLES
The accounting policies applied include new and amended standards that are mandatory for the first time for financial years beginning January 1, 2024. Amended standards during 2024 are the following:

IAS 1 Presentation of Financial Statements. The amendments in *IAS 1* clarify the criteria for classification as current or non-current, settlement of a liability and introduce new disclosure requirements for non-current liabilities arising from borrowing arrangements. The amendments to *IAS 1* have not had any impact on the Group's financial statements.

IAS 7 Statement of Cash Flows and *IFRS 7 Financial Instruments*. The amendments introduce new disclosure requirements for supplier financing arrangements. The amendments to *IAS 7* and *IFRS 7* have not had any impact on the Group's financial statements.

IFRS 16 Leases. The amendments specify the requirements that a seller/lessee shall consider when measuring the lease liability in a sale and leaseback transaction. The changes in *IFRS 16* have not had any impact on the Group's financial statements.

New or amended IFRS standards effective from 2025 or later have not been applied in the preparation of these financial statements. *IFRS 18 Presentation and Disclosures in Financial Statements* is one of the upcoming amendments. It is expected to have a significant impact on the presentation and disclosures of the reports, such as the presentation of the income statement. Other than *IFRS 18*, it is assessed that new or amended IFRS standards will not have any material impact on the Group's financial results and financial position.

BASIS FOR CONSOLIDATION
The consolidated accounts cover the Parent Company and its subsidiaries.

A subsidiary is a company that the Parent Company directly or indirectly has more than half of the votes or in some other way, has controlling interest.

Subsidiaries are recognized according to the acquisition method.

Items on the balance sheets of subsidiaries are valued in the relevant functional currency, which is the same as the country's local currency. The Group's financial statements are presented in SEK, which is the Parent Company's functional currency. The income statements and balance sheets of the foreign subsidiaries are translated into SEK. The balance sheets are translated at the exchange rates on the balance sheet date, according to the Swedish Central Bank. The profit and loss accounts are translated using the average rates for the year. The exchange differences on translation do not affect profit or loss for the year but are recognized in other comprehensive income in the consolidated accounts and accumulated.

FOREIGN CURRENCY
Transactions in foreign currency are reported at the exchange rate on the transaction date. Monetary assets and liabilities denominated in foreign currency are converted at the exchange rate of the balance sheet date (according to the Swedish Central Bank) and exchange gains and losses are reported in profit or loss as other operating income/expenses.

REVENUE RECOGNITION
The Group's revenues are mainly generated through one revenue stream, the sales of CERAMENT products. Sales revenue is recognized when the performance obligation is fulfilled, i.e. when control of an item is transferred to the buyer. For our customers, mostly the delivery terms of Ex Works BONESUPPORT's warehouse are applied, which means that the control passes to the buyer when the goods leave the warehouse. Some customers, however, keep consignment stocks. In these cases, the income is recognized when withdrawals from consignment stocks are made. The transaction price essentially consists of a fixed price per quantity sold. Variable parts of the transaction price occur only to an insignificant extent.

Revenue is generated through three channels:

- A combination of own sales company and distributors in the US
- Direct sales in six countries in Europe
- Sales through distributors in all other markets

Sales in the US and in countries with direct sales, are made to end customers, with exception of for OrthoPediatrics, a stock keeping distributor in the US with access to a network of 250 children's hospitals, where sales are made to OrthoPediatrics.

For sales in the US, with exception of OrthoPediatrics, the assessment has been made that contracted distributors constitute agents and the end customer is BONESUPPORT's customer. BONESUPPORT has its own inventory in the US from which delivery is made directly to the end customer, and the distributors never get control over the goods. The distributors receive commission on generated sales to end customers as compensation for their service as agents. This is recognized as a sales commission, in the income statement's row Sales commissions and fees, as soon as the income is recognized. This is in accordance with the practical exception in *IFRS 15 Revenue from Contracts with Customers,* 15.94, as the depreciation period for these would otherwise have been for a shorter period than one year.

The majority of the sales in the US is made to hospitals within a Group Purchasing Organization (GPO). GPOs take a smaller fee for their services, based on the underlying sales value that the hospitals have been invoiced. The cost is recognized at the same time as the revenue. The cost is recognized in the consolidated income statement as Sales commissions and fees. GPOs do not constitute customers for BONESUPPORT.

For distributor markets outside the US, sales are made to the distributor. Delivery to these distributors is made from BONESUPPORT's warehouse in Lund. Control of the goods passes to the distributor as soon as they leave BONESUPPORT's inventory and the revenue is recognized at the same time.

The deliveries to OrthoPediatrics are made from BONESUPPORT's warehouse in the US. In the agreement with OrthoPediatrics, there is a certain right of return and therefor an assessment is made continuously in conjunction with revenue recognition, with respect to the transition of risk and control. At December 31, 2024, our assessment is that the risk of return is immaterial therefore no provision has been recognized.

The sales agreements, with exception of OrthoPediatrics, do not contain any right of return. This applies to both distributors and end customers. Guarantee costs in accordance with *IAS 37 Provisions, Contingent Liabilities and Contingent Assets* exist but do not constitute material amounts, and therefore no provision is made. For warehousing distributors, with exception of the agreement with OrthoPediatrics, no return of products may take place without prior permission from BONESUPPORT. BONESUPPORT has an agreed opportunity but no obligation to take back products and in recent years has in principle not used that opportunity. BONESUPPORT therefore makes the assessment that there is no need to provision for returns.

In general, 30 day payment terms are applied to the Company's direct markets. For sales to distributors, market-adjusted terms of up to 90 days are applied.

OPERATING SEGMENTS

The Group manages and monitors operations in two operating segments: North America (NA) and Europe & Rest of the World (EUROW). Information about the operating segments' sales and profit or loss is reported in *Note 4 Operating segments*. Neither assets nor liabilities are followed-up at segment level as management and follow-up of these are done by management and the Board at Group level.

EMPLOYEE COMPENSATION

Pensions

The Group only has defined contribution pension plans. The defined contribution pension plans mainly cover retirement pension, disability pension and family pension. The premiums are paid on an ongoing basis during the year by each Group company to separate legal entities, such as insurance companies. The amount of the premium is based on the salary level. Pension costs for the year are included in the income statement and are expensed as the employees perform their services.

Share-based remuneration

The Group has share-based remunerations in form of employee stock options and performance share programs. For detailed descriptions of the programs, see *Note 12 Performance share programs and employee stock option programs*.

The employee stock options and performance share programs are valued based on the market value of the capital instruments at the time that they are granted. The total cost is distributed over the vesting period, which is the period during which all the specified vesting conditions are to be met. The active employee stock option program has been fully vested meaning that it has been fully expensed and the cost that is recognized only regards performance share programs.

The initial valuation of the performance share programs is done according to a valuation model according to Black & Scholes and Monte Carlo. The valuation is based on several factors such as expected volatility on the stock exchange, degree of fulfillment of set targets and risk-free interest rate. The volatility is based on peer group data as the BONESUPPORT share has been subject to trading for a limited period of time. No revaluation of the programs is done after the award date.

The cost is recognized as a personnel cost and credited in equity. At each closing date, the Company reassesses how many shares are expected to be earned. Any deviations from the initial assessments that resulted from the review are reported in the income statement and the corresponding adjustments are made in equity.

When employee stock options have been exercised, the Company has issued new ordinary shares. Payments received has been credited to the share capital (quota value) and other contributed capital. When performance shares in the performance share programs are distributed, it is done with existing ordinary shares in the Parent Company. The participants receive these shares free of charge.

Social costs attributable to these equity-related instruments are expensed as vesting is made. The cost is calculated based on the same valuation model used when the program initiated. The liability for social security contributions incurred is revalued at each closing date based on a new calculation of the contributions that may come to be paid. This means that the basis for calculating the social security debt is a new market valuation of the equity-related instruments made at each closing date.

FINANCIAL ASSETS

A financial asset is included in the balance sheet when the Group becomes a party in a contractual relationship. Financial assets are removed from the balance sheet when the right to receive cash flows from the instrument has expired and the Group has transferred all risks and benefits associated with ownership.

Classification of financial assets

All assets are held to receive ongoing payments. These are initially valued at fair value including transaction costs and then at amortized cost in accordance with the effective interest method. Gains and losses attributable to financial assets are reported in the income statement. Interest rate effects arising from the application of the effective interest method are also reported in the income statement. BONESUPPORT recognizes the following financial assets in the balance sheet:

- Financial assets
- Trade receivables
- Other current receivables
- Accrued income
- Cash and cash equivalents

At December 31, 2024, there is a share swap of SEK 4.6 million recognized among the Group's other current receivables. During the fourth quarter of 2024, in accordance with the decision made at the Annual General Meeting in May 2024, BONESUPPORT entered into a share swap agreement with the purpose of securing its commitments in the Group's Long Term Incentive program LTI 2024. A total of 200,000 shares were hedged at an average value of SEK 343.343 per share. In accordance with *IFRS 9 Financial instruments*, the transaction has been reported at fair value. The difference between the true value and the value of the share swap agreement is included in net financial items with an income of SEK 5.0 million. The transaction has also affected the income statement with SEK 0.4 million regarding interest expense and a financial fee.

Impairment of financial assets

For interest bearing financial assets, a credit risk reserve is recognized and this is based on the future expected losses of the individual assets. For trade receivables, the credit risk reserve is calculated based on the asset's expected loss over its total life. For cash and cash equivalents, the write-down that could be considered is immaterial.

NON-FINANCIAL ASSETS

Classification of non-financial assets

BONESUPPORT recognizes the following non-financial assets in the balance sheet:

- Intangible assets – capitalized development expenses
- Intangible assets – patents
- Tangible assets - right of use assets/leasing
- Tangible assets – equipment and tools
- Current assets – inventories
- Current assets – prepaid expenses

Capitalized development expenses

Expenses for research are expensed when incurred. Expenditures for the development of future products are expensed until they have received regulatory approval from licensing authorities, and if such expenditures will with a high degree of certainty lead to financial benefits for the company. Expenditures for the development of existing products are expensed as incurred. To manage this effectively, the Company applies project accounting, which means that all research and development expenses are allocated to projects. Examples of such expenses are goods and materials, consulting fees and personnel costs.

Expenditure on the development of new products is recognized as an intangible asset once it has received regulatory approval from licensing authorities and if such high-collateral expenditure will bring economic benefits to the enterprise. Capitalized development expenses are recognized as intangible assets and amortization is made from the time the product is ready to use. The amortization period is the useful life, which is assumed to be ten years. Development expenditure that does not meet these criteria are expensed as Research and development expenses.

Patents

Externally acquired patents are activated and reported as patents. These patents are depreciated over ten years starting from when it is available for use.

Right of use assets/Leasing

For leases where BONESUPPORT is the lessee, *IFRS 16 Leases* is applied. The Group has no leases where it is the lessor.

The largest part (74 percent) of this asset regards the Group's offices in Lund and Massachusetts. Apart from this, there are also leased cars (19 percent) and other (7 percent) comprising computers, other IT equipment as well as other office machines.

At the beginning of a contract, it is assessed whether it is a lease that should be recognized as leasing. The majority of leases in which the Company is a lessee are recognized as leases in accordance with the description below. There are individual agreements that cover a period that is shorter than twelve months. These are reported as short-term leases in accordance with the exception in *IFRS 16 Leases* and are recognized linearly over the lease period. Currently, no agreements are reported in accordance with the exception for leases of minor value.

The leasing debt is initially valued at the present value of future lease payments, discounted at the Group's marginal loan rate. Lease payments included in the valuation of lease liabilities include fixed fees less any deduction for benefits associated with the contract; variable lease payments that depend on an index or price; amounts expected to be paid by the lessee under residual value guarantees; the exercise price of an option to purchase if the lessee is reasonably certain to exercise such an option; and penalties payable in the event of termination of the contract, if the lease period reflects that the lessee will exercise an opportunity to terminate the lease.

The Group has no external loan financing, which is why information on marginal loan interest is based on information received from the Group's main bank.

The right of use asset is initially recognized at the value of the leasing debt, with additions for lease payments made at the start date of the agreement and initial direct expenses. The right of use asset is recognized in subsequent periods at cost, less depreciation and any impairment losses. The same principles apply to impairment of the right of use asset as those described in the section *Impairment of non-financial assets*.

The right of use asset is depreciated over the estimated useful life which is assumed to equal the agreed lease term. If a contract transfers or is likely to transfer ownership at the end of the lease term, the right of use asset is depreciated over the estimated useful life. Depreciation starts at the initial date of the lease. There are currently no agreements for which the depreciation is done over a longer period than four years.

Equipment and tools

Equipment and tools are recognized at cost less accumulated depreciation and any impairment losses. Depreciation according to plan is based on the depreciable amount, which consists of the cost less its residual value, which is distributed over the expected useful life. Equipment and tools are depreciated over five years.

Inventories

Inventories are reported at the lowest of the acquisition cost and the net realizable value. The acquisition cost is determined using the first in, first out (FIFO) method. The cost of finished goods consists of raw materials, direct salaries and other direct and indirect costs. Borrowing costs are not included. A reduction is made for calculated obsolescence on finished goods that are not located in the Company's premises. The provision for obsolescence is calculated with percentage rates based on previous experiences. The net realizable value is the sales price less estimated costs that are necessary to achieve a sale. The sales price is the price that the Company would normally receive when selling in the operating activities. Inventories includes so-called consignment inventory, which is inventories at the customer for which BONESUPPORT has full control and ownership, and is reported in accordance with what is specified for inventories.

Impairment of non-financial assets

With exception of inventories, assets are assessed for impairment annually or whenever events or changes in conditions indicate that the carrying amount may not be recoverable. An impairment loss is made at the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value reduced by the selling costs and the value in use. When assessing impairment requirements, assets are grouped at the lowest levels where there are separately identifiable cash flows (cash-generating units).

Towards the end of each year, all non-financial assets are assessed for any need for impairment requirement.

FINANCIAL LIABILITIES

Classification of financial liabilities

BONESUPPORT's financial liabilities are valued at amortized cost and are initially valued at fair value including transaction costs. After the initial accounting entry, they are valued according to the effective interest method. BONESUPPORT recognizes the following financial liabilities in the balance sheet:

- Leasing debt (see the section Right of use assets/Leasing)
- Trade payables
- Accrued expenses

THE PARENT COMPANY'S ACCOUNTING POLICIES

The Parent Company prepares its Annual Report in accordance with the Annual Accounts Act and the Swedish Financial Reporting Board's recommendation *RFR 2 Accounting for Legal Entities*. *RFR 2* sets out that the Parent Company's Annual Report for the legal entity shall apply all EU approved IFRS and statements, as far as possible within the framework of the Annual Accounts Act, and taking into account the connections between accounting and taxation. The recommendation specifies the exceptions and additions to be made compared to IFRS accounting.

The following differences exist between the Group's and the Parent Company's accounting policies:

- Shares in Group companies are recognized in the Parent Company according to the cost method.
- Shares in Group companies and receivables on Group companies are impairment tested annually, or in case of an indication of decline in value, based on a cash flow forecast over the next five years. For further information see *Note 3 Estimates, assumptions and assessments and Note 20 Participations in group companies*.
- The Parent Company does not apply *IFRS 9 Financial Instruments*. The Parent Company recognizes financial instruments at accrued acquisition value. Due to this difference, the Parent Company has recognized the share swap agreement that it entered into during 2024 as a current liability whereas it is recognized as a current receivable in the Group.
- The Parent Company does not apply *IFRS 16 Leases*. There are however currently no lease agreement in the Parent Company.
- The Parent Company complies with the Presentation form of the Annual Accounts Act for the income statement and balance sheet, which means, among other things, a different set-up for equity.

NOTE 2
FINANCIAL RISK MANAGEMENT

Through its operations, the Group is exposed to various types of financial risks such as market, liquidity and credit risk. Market risk consists mainly of currency risk. BONESUPPORT has an overall financial policy for both the Parent Company and the Group, which regulates the division of responsibilities in financial matters between the Board of Directors, the CEO, CFO and other Group companies. The Board's Audit Committee is tasked with monitoring the design of the financial policy and, if necessary, proposing changes to the Board. The financial policy is characterized by a low level of risk. There have been no changes in financial policy or risk management compared to 2023. The strategy includes continuously identifying and managing risks.

MARKET RISK

Market risk is the risk that the fair value of or future cash flows from a financial instrument vary due to changes in market prices. Market risks are divided into three types; currency risk, interest rate risk and other price risk. The market risk that primarily affects the Group is currency risk.

Currency risk

Currency risk refers to the risk that fair value or future cash flows fluctuate as a result of changes in exchange rates.

The Group's operations are international and exposed to currency risk, mainly from USD, EUR and GBP. The exposure to currency risk mainly stems from foreign currency payment flows (transaction exposure) and from the translation of foreign subsidiaries' income statements and balance sheets into SEK (translation exposure).

Approximately 80 percent (75) of BONESUPPORT AB's sales is invoiced in USD, 10 percent (12) in GBP and 8 percent (8) in EUR. The *transaction risk* is only partly offset by the fact that purchases are also made mainly in EUR. If, all else being equal, USD strengthens or weakens by 5 percent against the Swedish SEK, the Group's profit after tax will be affected by approximately +/- SEK 35.8 million (22.1) based on 2024 transactions. A corresponding strengthening/weakening in GBP gives an impact of +/- SEK 4.4 million (3.6) and in EUR an impact of +/- SEK 3.5 million (2.5).

The foreign subsidiaries invoice and carry costs in their local currencies; USD, GBP, EUR, DKK and CHF. The *translation risk* means that the value of the Group's net investments in foreign currency may be adversely affected by changes in exchange rates when the net assets are consolidated in SEK at the balance sheet date. The translation risk is mainly attributable to the exposure of outstanding accounts receivable at the end of the reporting period, see *Note 21 Trade receivables and other receivables* for distribution by currency.

The following exchange rates have been used for currency translations:

	USD	GBP	EUR	DKK	CHF
Closing day rate Dec 31, 2024	11.030	13.832	11.469	1.537	12.186
Average rate 2024	10.561	13.505	11.432	1.533	12.005
Closing day rate Dec 31, 2023	10.038	12.774	11.099	1.489	11.961
Average rate 2023	10.613	13.198	11.477	1.540	11.817

Since the total outstanding accounts receivable consists mostly of USD (approximately 88 percent), and subsequently of GBP (approximately 5 percent) and EUR (approximately 5 percent), currency fluctuations may affect future cash flows. If, all else being equal, USD strengthens or weakens by 5 percent against the Swedish krona, the Group's equity and profit after tax will be affected by +/- SEK 8.6 million (4.8) based on outstanding accounts receivable as of December 31, 2024. The corresponding effect for GBP amounts to +/- 0.5 MSEK (0.4) and for EUR to +/- 0.5 MSEK (0.4).

The sensitivity analysis in the table below shows the impact on the Group of changes in SEK against the largest currencies, where + means a weakning of SEK and – means a strengthening of SEK. The figures are based on 2024 results and financial position. The impact of the transaction risk is measured in the net profit for the year and the impact of the translation risk is measured in equity including net profit for the year.

SEKm	+/- 5% USD	+/- 5% GBP	+/- 5% EUR
Transaction risk	+/- 16.2	+/- 0.2	+/- 2.4
Translation risk	+/- 1.5	+/- 0.5	+/- 0.7

The Group does not currently use forward contracts or other instruments to reduce currency risk.

Interest rate risk

Interest rate risk refers to the risk that fair value or future cash flows fluctuate as a result of changes in market interest rates.

As of December 31, 2024, a general increase or decrease in interest rates will not have any impact on the Group's results as there are no bank loans in the Group. The effect on the Group's leases is considered immaterial.

Other price risk

Other price risk refers to the risk that fair value or future cash flows fluctuate as a result of changes in prices.

The Group's sales prices are based on the clinical and health economic benefits validated by a large number of clinical studies and therefore present a low risk of major price movements. The sensitivity to the purchase prices of input goods is mainly managed through long contract times and high levels of security stock.

CREDIT AND COUNTERPARTY RISK

Credit risk refers to the risk that the counterparty in a transaction causes the Group a loss by not fulfilling its contractual obligations. The Group's exposure to credit risk is mainly attributable to accounts receivable. A simplified model is used to calculate credit losses on the Group's accounts receivable. Expected credit losses are calculated based on past events, current conditions and projections of future economic conditions.

The Group's customers consist primarily of hospitals, clinics and distributors with a high credit rating. Accounts receivable are spread across a large number of customers and no single customer accounts for a substantial part of the total accounts receivable. Accounts receivable are spread geographically. The Group considers that the concentration risks are limited. Reversal of estimated customer losses in 2024 amounted to SEK 0 thousand (94) and new reserves were made with SEK 7,155 thousand (134). See *Note 21 Trade receivables and other receivables* for more information about accounts receivable.

The credit risk in cash and cash equivalents is deemed intangible because the counterparties are banks with high credit ratings awarded by international credit rating agencies. At December 31, 2024, cash and cash equivalents amount to SEK 227,004 thousand (167,351), of which 68 percent (47) in USD, 14 percent (7) in GBP, 12 percent (29) in SEK and 4 percent (3) in EUR.

The Group's maximum exposure to credit risk is assessed by carrying amounts of all financial assets, see *Note 25 Classification of financial instruments.*

LIQUIDITY AND FINANCING RISK

Liquidity risk refers to the risk that the Group will have problems meeting payment commitments for financial liabilities. Financing risk refers to the risk that the Group will not be able to raise sufficient funding at a reasonable cost.

The liquidity risk is low because the Group's available liquidity gives substantial head room in relation to operating cash flow.

The financing risk is assessed based on multi-year liquidity planning, and is focuses on whether the future cash flows are sufficient to run planned operations. In the event that there is a risk that they are not sufficient, the Company will balance costs against future revenues in good time and/or seek alternative financing via borrowings or similar.

NOTE 3
ESTIMATES, ASSUMPTIONS AND ASSESSMENTS

When preparing the Group's financial reports, the Group management team makes estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses with associated notes and information on contingent liabilities.

Uncertainty around these assumptions and estimates can lead to significant adjustments to the reported value of the assets and liabilities that are affected in future financial reports as the outcome may deviate from the estimates and assessments made. Changes in estimates are reported prospectively.

The Group management team also makes assessments in the application of the Group's accounting principles.

The estimates, assumptions and assessments are described in more detail below.

ASSESSMENTS
When applying the Group's accounting principles, the Group management team has made the following assessment, which has the most significant effect on the reported values in the financial reports:

Determination of the Group's marginal borrowing rate
Leasing debt is initially valued at the present value of future lease payments, discounted with the group's marginal borrowing rate. The Group has no external loan financing, which is why information on marginal loan interest is based on information received from the Group's main bank. For more information on this, see *Note 26 Leasing*.

ESTIMATES AND ASSUMPTIONS
The key assumptions regarding the future and other sources of uncertainty in estimates that exist as of the balance sheet date and that have a significant risk of resulting in a material adjustment of assets and liabilities in the next financial year are described below. Assumptions and estimates have been based on information available when the financial statements were prepared. The conditions and assumptions about future development may change, based on changes in the market or other circumstances that arise that are not within the Group's control. Such changes are taken into account in the assumptions, as they occur.

Valuation of trade receivables
For trade receivables, a credit risk provision exists, and this is based on the receivables' expected loss during their total lifetime. The outstanding receivables are followed up monthly together with the respective area manager and measures are discussed for any older items. The need for additional reserves is also discussed. For more information about this year's credit risk provision, see *Note 21 Trade receivables and other receivables.*

Valuation of shares in Group companies
On an annual, or more frequent basis, the Parent Company tests whether there is an indication of a decline in value and whether there is any impairment requirement for shares in Group companies. Recoverable amounts for the shares in Group companies have been determined by calculating the value in use, which requires that comprehensive estimates and assumptions must be made. Discounted forecast future cash flows over the next four years have been calculated in these assumptions, taking into account a discount rate of 6.67 percent after tax (8.41 percent before tax). The calculation of discount rates has taken risk-free interest rates, market risk premium and company-specific capital structure and the current tax rate into consideration. Cash flow after the four-year period (the test covers 20 years) is calculated on the basis of an initial forecast growth rate of 50 percent, with a gradual de-escalation corresponding to 20 percent per year. The calculated value in use has since been compared with the carrying amount and this comparison shows that there is no need for impairment.

A sensitivity analysis where different discount rates were simulated has been carried out. An increase in the discount rate by 37 percentage points would not entail any impairment requirement. The result of the test shows a surplus and therefore there is no impairment requirement for shares in Group companies.

Valuation of tax losses carried forward
The possibility for capitalizing deferred tax assets regarding tax losses carried forward, are examined annually. In 2023, capitalizing was done for the first time, after BONESUPPORT had made a profit in the last three quarters of the year and since this was deemed and still is deemed to be a sustainable development that will lead to the entire deficit being offset against profits within the next few years. Behind the assessment are, among other things, the Company's sustained increase in turnover since the share was introduced on the stock market in 2017, its high ability to retain customers and its well-protected intellectual property rights. The tax losses carried forward essentially apply towards the same tax authority, which together with full group contribution rights within the Group means that all deficits can be recovered. For more information about this, see *Note 16 Income tax*.

NOTE 4
OPERATING SEGMENTS

	2024				2023			
Profit and loss items	**NA**	**EUROW**	**Other**	**Total**	**NA**	**EUROW**	**Other**	**Total**
Net sales	715,944	182,783	0	898,727	442,449	148,628	0	591,077
of which CERAMENT BVF	208,071	18,818	0	226,889	208,357	14,737	0	223,094
of which CERAMENT G and CERAMENT V	489,294	163,508	0	652,802	224,466	133,774	0	358,239
of which other	18,579	457	0	19,036	9,626	117	0	9,743
Cost of sales	-34,059	-30,630	-1,787	-66,476	-23,124	-25,768	-1,268	-50,160
Gross profit	**681,885**	**152,153**	**-1,787**	**832,251**	**419,325**	**122,860**	**-1,268**	**540,917**
Sales commissions and fees	-243,991	-2,358	0	-246,349	-152,453	-1,687	0	-154,140
Other operating costs[1]	-145,779	-96,638	0	-242,417	-111,763	-91,148	0	-202,911
Contribution	**292,115**	**53,157**	**-1,787**	**343,485**	**155,109**	**30,025**	**-1,268**	**183,866**
Other operating items[2]	0	0	-177,338	-177,338	0	0	-169,936	-169,936
Operating result	**292,115**	**53,157**	**-179,125**	**166,147**	**155,109**	**30,025**	**-171,204**	**13,930**
Net financial items	0	0	6,477	6,477	0	0	1,818	1,818
Profit/loss before income tax	**292,115**	**53,157**	**-172,648**	**172,624**	**155,109**	**30,025**	**-169,386**	**15,748**

1 Other operating costs comprise selling expenses and research & development costs directly attributable to a segment.
2 Other operating items comprise administrative expenses, other operating income and expenses and selling expenses and research & development expenses not directly attributable to a segment.

BONESUPPORT manages and monitors operations in the North America (NA) and Europe & Rest of the World (EUROW) segments. The sales function follows the segments, where each segment is managed by a responsible business manager, including members of Group management. Other functions are organized mainly Group-wide, although it is a minor development unit that operates in the United States. The costs included in other operating items are mainly costs for Group functions that cannot be directly allocated to any of the two operating segments. Costs for the employee stock option programs are not allocated by segment, as the cost of these programs depends partly on external factors such as valuation of the Company. Therefore, a breakdown by segment could lead to a non-fair allocation if an external factor affects with different impact per segment. The contribution per segment is calculated as net sales minus directly attributable operating costs (see definition above) for the segments.

Markets that delivered more than 10 percent of net sales during 2024 were the United States with SEK 715.9 million (442.4) and the United Kingdom with SEK 89.0 million (73.4). Net sales in Sweden amounted to SEK 10.8 million (11.6). No customer represented more than 10 percent of net sales during these two years.

The amounts in the table above are eliminated for Group transactions. Intercompany sales from EUROW to NA amounted to SEK 586.0 million (370.7).

The Group's non-current assets are primarily based in Sweden.

NOTE 5
INTRA-GROUP PURCHASES AND SALES

Intra-group purchases and sales amounted to SEK 1,047,967 thousand (717,609). The Parent Company rendered services to Group companies of SEK 67,407 thousand (53,688) and purchased services from Group companies of SEK 55,848 thousand (42,914).

All intra-group dealings, income, expenses, gains or losses, which arise in transactions between Group companies are eliminated in total.

NOTE 6
EXPENSES BY TYPE

GROUP	**2024**	**2023**
Cost for inventory items	-58,922	-41,855
Personnel costs	-274,571	-248,281
Depreciation and amortization of tangible and intangible assets	-10,832	-10,072
Sales commissions and fees	-246,349	-154,244
Other expenses	-236,089	-155,395
Total	**-826,763**	**-609,847**

Other expenses mainly relates to external services, advertising & public relations, travel expenses and exchange rate losses. Exchange rate losses amount to SEK 74,816 thousand (40,616).

Freight charges to customers are included in the consolidated income statement as Sales commissions and fees, and amount to SEK 19,050 thousand (9,173).

NOTE 7
DEPRECIATION AND AMORTIZATION OF TANGIBLE AND INTANGIBLE ASSETS

GROUP	2024	2023
Capitalized development expenses	1,428	1,083
Patents	546	334
Right of use assets	7,217	7,120
Equipment and tools	1,641	1,535
Total	**10,832**	**10,072**

Depreciation and amortization is included in cost of sales with SEK 3,006 thousand (2,278).

NOTE 8
COMPENSATION TO AUDITORS

	GROUP		PARENT COMPANY	
	2024	2023	2024	2023
EY				
Audit fees related to the assignment	3,031	2,447	2,326	1,774
Audit related fees	-37	146	396	145
Total	**2,994**	**2,593**	**2722**	**1,919**
MKS, UK				
Audit fees related to the assignment	391	198	0	0
Other assignments	481	949	0	0
Total	**872**	**1,147**	**0**	**0**

The table shows expensed fees and compensation to auditors during the year. Compensation for consultations is reported in cases where the same audit firm holds the audit assignment in the individual company. Audit fees related to the assignment refer to the statutory audit of the Annual Report and the administration of the Board of Directors and the managing director. Audit related fees refer to the audit of management or financial information to be performed in accordance with statutes, articles of association, or agreements not included in the audit assignment, which shall be concluded in a report, certificate or other document intended for others than the client. Other assignments are consultations that cannot be attributed to any of the other categories.

NOTE 9
PERSONNEL (AVERAGE NUMBER)

	2024		
	Men	Women	Total
PARENT COMPANY:			
Sweden	1	0	1
SUBSIDIARIES:			
Sweden	14	41	55
USA	23	11	34
United Kingdom	10	7	17
Germany	7	5	12
The Netherlands	2	1	3
Denmark	0	2	2
Spain	0	2	2
Italy	1	0	1
Total subsidiaries	**57**	**69**	**126**
Total Group	**58**	**69**	**127**

	2023		
	Men	Women	Total
PARENT COMPANY:			
Sweden	1	0	1
SUBSIDIARIES:			
Sweden	13	34	47
USA	19	7	26
United Kingdom	9	5	14
Germany	6	5	11
The Netherlands	2	1	3
Denmark	0	1	1
Spain	0	1	1
Italy	1	0	1
Total subsidiaries	**50**	**54**	**104**
Total Group	**51**	**54**	**105**

The number of employees in the tables above represents average full-time equivalents.

At the end of the financial year, the Board of Directors was composed of 3 (3) men and 2 (2) women. The management comprised 6 (6) men and 3 (3) women.

NOTE 10
SALARY, OTHER COMPENSATION AND SOCIAL SECURITY

	2024		2023	
GROUP	Board & CEO	Other employees	Board & CEO	Other employees
Salary and other compensation				
Parent Company	9,008	0	8,771	0
Subsidiaries	0	174,611	0	158,358
Total	**9,008**	**174,611**	**8,771**	**158,358**

The amounts in the table do not include share-based remuneration. These are included in Note 11 Compensation to senior executives and related party transactions.

NOTE 10, cont'd

SALARY, OTHER COMPENSATION AND SOCIAL SECURITY

Social security all employees	2024	2023
Parent Company	11,405	10,897
of which pension cost	792	613
Subsidiaries	51,589	31,731
of which pension cost	10,479	8,447
Total	**62,994**	**42,628**
of which pension cost	11,271	9,060

Social security costs include social security costs on participation in incentive programs.

NOTE 11

COMPENSATION TO SENIOR EXECUTIVES AND RELATED PARTY TRANSACTIONS

Compensation to the CEO is decided by the Board of Directors on a proposal from the remuneration committee. The guidelines that were adopted 2024 and that described on page 15, apply until further notice.

Senior executives during the year consisted of the CEO and an additional 8 (8) persons. On December 31, 2024, the number of senior executives was 9 (9) including the CEO. For the Group management, market conditions apply to salaries and other employment benefits, which are approved by the remuneration committee.

Most employees have individual, variable bonus systems with measurable goals. Follow-up and evaluation is done quarterly or yearly.

The CEO's agreement can be terminated by either party with a notice period of 6 (6) months. In case of termination on the part of the Company, a severance pay of 12 (12) months salary (and benefits and average bonus for the last three years will be paid). Other senior executives' contracts have notice periods of up to 6 (6) months.

	2024			2023		
	Salaries, fees	Share-based compensation	Social security	Salaries, fees	Share-based compensation	Social security
Lennart Johansson[1], Chair of the Board	1,060	366	1,065	985	953	1,001
Håkan Björklund, Director	255	0	26	230	0	23
Lars Lidgren, Director until May 17, 2023	0	0	0	200	0	20
Mary I O'Connor, Director	560	0	0	515	0	0
Björn Odlander, Director	255	0	80	230	0	72
Christine Rankin, Director	610	0	192	575	0	181
Emil Billbäck[1], CEO	5,905	4,145	8,461	6,323	5,499	3,354
Other senior executives[1], 8 (8) persons	22,254	6,977	13,434	21,556	7,677	5,656

[1] The social security for these persons includes change in the liability for social security contributions for active incentive programs.

Compensation to the Board of Directors in the table above, excluding the share-based compensations, are fees that have been paid during 2024. In Note 10, fees expensed regarding 2024 are reported. Accrued Board fees amount to SEK 1,180 thousand (1,186). The guidelines for remuneration to senior executives adopted at the Annual General Meeting 2024 are described in the Director's report and the Corporate Governance Report.

Bonus to the CEO is included in salaries and fees and amounts to SEK 1,977 thousand (2,450) and to other senior executives to SEK 3,817 thousand (4,867).

For the current CEO and other senior executives, the Company pays pension premiums, with the exception of one manager, who administers this himself. For those employed at June 2020, the payments are made in accordance with a scheme where 7 percent is calculated on salaries up to 7.5 of the current price base, 24 percent on salaries between 7.5-20.0 of the price base and 16 percent on salaries between 20.0-30.0 of the price base. For those employed after July 1, 2020, the payments are made in accordance with a scheme where 7 percent is calculated on salaries and bonuses up to 7.5 of the current price base and 30 percent on salaries and bonuses between 7.5-30.0 of the price base. The pension schemes are different since the senior executives, excluding the CEO, are based in 4 (4) different countries. Pension premiums relating to the CEO were paid at SEK 792 thousand (613) and premiums to other senior executives were paid at SEK 1,461 thousand (1,458). Members of the Board have not received any pension.

BONESUPPORT has had consulting fees of SEK 1,115 thousand (1,121) to the Board Director Mary I O'Connor.

NOTE 12

PERFORMANCE SHARE PROGRAMS AND EMPLOYEE STOCK OPTION PROGRAMS

At the year end, there are two performance share programs and one employee stock option program.

Performance share programs

The programs run as follows with the below end dates:

- The program for employees decided at the Annual General Meeting in 2023 runs until December 31, 2026. The investment period for the participants ended on December 31, 2023 and the vesting period started on January 1, 2024.
- The program for employees decided at the Annual General Meeting in 2024 runs until December 31, 2027. The investment period for the participants ended on September 30, 2024 and the vesting period started on the same day.

In the program decided at the Annual General Meeting in 2023, each savings share gives the opportunity to be allotted a maximum of four performance shares without payment depending on share price development and the Company's development in terms of sales and EBITDA during the duration of the program.

In the program decided at the Annual General Meeting in 2024, each savings share gives the opportunity to be allotted a maximum of three performance shares without payment depending on share price development and the Company's development in terms of sales and EBITDA during the duration of the program.

During the year, the program LTI Board 2021 ended.

VALUATION - PERFORMANCE SHARE PROGRAM LTI 2023/2026	February 14, 2023
Dividend	-
Expected volatility	62.52%
Interest rate	2.60%
Valuation of the share (SEK)	47.87
Valuation model	Monte Carlo

VALUATION - PERFORMANCE SHARE PROGRAM LTI 2024/2027	September 30, 2024
Dividend	-
Expected volatility	40.00%
Interest rate	1.71%
Valuation of the share (SEK)	198.86
Valuation model	Monte Carlo

CHANGES DURING THE YEAR (NUMBER) - PERFORMANCE SHARE PROGRAMS	2024	2023
Outstanding at January 1	1,209,132	1,198,378
Granted during the year regarding new program	366,000	600,000
Delivered performance shares regarding programs that ended previous year	-549,132	-500,378
Delivered performance shares regarding program that ended during the year (LTI 2021 Board)	-60,000	0
Cancelled regarding ended programs	0	-82,868
Cancelled during the year regarding terminated employments	-8,000	-6,000
Outstanding at December 31	**958,000**	**1,209,132**
of which fully vested at December 31	0	549,132

Employee stock option programs

The active employee stock option program 2015/2025 runs over ten years and expires 2025. There are no remaining exercisable stock options within that program. The program 2016/2024 expired on December 31, 2024.

CHANGES DURING THE YEAR (NUMBER) - EMPLOYEE STOCK OPTION PROGRAM 2016/2024	2024	2023
Outstanding at January 1	415,208	420,208
Cancelled due to the ending of the program	399,375	0
Exercised during the year	-399,375	-5,000
Outstanding at December 31	**415,208**	**415,208**
of which exercisable at December 31	0	415,208

The exercise price for the employee stock options that were exercised during the year was SEK 26.50 (26.50) per share.

Expense and liability

During 2024, the cost of performance share programs, excluding social security contributions, was recognized as an operating expense amounting to SEK 15,890 thousand (20,069). For information about the part that regards Board members and the management team, see Note 11. The social security contributions for these programs and for employee stock option programs, amounted to an expense of SEK 21,848 thousand (20,051). The liability for social security contributions amounts to SEK 17,012 thousand (23,510).

NOTE 13
OTHER OPERATING INCOME

	GROUP		PARENT COMPANY	
	2024	2023	2024	2023
Exchange rate gains	93,249	31,908	364	185
Other	934	792	0	0
Total	**94,183**	**32,700**	**364**	**185**

NOTE 14
OTHER OPERATING EXPENSES

	GROUP		PARENT COMPANY	
	2024	2023	2024	2023
Exchange rate losses	74,816	40,616	3,234	894
Other	129	347	0	0
Total	**74,944**	**40,963**	**3,234**	**894**

NOTE 15
FINANCIAL ITEMS

	GROUP		PARENT COMPANY	
	2024	2023	2024	2023
Interest income, Group	0	0	13,221	10,394
Interest income, external	8,771	4,935	787	2,266
Interest expenses, Group	0	0	-2,513	-1,977
Interest expenses, external	-2,294	-3,117	-70	0
Net financial items	**6,477**	**1,818**	**11,426**	**10,683**

NOTE 16
INCOME TAX

The Group has tax losses carried forward based on historical losses. The tax losses carried forward are attributable to the research-focused period of the business, where the foundation and conditions for current and future sales and results were created. Essentially all tax losses carried forward are attributable to BONESUPPORT AB and BONESUPPORT HOLDING AB and the Swedish tax system, with full group contribution rights. As per December 31, 2024, the tax losses carried forward amount to SEK 690 million (1,006), of which SEK 156 million (145) regards the Parent Company. The tax losses carried forward have no expiration date.

On an annual basis, the Company has examined the possibility for capitalizing deferred tax assets regarding these tax losses carried forward. In 2023, capitalizing was done for the first time, after the Company hade made a profit in the last three quarters of the year. Our assessment then and now is that this is a sustainable development that will lead to the entire deficit being offset against profits within the next few years. Behind this assessment are, among other things, the Company's sustained increase in turnover since the share was introduced on the stock market in 2017, our high ability to retain customers and our well-protected intellectual property rights. For more information about the estimates, assumptions and assessments that have been made about this, see Note 3 Estimates, assumptions and assessments.

In the Group and in the Parent Company, the part of the deferred taxes on tax losses carried forward that relate to transaction costs on share issue, has been posted directly over equity, as that is where the transaction costs were posted. The remaining part of the deferred taxes has been posted in the income statement.

GROUP

The major components of the income tax are:	2024	2023
Income statement		
Current income tax:		
Current tax on profit for the year	-10,641	-7,720
Adjustment of taxes attributable to previous years	142	-177
Deferred tax:		
Deferred tax relating to origination and reversal of temporary differences	-28,371	237,170
Tax benefit for the year reported in the income statement	**-38,870**	**229,273**
Equity		
Deferred tax relating to transaction costs on share issue	54	12,521
Tax benefit charged directly to equity	**54**	**12,521**
Total reported tax	**-38,816**	**241,794**

Reconciliation between reported tax and tax based on applicable tax rate:	2024	2023
Result before income tax	172,624	15,747
Tax according to the applicable tax rate 20.6% (20.6)	-35,561	-3,244
Difference between Swedish and foreign tax rates	-2,530	-365
Non tax-deductible items	-38,893	-27,486
Non taxable income	1	1
Current tax attributable to prior years	1,047	-177
Utilization of previously unrecognized tax losses carried forward	67,795	24,852
New tax losses carried forward	-2,382	-1,478
Initial recognition of deferred tax	0	237,170
Change in deferred tax	-28,371	0
Translation differrence	24	0
Tax expense for the year recognized in the income statement	**-38,870**	**229,273**
Deferred tax on transaction costs on share issue	54	12,521
Tax expense for the year	**-38,816**	**241,794**

NOTE 16, cont'd
INCOME TAX

The major components of the deferred tax are:	Asset/liability Dec 31, 2024	Asset/liability Dec 31, 2023	Equity Dec 31, 2024	Equity Dec 31, 2023	Income statement 2024	Income statement 2023
Income statement						
Deferred tax benefit on tax losses carried forward excluding the part that regards transaction costs on share issue	129,219	194,614	194,614	0	-65,395	194,614
Deferred tax benefit on leasing debt	3,406	4,017	4,017	0	-611	4,017
Deferred tax expense on right-of-use assets	-3,241	-3,903	-3,903	0	662	-3,903
Deferred tax relating to other temporary differences	79,486	42,428	42,513	0	36,973	42,428
Equity						
Deferred tax on tax losses carried forward that have arisen regarding transaction costs on share issue	12,575	12,521	12,575	12,521	0	0
Total deferred tax benefit			**249,816**	**12,521**	**-28,371**	**237,156**
Deferred tax asset, net	**221,445**	**249,677**				

The deferred tax is reflected in the balance sheet as follows:	Dec 31, 2024	Dec 31, 2023
Deferred tax assets	224,686	253,580
Deferred tax liabilities	-3,241	-3,903
Deferred tax asset, net	**221,445**	**249,677**

PARENT COMPANY

The Parent Company's prevailing tax rate is 20.6 percent (20.6).

The major components of the income tax are:	2024	2023
Income statement		
Current income tax	0	0
Deferred tax relating to origination and reversal of temporary differences	2,140	17,391
Tax benefit for the year reported in the income statement	**2,140**	**17,391**
Equity		
Deferred tax relating to transaction costs on share issue	54	12,521
Tax benefit charged directly to equity	**54**	**12,521**
Total reported tax	**2,194**	**29,912**

Reconciliation between reported tax and tax expense based on applicable tax rate:	2024	2023
Profit/loss before income tax	-11,227	-7,064
Tax according to the applicable tax rate 20.6% (20.6)	2,313	1,455
Non tax-deductible items	69	23
New tax losses carried forward	-2,382	-1,478
Adjustment of deferred tax receivable	2,140	0
Initial recognition of deferred tax	0	17,391
Tax expense for the year	**2,140**	**17,391**

The deferred tax is composed of:	Asset/liability Dec 31, 2024	Asset/liability Dec 31, 2023	Equity Dec 31, 2024	Equity Dec 31, 2023	Income statement 2024	Income statement 2023
Income statement						
Deferred tax benefit on tax losses carried forward	19,531	17,391	17,391	0	2,140	17,391
Equity						
Deferred tax relating to transaction costs on share issue	12,575	12,521	12,575	12,521	0	0
Total deferred tax benefit			**29,966**	**12,521**	**2,140**	**17,391**
Deferred tax asset, net	**32,106**	**29,912**				

NOTE 17
INVENTORIES

Changes in inventory are classified as cost of sales and amount to a positive effekt in the income statement of SEK 3,155 thousand, compared with a positive effect of SEK 1,393 thousand during the comparison year.

Impairment write-down of inventory to net realizable value due to products with short durability or other impairment risk, amounts to SEK 0 thousand (1). This is done as the net sale value is lower than the acquisition value.

NOTE 18
INTANGIBLE ASSETS

GROUP

Capitalized development expenses:	Dec 31, 2024	Dec 31, 2023
Opening accumulated acquisition value	20,157	17,216
Investments for the year	4,310	2,940
Closing accumulated acquisition value	**24,467**	**20,157**
Opening accumulated amortization	-11,991	-10,907
Amortization for the year	-1,428	-1,083
Closing accumulated amortization	**-13,419**	**-11,991**
Closing book value	**11,048**	**8,166**

Patents:	Dec 31, 2024	Dec 31, 2023
Opening accumulated acquisition value	5,582	3,283
Investments for the year	0	2,299
Closing accumulated acquisition value	**5,582**	**5,582**
Opening accumulated amortization	-1,542	-1,208
Amortization for the year	-546	-334
Closing accumulated amortization	**-2,088**	**-1,542**
Closing book value	**3,494**	**4,040**

NOTE 19
EQUIPMENT AND TOOLS

GROUP	Dec 31, 2024	Dec 31, 2023
Opening accumulated acquisition value	12,698	11,952
Investments for the year	1,530	820
Translation difference	209	-74
Closing accumulated acquisition value	**14,437**	**12,698**
Opening accumulated depreciation	-7,648	-6,188
Depreciation for the year	-1,641	-1,535
Translation difference	-197	75
Closing accumulated depreciation	**-9,486**	**-7,648**
Closing book value	**4,951**	**5,050**

NOTE 20
PARTICIPATIONS IN GROUP COMPANIES

PARENT COMPANY	Dec 31, 2024	Dec 31, 2023
Opening accumulated acquisition value	1,254,438	1,254,438
Shareholders' contribution	0	0
Closing accumulated acquisition value	**1,254,438**	**1,254,438**
Opening accumulated write-down	-297,786	-297,786
Closing accumulated write-down	**-297,786**	**-297,786**
Closing book value	**956,652**	**956,652**

NOTE 20, cont'd
PARTICIPATIONS IN GROUP COMPANIES

	Share of equity %	Number of shares	Book value Dec 31, 2024	Book value Dec 31, 2023	Corporate reg. no.	Registered office
BONESUPPORT AB	100	1,000	956,652	956,652	556800-9939	Lund

SUBSIDIARIES OF BONESUPPORT AB:

	Share of equity %	Number of shares	Book value Dec 31, 2024	Book value Dec 31, 2023	Corporate reg. no.	Registered office
BONESUPPORT Inc.	100	100	69	69	98-0539754	Delaware
BONESUPPORT GmbH	100	1,000	0	0	HRB 80228	Frankfurt
BONESUPPORT BV	100	18,000	183	183	34377023	Amsterdam
BONESUPPORT Switzerland GmbH	100	20,000	171	171	CHE-474.771.411	Zürich
BONESUPPORT UK Ltd	100	1	0	0	10352673	London
BONESUPPORT ApS	100	500	69	69	40081135	Kongens Lyngby
BONESUPPORT, S.L.U.	100	3,500	36	36	B67244988	Barcelona
BONESUPPORT SRL	100	10,000	102	102	11708750960	Milano
BONESUPPORT Incentive AB	100	100,000	840	840	556739-7780	Lund

NOTE 21
TRADE RECEIVABLES AND OTHER RECEIVABLES

The Group's customers are mainly hospitals and clinics. Credit risk is considered low for the vast majority of customers. The Group shows a history of very low realized credit losses.

	GROUP		PARENT COMPANY	
	Dec 31, 2024	Dec 31, 2023	Dec 31, 2024	Dec 31, 2023
Trade receivables	195,941	116,563	0	0
Accrued income	36,539	17,154	0	0
Other receivables	19,368	11,013	356,040	305,962
Total	**251,848**	**144,730**	**356,040**	**305,962**

Other receivables refer to:	Dec 31, 2024	Dec 31, 2023	Dec 31, 2024	Dec 31, 2023
Receivables on Group companies	0	0	355,965	305,887
VAT receivable	4,806	7,185	0	0
Tax receivable	1,708	1,460	75	75
Other financial receivables	7,918	1,968	0	0
Share swap	4,606	0	0	0
Other	330	401	0	0
Total	**19,368**	**11,013**	**356,040**	**305,962**

The four largest customers represent 9 percent (11) of total trade receivables. The single largest customer represents 3 percent (3).

Credit risk exposure:	Dec 31, 2024	Dec 31, 2023
Trade receivables not past due, gross amounts	135,126	77,595
Provision for credit risk	0	0
(Provision in percent)	0%	0%
Trade receivables past due, gross amounts	105,365	56,679
Provision for credit risk	-8,011	-557
(Provision in percent)	7%	1%
Total trade receivables	**232,480**	**133,717**

Credit risk exposure, per credit rating:	Dec 31, 2024	Dec 31, 2023
Low	232,480	133,717
Medium	0	0
High	8,011	557
Credit risk provision	-8,011	-557
Total carrying amount	**232,480**	**133,717**

Principles for measurement of expected credit losses are described in Note 1 General information, accounting policies.

Due date for trade receivables past due but not written off:	Dec 31, 2024	Dec 31, 2023
Less than one month	30,850	21,819
1-3 months	34,570	13,691
More than 3 months	31,934	20,612
Total	**97,354**	**56,122**

Changes in credit risk provision:	2024	2023
As of January 1	557	541
Provision for credit risk	7,155	134
Reversal of previous provisions for credit risk	0	-94
Write off of bad debts	-15	-4
Translation difference	314	-20
As of December 31	**8,011**	**557**

No provision for expected credit losses has been made for other financial receivables since it is considered immaterial. Receivables on Group companies are tested for impairment together with shares in Group companies.

The Group's trade receivables per currency:	Dec 31, 2024	Dec 31, 2023
USD	172,856	96,694
GBP	10,764	8,534
EUR	9,591	8,873
DKK	1,111	1,038
SEK	922	1,234
CAD	616	190
CHF	81	0
Total	**195,941**	**116,563**

NOTE 22
ACCRUALS AND PREPAID ITEMS

	GROUP		PARENT COMPANY	
	Dec 31, 2024	Dec 31, 2023	Dec 31, 2024	Dec 31, 2023
Prepaid expenses regarding				
Insurance	2,410	2,077	1,360	1,014
License fees	1,333	555	32	0
Expositions and fairs	1,067	723	0	0
Personnel	964	389	0	0
Travel	416	137	0	0
Board fees	399	813	399	813
IT service	212	185	0	0
Other	2,830	2,672	123	135
Total	**9,631**	**7,551**	**1,914**	**1,962**
Accrued income				
Accrued income	36,539	17,154	0	0
Total	**36,539**	**17,154**	**0**	**0**
Accrued expenses regarding				
Selling commissions	33,911	19,528	0	0
Bonus including social security contributions	26,501	28,951	2,517	3,148
Social security contributions for incentive programs	17,012	23,510	6,097	9,511
Holiday pay including social security contributions	8,594	7,016	744	660
Other social security contributions	2,367	2,099	421	390
Consultancy	2,261	3,799	51	43
Pension	1,998	1,544	192	149
Audit	1,648	1,131	869	421
Board fees	1,180	1,186	1,180	1,186
Received goods	270	1,317	0	0
Other	2,036	2,884	0	10
Total	**97,778**	**92,965**	**12,071**	**15,518**

NOTE 23
EQUITY AND EARNINGS PER SHARE

Total number of shares, quotient value SEK 0.625 (0.625)	66,764,350
Number of shares December 31, 2022	**66,174,635**
Conversion of 500,378 C-shares to ordinary shares	0
Conversion of employee stock options, paid during 2022	22,000
Conversion of employee stock options, other	1,000
Number of shares December 31, 2023	**66,197,635**
Issued C-shares	486,840
Conversion of 723,745 C-shares to ordinary shares	0
Conversion of employee stock options	79,875
Number of shares December 31, 2024	**66,764,350**
Number of votes	**65,949,711**

The total number of shares at the end of the year is 66,764,350 (66,197,635) of which 65,859,195 (65,055,575) are ordinary shares and 905,155 (1,142,060) are series C-shares. The share capital amounts to SEK 41,728 thousand (41,374). During 2024, 79,875 shares (23,000) were issued from exercise of employee stock options.

EARNINGS PER SHARE - BEFORE DILUTION

Earnings per share before dilution is calculated using the following results and number of shares:

	2024	2023
Net profit for the year, SEK thousands	133,754	245,021
Weighted average number of ordinary shares, thousands	65,632	64,951
Earnings per share before dilution, SEK	2.04	3.77

EARNINGS PER SHARE - AFTER DILUTION

BONESUPPORT has potential shares in form of ongoing long term incentive programs. At December 31, 2023 there were also potential shares regarding un-exercised employee stock options. Earnings per share after dilution is calculated as follows:

	2024	2023
Net profit for the year, SEK thousands	133,754	245,021
Weighted average number of ordinary shares and potential shares, thousands	66,608	65,592
Earnings per share after dilution, SEK	2.01	3.74

NOTE 24
PROVISIONS

The Group has capitalized direct pensions that have been presented net in the balance sheet. Special payroll tax relating to the pensions has been recorded as a provision.

	2024	2023
As of January 1	357	344
Re evaluation	20	13
As of December 31	**377**	**357**

NOTE 25
CLASSIFICATION OF FINANCIAL INSTRUMENTS

The Group's financial assets and liabilities valued at amortized cost:

	Dec 31, 2024	Dec 31, 2023
Financial assets:		
Other financial assets	426	1
Trade receivables	195,941	116,563
Share swap	4,606	0
Other current receivables	7,918	1,968
Accrued income	36,225	17,154
Cash and cash equivalents	227,004	167,351
Financial liabilities:		
Leasing liabilities	14,589	17,484
Trade payables	17,838	19,660
Accrued expenses	41,306	29,845

The Parent Company's financial assets and liabilities:

	Dec 31, 2024	Dec 31, 2023
Financial assets:		
Participations in Group companies	956,652	956,652
Receivables on Group companies	355,965	305,887
Cash	16,965	43,315
Financial liabilities:		
Trade payables	881	709
Share swap	414	0
Accrued expenses	2,100	1,661

The fair value of financial assets and liabilities is estimated to be in accordance with the booked value due to the short maturity. The Parent Company values participations in Group companies to acquisition value, and all other financial assets are valued at amortized cost.

Cash and cash equivalents include cash and bank balances.

For information on interest income on financial assets, see Note 15 Financial items. Losses on financial assets, recognized in the income statement as credit losses, are described in Note 21 Trade receivables and other receivables. Accrued expenses are specified in Note 22 Accruals and prepaid items.

NOTE 26
LEASING

The Group has lease agreements with Första Fastighets AB IDEON (Wihlborgs) in Sweden and with 115-119 Fourth Avenue, LLC in the US for the lease of office and warehouse space.

In addition to the agreements relating to premises, the Group has contracts with a number of suppliers for car leasing and a leasing contract with ATEA regarding the rental of computers and other IT equipment. All items are used in the Company's daily operations. The lease period for premises extends between three and five years, for cars between three and four years and for computers and other IT equipment for three years.

NOTE 26, cont'd
LEASING

The terms of the agreement are market-based and none of the contracts require the Group to maintain any financial key figures.

No leasing contracts last longer than four years.

The right of use assets and the leasing debt and how their book values have changed during the year is summarized below:

GROUP - RIGHT OF USE ASSETS	Buildings	Cars	Equipment	Total
Acquisition value				
Opening accumulated acquisition value Jan 1, 2023	31,519	3,570	3,029	38,118
New leasing objects	5,034	1,938	374	7,346
Terminated agreements	-6,574	-643	-460	-7,677
Translation difference	-229	-2	0	-231
Closing accumulated acquisition value Dec 31, 2023	**29,750**	**4,863**	**2,943**	**37,556**
Opening accumulated acquisition value Jan 1, 2024	29,750	4,863	2,943	37,556
New leasing objects	457	2,587	1,069	4,113
Terminated agreements	0	-1,260	-1,684	-2,944
Translation difference	0	40	0	40
Closing accumulated acquisition value Dec 31, 2024	**30,207**	**6,230**	**2,328**	**38,765**
Depreciation				
Opening accumulated depreciation value Jan 1, 2023	-15,970	-1,869	-1,419	-19,258
Terminated agreements	6,574	643	460	7,677
Depreciation for the year	-4,728	-1,500	-892	-7,120
Translation difference	50	57	-17	90
Closing accumulated depreciation Dec 31, 2023	**-14,074**	**-2,669**	**-1,868**	**-18,611**
Opening accumulated depreciation value Jan 1, 2024	-14,074	-2,669	-1,868	-18,611
Terminated agreements	0	1,260	1,684	2,944
Depreciation for the year	-4,478	-1,750	-989	-7,217
Translation difference	-91	-28	-32	-151
Closing accumulated depreciation Dec 31, 2024	**-18,643**	**-3,187**	**-1,205**	**-23,035**
Closing book value				
Closing book value Dec 31, 2023	**15,677**	**2,194**	**1,075**	**18,946**
Closing book value Dec 31, 2024	**11,565**	**3,043**	**1,123**	**15,731**

NOTE 26, cont'd
LEASING

GROUP - LEASING DEBT	2024	2023
Opening balance	17,484	17,451
Debt for new leasing objects	4,128	7,347
Repayment of debt	-8,646	-8,311
Interest expense	1,677	1,140
Translation difference	-54	-143
Closing balance	**14,589**	**17,484**
of which non-current leasing debt	7,660	13,222
of which current leasing debt	6,929	4,262

When calculating the liability of remaining payments, an interest rate of 6.1 percent (5.5) has been applied as discount rate for agreements that have commenced or been prolonged during the year. As the Group has no external loans, the marginal borrowing rate has been based on discussions with the Group's main bank. After discussing with this external lender, a reasonable borrowing rate for a real estate loan has been evaluated. A development company carries a high risk premium and therefore 6.1 percent has been considered reasonable.

The Group's leasing debts have the following, undiscounted maturities:

GROUP	Dec 31, 2024	Dec 31, 2023
Within one year	8,581	6,966
Between one and two years	7,667	6,241
Between two and three years	4,113	5,559
Between three and four years	0	2,779
Sum	**20,361**	**21,545**

The amounts with which leasing has been reported in the income statement are as follows:

GROUP	2024	2023
Depreciation right of use assets	7,217	7,120
Interest expense for leasing debt	1,677	1,140
Total	**8,894**	**8,260**

Leasing is included in the Group's total cash flow with SEK 1,677 thousand (1,140) regarding interest payments and SEK 6,416 thousand (6,567) regarding repayment of borrowings.

The Parent Company is not engaged in any lease contracts.

NOTE 27
PLEDGED SECURITIES AND CONTINGENT LIABILITIES

PLEDGED SECURITIES

The US subsidiary BONESUPPORT Inc. has provided a guarantee for its rented facilities of USD 42 thousand (42), corresponding to SEK 463 thousand (422). The Parent Company guarantees a corresponding amount. During 2022, the Parent Company also provided a general guarantee. At the end of 2024, this amounted to USD 1,000 thousand (1,000), corresponding to SEK 11,030 thousand (10,038).

BONESUPPORT AB has capital-invested direct pensions amounting to SEK 979 thousand (979). The Parent Company has pledged collateral amounting to the corresponding amount.

OTHER CONTINGENT LIABILITIES

At the end of 2024 and 2023, the Group and the Parent Company had no other contingent liabilities.

NOTE 28
ITEMS NOT INCLUDED IN THE CASH FLOW

GROUP - ITEMS NOT INCLUDED IN CASH FLOW	2024	2023
Depreciation regarding right of use assets	7,217	7,120
Other depreciation and amortization	3,615	2,952
Costs for employee incentive programs	15,890	39,916
Unrealized exchange rate differences	-38,892	16,020
Write-down on trade receivables and inventories	7,254	342
Other	21	1,555
Total	**-4,895**	**67,905**

NOTE 29
EVENTS AFTER THE CLOSING DAY

In January 2025, a clinical study[1] including 105 diabetes patients with bone infection in the foot, was reported, showing that treatment with CERAMENT G or CERAMENT V gave significant advantages compared to standard treatment. The results showed improved infection healing and a dramatic improvement in survival rate to 87.5 percent compared to 44.9 percent in the standard treatment group, over a five year period.

[1] Metaoy S, Rusu I & Pillai A. 'Adjuvant local antibiotic therapy in the management of diabetic foot osteomyelitis', Clin Diabetes Endocrinol 10, 51. December 2024.

NOTE 30
PROPOSAL FOR APPROPRIATION - PARENT COMPANY

SEK

Unrestricted equity in the Parent Company	Dec 31, 2024	Dec 31, 2023
Share premium reserve	1,565,929,044	1,563,862,278
Retained earnings	-310,967,059	-345,769,561
Net loss for the year	-9,086,508	10,327,784
Total	**1,245,875,477**	**1,228,420,502**

The Board of Directors propose that the share premium reserve, retained earnings and net profit for the year should be carried forward. The proposal will be presented at the Annual General Meeting on May 27, 2025.

THE BOARD'S ASSURANCE

The Board of Directors and the CEO assure that the consolidated accounts have been prepared in accordance with international accounting standards IFRS as adopted by the EU and give a true and fair view of the Group's position and results. The Annual Report has been prepared in accordance with generally accepted accounting standards and gives a true and fair view of the Parent Company's position and results.

The Annual Report of the Group and the Parent Company gives a true and fair view of the development and the Group's and the Parent Company's operations, position and results, and describes significant risks and uncertainties facing the Parent Company and the companies that are part of the Group.

Stockholm, April 16, 2025

Lennart Johansson
Chair of the Board

Gärsnäs, April 16, 2025

Håkan Björklund
Board member

Florida (US), April 16, 2025

Mary I O'Connor
Board member

Stockholm, April 16, 2025

Christine Rankin
Board member

Stockholm, April 16, 2025

Björn Odlander
Board member

Lund, April 16, 2025

Emil Billbäck
CEO

Our audit report was delivered on April 16, 2025

Ernst & Young AB

Henrik Rosengren
Authorized Public Accountant

THIS IS A TRANSLATION FROM THE SWEDISH ORIGINAL

AUDITOR'S REPORT

TO THE GENERAL MEETING OF THE SHAREHOLDERS OF BONESUPPORT HOLDING AB (PUBL), CORPORATE IDENTITY NUMBER 556802-2171

REPORT ON THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

Opinions

We have audited the annual accounts and consolidated accounts of BONESUPPORT HOLDING AB (publ) for the year 2024. The annual accounts and consolidated accounts of the company are included on pages 8 - 46 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31st of December 2024 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31st of December 2024 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

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

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

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

KEY AUDIT MATTERS

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

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Revenue recognition

Description

The net turnover for the year 2024 amounts to 899 MSEK in the group's income statement.

Revenue is recognized based on the compensation that the group expects to be entitled to in exchange for transferring promised goods or services to a customer, excluding amounts received on behalf of third parties (for example, certain sales taxes), at the time when control of the good has been transferred to the customer. The revenues are primarily consisting of goods sales generated through three channels with different sales terms: a combination of own sales companies/distributors in the United States, direct sales in certain European markets and through distributors in other markets. The revenue recognition includes large transaction volumes and is based on the application of different contract terms depending on sales channel and market. The timing of the transfer of goods to the customer is assessed and determined at various levels within the group and there is a significant risk that the revenues are not attributable to the correct period. We have therefore assessed the revenue recognition as a key audit matter.

A description of the principles for revenue recognition is included in Note 1 and information on operating segments in Note 4.

How our audit addressed this key audit matter

In our audit of the revenue recognition, our audit measures to address the risk of revenues not being allocated to the correct period have consisted of, among other things:

- mapping and evaluating the company's revenue recognition process,
- conducting sales analyses compared to the previous year and movements in the income statement compared to expectations,
- substantively audit the company's accounting of all significant revenue streams, examine customer agreements, credits, and the existence of accounts receivable, as well as perform data analyses,
- conduct sample checks of accruals in connection with the financial statements.

We have audited the information provided in the annual report.

Deferred tax asset

Description

The reported value of deferred tax asset as of 31 December 2024 amounts to 221 MSEK in the Group's balance sheet and 32 MSEK in the parent company's balance sheet, which corresponds to 25% of the Group's total assets and 2% of the parent company's total assets. The receivables are attributable, among other things, to accumulated tax losses in the parent company BONESUPPORT HOLDING AB (publ) and the subsidiary BONE SUPPORT AB.

A deferred tax asset attributable to accumulated tax losses shall be recognized in the balance sheet if there are sufficient expected future taxable profits to offset the loss deductions against. The Group prepares an annual forecast to assess future taxable profits and whether there are factors that convincingly argue that these can be offset against the accumulated tax losses. Future taxable profits are based on management's forecasts and involve a number of assumptions, including sales growth and anticipated costs of operating the business.

Changes in assumptions have a significant impact on the calculation of future taxable profits and the assumptions the company has applied therefore have a significant impact on the assessment of whether a deferred tax asset can be activated. We have therefore assessed the recognition of deferred tax asset as a key audit matter in the audit.

A description of the valuation of deferred tax asset is given in the section Judgments, Estimates and Assumptions in Note 3 and information on accumulated losses as of 31 December 2024 is given in Note 16, in the Annual report 2024.

How our audit addressed this key audit matter

In our audit of deferred tax asset, our audit procedures have included, among other things:

- Mapping and evaluating the company's process for developing forecasts and evaluating previous accuracy in forecasts and assumptions,
- Critically reviewing the forecast and the assumptions made, and verifying that the forecast has been approved by the Board,
- Investigating whether there are any limitations in utilizing the tax losses that part of the asset is based on, for example by examining whether there have been any implemented or upcoming changes in tax legislation in Sweden that could affect the size of the losses.

We have audited the disclosures provided in the annual report.

OTHER INFORMATION THAN THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-7 and 57-62. The other information also includes the remuneration report and were obtained before the date of this auditor's report. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND THE MANAGING DIRECTOR

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS Accounting Standards as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

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

AUDITOR'S RESPONSIBILITY

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

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

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated accounts. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our opinions.

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

REPORT ON THE AUDIT OF THE ADMINISTRATION AND THE PROPOSED APPROPRIATIONS OF THE COMPANY'S PROFIT OR LOSS

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of BONESUPPORT HOLDING AB (publ) for the year 2024 and the proposed appropriations of the company's profit or loss.

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

Basis for opinions

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

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

Responsibilities of the Board of Directors and the Managing Director

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

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

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

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

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

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

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional skepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

THE AUDITOR'S EXAMINATION OF THE ESEF REPORT

Opinion

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

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

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

Basis for opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the ESEF report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of BONESUPPORT HOLDING AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

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

Responsibilities of the Board of Directors and the Managing Director

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

Auditor's responsibility

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

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

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The audit firm applies ISQM 1 Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or other Assurance or Related Services Engagements which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with professional ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHTML format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

Ernst & Young AB, Box 7850, 103 99 Stockholm, was appointed auditor of BONESUPPORT HOLDING AB (publ) by the general meeting of the shareholders on the 16th of May 2024 and has been the company's auditor since the 22nd of April 2010.

Lund 16 April 2025

Ernst & Young AB

Henrik Rosengren
Authorized Public Accountant

CORPORATE GOVERNANCE REPORT 2024

BONESUPPORT HOLDING AB (publ) ("**BONESUPPORT**") is a Swedish public company with its registered office in Lund, Sweden. The Company's share is listed on Nasdaq Stockholm and is traded under the acronym BONEX. BONESUPPORT's corporate governance is based on applicable laws, rules and recommendations for listed companies, such as the Swedish Code of Corporate Governance (the "**Code**"), Nasdaq Stockholm's Rule Book for Issuers, BONESUPPORT's Articles of Association and company-specific rules and guidelines. For more information, see the Company's website www.bonesupport.com. During the financial year 2024, BONESUPPORT has applied the Code without any deviations.

GENERAL MEETING

The Annual General Meeting (AGM), or where applicable, the Extraordinary General Meeting, is the ultimate decision-making body in BONESUPPORT where all shareholders are entitled to participate. The AGM resolves, for example, on amendments to the Articles of Association, election of the Board of Directors and auditors, adoption of the income statement and balance sheet, discharge from liability for the Board of Directors and the CEO, appropriation of profit or loss, principles for the appointment of the Nomination Committee and guidelines for remuneration to senior executives.

At the Annual General Meeting on May 16, 2024, 168 shareholders were represented with a holding corresponding to 57 percent of the total number of shares and votes in the Company. Attorney-at-law Madeleine Rydberger was elected Chair of the Meeting. At the 2024 Annual General Meeting, resolutions were passed, among other things, on the determination of fees to the Board of Directors and the auditors, re-election of Håkan Björklund, Björn Odlander, Lennart Johansson, Christine Rankin and Mary I O'Connor as ordinary members, implementation of a long-term incentive program for senior executives and other key employees and resolutions on issue authorizations for the Board of Directors. Lennart Johansson was re-elected as Chair of the Board. Ernst & Young AB was re-elected as auditor with authorized public accountant Henrik Rosengren as auditor in charge.

The 2025 Annual General Meeting will be held on Tuesday, May 27, 2025. For further information about the Annual General Meeting, please refer to BONESUPPORT's website. Shareholders have the right to participate and vote for all their shares at the General Meeting. For information about shares and voting rights, see the Directors' Report on Page 16 of the Annual Report.

NOMINATION COMMITTEE

According to the Code, the Company shall have a Nomination Committee whose tasks shall include the preparation and drafting of proposals for the election of Board members, the Chair of the Board, the Chair of the Annual General Meeting and the auditors(s). The Nomination Committee shall also propose fees to the Board members and auditors. At the 2023 Annual General Meeting, it was resolved to adopt a revised instruction and rules of procedure for the Nomination Committee, according to which the Nomination Committee shall consist of three members representing the three largest shareholders as of the end of September. The Chair of the Board of Directors shall be co-opted to the Nomination Committee, except when the Nomination Committee shall consider the issue of the Chair of the Board of Directors and the remuneration to the Chair. For information about ownership interests, see Page 57 of the Annual Report or the Company's website www.bonesupport.com.

In accordance with the adopted instructions, a Nomination Committee for the 2025 Annual General Meeting has been constituted consisting of Caroline Sjösten (Chair) appointed by Swedbank Robur Fonder, Erik Selin appointed by Erik Selin Fastigheter and Staffan Lindstrand appointed by HealthCap V LP. The Chair of the Board, Lennart Johansson, has been co-opted to the Nomination Committee. The Nomination Committee's composition for the 2025 Annual General Meeting was published through the publication of the interim report July – September on October 24, 2024. Due to ownership changes, the Nomination Committee's composition was subsequently changed, as published in a press release on November 29, 2024.

During 2024 and 2025, the Nomination Committee held eight meetings and had ongoing contact in between. The Nomination Committee has followed the instructions adopted at the 2023 Annual General Meeting.

In its work, the Nomination Committee has applied item 4.1 of the Code as a diversity policy, whereby the Nomination Committee has paid regard to that the Board of Directors, taking into account the Company's business activities, stage of development and conditions in general, shall be characterized by diversity and breadth in terms of the members' qualifications, skills and expertise, experience and background, and that an even gender balance shall be strived for. The Nomination Committee's ambition is that the gender balance will be evened out over time.

EXTERNAL AUDIT

The Company's auditor is appointed by the Annual General Meeting for the period until the end of the next Annual General Meeting. The auditor examines the Annual Report and accounting as well as the administration of the Board of Directors and the CEO. After each financial year, the auditor shall submit an auditor's report to the Annual General Meeting. The Company's auditor reports to the Board of Directors each year his/her observations from the audit.

At the 2024 Annual General Meeting, Ernst & Young AB was re-elected as the Company's auditor with authorized public accountant Henrik Rosengren as auditor in charge. The Annual General Meeting also resolved that fees to the auditor shall be paid in accordance with customary billing standards and approved invoices. More information regarding the auditor's fees can be found in *Note 8 Compensation to auditors* in the Annual Report.

BOARD OF DIRECTORS

After the Annual General Meeting, the Board of Directors is the Company's highest decision-making body. The Board of Directors is responsible for the Company's organization and the management of the Company's affairs, for example by establishing goals and strategies, ensuring procedures and systems for following up on the established goals, continuously assessing the Company's financial situation and evaluating the operational management. It is also the responsibility of the Board of Directors to ensure that true and correct information is provided to the Company's stakeholders, that the Company complies with laws and regulations, and that the Company develops and implements internal policies and ethical guidelines. The Board of Directors also appoints the Company's CEO and determines his salary and other remuneration based on the guidelines adopted by the Annual General Meeting.

The members of the Board of Directors elected by the Annual General Meeting are elected annually at the Annual General Meeting for the period until the next Annual General Meeting has been held. According to the Company's Articles of Association, the Board of Directors shall consist of a minimum of three and a maximum of eight members with no deputies. According to the Code, the majority of the Board members elected by the Annual General Meeting shall be independent in relation to the Company and its management. Furthermore, at least two of the members who are independent in relation to the Company and the Company's management must also be independent in relation to major shareholders. Major shareholders refer to shareholders who directly or indirectly control ten percent or more of all shares and votes in the Company. When deciding whether a member is independent or not, an overall assessment shall be made of all circumstances that may give rise to questioning the member's independence in relation to the Company, the Company's management or the major shareholder. A director who is an employee or director of a Company that is a major shareholder is not considered independent. There are no further provisions in the Articles of Association regarding the appointment and dismissal of Board members and amendments to the Articles of Association.

All of the Board of Directors elected by the Annual General Meeting are to be regarded as independent in relation to major shareholders and all members elected by the Annual General Meeting have been regarded as independent in relation to the Company and its management. As can be seen, the Board of Directors makes the assessment that the Company meets the Code's requirements regarding independence. The members of the Board of Directors, their own and related parties' holdings and the year in which they were elected are presented on Page 57 of the Annual Report.

The Board follows written rules of procedure that are reviewed annually and adopted at the statutory Board meeting. The rules of procedure regulate, among other things, the Board's working methods, duties, decision-making procedures within the Company, the Board's meeting procedures, the duties of the Chair and the division of tasks between the Board of Directors and the CEO. Instructions regarding financial reporting and instructions to the CEO are also adopted in connection with the statutory Board meeting.

The Board's work is also conducted on the basis of an annual presentation plan that meets the Board's need for information. In addition to the Board meetings, the Chair of the Board and the CEO have an ongoing dialogue regarding the management of the Company.

The Board of Directors meets according to a predetermined annual plan and, in addition to the statutory Board meeting, shall hold at least six ordinary Board meetings between each Annual General Meeting. In addition to these meetings, extraordinary meetings may be arranged to deal with issues that cannot be referred to any of the regular meetings. The Board's work during the year has followed the framework described above. The Board has held 11 meetings in 2024. See table below for attendance.

The work of the Board is evaluated annually with the aim of developing the Board's working methods and efficiency. The Chair of the Board is responsible for the evaluation and for presenting it to the Nomination Committee. The purpose of the evaluation is to get an idea of the Board members' views on how the Board work is conducted and what measures can be taken to streamline the work of the Board of Directors and whether the Board is well balanced in terms of competence. The evaluation is an important basis for the Nomination Committee ahead of the Annual General Meeting.

In 2024, the Chair conducted an evaluation with all Board members. The results of the evaluation have been reported and discussed in the Board of Directors and the Nomination Committee.

Remuneration to the Board of Directors

Fees to Board members elected by the Annual General Meeting are resolved by the Annual General Meeting. Ahead of the 2025 Annual General Meeting, the Nomination Committee will submit proposals regarding the remuneration. At the Annual General Meeting on May

THE BOARD OF DIRECTORS: ASSIGNMENTS AND REMUNERATIONS

Director	Office	Ordinary remuneration, paid[1]	Extended remuneration, paid[2]	Attendance, Board meetings	Attendance, Audit Committee	Attendance, Remuneration Committee
Lennart Johansson	Chair, member of the Audit Committee, Chair of the Remuneration Committee	585	475	10/11	6/6	2/2
Håkan Björklund	Board member, member of the Remuneration Committee	255	-	10/11		2/2
Björn Odlander	Board member, member of the Remuneration Committee	255	-	11/11		2/2
Christine Rankin	Board member, Chair of the Audit Committee	375	235	10/11	6/6	
Mary I O'Connor	Board member	325	235	10/11		

[1] Includes remuneration for committee work. Regards remuneration resolved at the Annual General Meeting on May 17, 2023, and paid out during 2024.

[2] Regards extended Board remuneration conditioned on the acquisition of shares in BONESUPPORT HOLDING AB, which was resolved at the Annual General Meeting on May 16, 2024 and subsequently paid during 2024.

16, 2024, it was resolved that remuneration to the Board of Directors shall be paid in the amount of SEK 475,000 to the Chair of the Board and SEK 235,000 to each of the other Board members who are not employed by the Company. Fees for committee work shall be paid in the amount of SEK 165,000 to the Chair of the Audit Committee, SEK 80,000 to each of the other members of the Audit Committee, SEK 60,000 to the Chair of the Remuneration Committee and SEK 30,000 to each of the other members of the Remuneration Committee. It was further resolved that additional remuneration of SEK 100,000 shall be paid to Board member Mary I O'Connor as compensation for travel time.

The Annual General Meeting further resolved that the Board members Lennart Johansson, Mary I O'Connor and Christine Rankin together shall receive an increased Board fee of SEK 945,000 in total, conditional upon the Board members acquiring shares in BONESUPPORT HOLDING AB for the entire increased Board fee (after tax) and that the Board member undertakes not to sell the shares during the Board member's entire term of office on the Board. The increased remuneration to the Board of Directors is distributed as follows: SEK 475,000 to the Chair of the Board and SEK 235,000 to each of Mary I O'Connor and Christine Rankin. In the event that the Board member is dismissed before the next Annual General Meeting as a result of a breach of his/her obligations as a Board member or leaves the Board at his or her own request, the Board member is obliged to repay the increased Board fee (after tax). Remuneration in 2024 has been paid to the members of the Board of Directors in accordance with what is stated in the table on the previous page. All amounts are stated in thousands of kronor.

Audit committee

The main tasks of the Audit Committee are to monitor the Company's financial position, to monitor the effectiveness of the Company's internal control, internal audit and risk management, to stay informed about the audit of the annual accounts and consolidated financial statements, and to review and monitor the auditor's impartiality and independence. The Audit Committee shall also assist the Nomination Committee in proposing resolutions on the election and remuneration of the auditor. The Audit Committee consists of Christine Rankin (Chair) and Lennart Johansson. The work of the Audit Committee during the year has followed the framework described above. During the 2024 financial year, the Audit Committee held six meetings and dealt with issues relating to the Company's control systems, review of interim reports, evaluation of the auditor's work and evaluation of risk management. See table on the previous page for attendance.

Remuneration Committee

The Remuneration Committee's tasks are mainly to prepare issues concerning remuneration and other terms of employment for the CEO and other senior executives. The Remuneration Committee shall also monitor and evaluate ongoing and completed programs for variable remuneration for senior executives and monitor and evaluate the application of the guidelines for remuneration to senior executives adopted by the Annual General Meeting. The Remuneration Committee consists of Lennart Johansson (Chair), Håkan Björklund and Björn Odlander.

During the 2024 financial year, the Remuneration Committee has held two meetings and has discussed issues relating to the CEO's and other Group Management's bonus outcomes for 2023 as well as bonus criteria and salary review for 2024.

CEO AND OTHER SENIOR EXECUTIVES

The CEO is subordinate to the Board of Directors and has the main task of managing the Company's day-to-day operations and the day-to-day operations of the Company. The Board's rules of procedure and instructions for the CEO set out the matters on which the Company's Board of Directors shall decide, and which decisions fall within the CEO's area of responsibility. The CEO is also responsible for producing reports and the necessary decision-making documentation for Board meetings and is the rapporteur for the material at Board meetings.

BONESUPPORT has a management team consisting of nine people, including the CEO. For further information about the CEO and other senior executives, please refer to Pages 58-59 of the Annual Report.

Remuneration to senior executives

Remuneration to senior executives consists of fixed salary, variable remuneration, pension benefit, share-based incentive programs and other benefits.

The CEO and other senior executives were paid salary and other remuneration for the financial year 2024 in accordance with what is stated in the table below. All amounts are stated in thousands of kronor.

Guidelines for remuneration to senior executives

According to the Swedish Companies Act, the Annual General Meeting shall decide on guidelines for remuneration to the CEO and other senior executives. At the 2023 Annual General Meeting, revised guidelines were adopted with the following main contents:

The Company's starting point is that remuneration shall be paid on market terms that enable senior executives to be recruited and retained, and that the terms shall be competitive with regard to the conditions in the country where the senior executive is employed. Remuneration to senior executives may consist of fixed salary, variable cash remuneration, pension benefits and other benefits.

Fixed salary shall be determined taking into account competence, area of responsibility and performance. The variable remuneration shall be based on the outcome of predetermined and measurable criteria, which may be financial, such as net sales and operating profit, or non-financial, such as qualitative targets. The variable remuneration

GROUP MANAGEMENT: REMUNERATIONS

	Salaries, fees	Social security	Share-based compensation
CEO	5,905	4,145	8,461
Other senior executives	22,254	6,977	13,434

shall be maximized and may not exceed 75 percent of the fixed annual salary of the CEO, a maximum of 52.5 percent of the fixed annual salary of the CFO and 40 percent of the fixed annual salary of other senior executives, whereby the individual maximum level shall be determined in light of, among other things, the person's position.

In addition to what follows from law and collective agreements or other agreements, the CEO and other senior executives may have the right to arrange pension solutions on an individual basis. Waiver of salary and variable remuneration can be used for increased pension provisions, provided that the Company's costs remain unchanged over time. In addition, the Annual General Meeting may – and independently of the guidelines – resolve on, for example, share- and share-price-related remuneration. The senior executives may be granted customary other benefits, such as a Company car, occupational healthcare, etc.

In the event of termination of the position of senior executives by the Company, the notice period may not exceed twelve months. Severance pay in addition to salary and other remuneration during the notice period, may not exceed an amount equivalent to twelve times the cash monthly salary. In addition, compensation for any commitment to restriction of competition may be paid to compensate for any loss of income. Such remuneration shall only be paid to the extent that the former senior executive is not entitled to severance pay. The remuneration shall be based on the fixed salary at the time of termination and shall amount to a maximum of 60 percent of the fixed salary at the time of termination, unless otherwise provided for by mandatory collective agreement provisions, and shall be paid during the period of the commitment to restriction of competition, which shall be no more than twelve months after the termination of employment.

The Board of Directors shall have the right to deviate from the guidelines if there are special reasons for doing so in an individual case.

INTERNAL CONTROL

The Board's responsibility for internal control is regulated in the Swedish Companies Act, the Annual Accounts Act – which contains requirements that information on the most important elements of BONESUPPORT's system for internal control and risk management in connection with financial reporting shall be included in the Corporate Governance Report each year – and the Code. The Board of Directors shall, among other things, ensure that BONESUPPORT has good internal control and formalized procedures that ensure that established principles for financial reporting and internal control are complied with, and that there are appropriate systems for monitoring and controlling the Company's operations and the risks associated with the Company and its operations.

The overall purpose of internal control is to ensure to a reasonable degree that the Company's operational strategies and goals are followed up and that the owners' investments are protected. Internal control shall also ensure that the external financial reporting with reasonable assurance is reliable and prepared in accordance with generally accepted accounting principles, that applicable laws and regulations are complied with, and that requirements for listed companies are complied with. Internal control mainly comprises the following five components: control environment, risk assessment, control activities, information and communication and follow-up. There is no internal audit function in the Company. The Board of Directors evaluates the need for this function annually and assesses that, given the size of the Company, there is no need to initiate a formal internal audit function.

1. Control environment

The Board of Directors has overall responsibility for internal control of financial reporting. In order to create and maintain a functioning control environment, the Board of Directors has adopted a number of policies and governing documents that regulate financial reporting. These mainly consist of the Board's rules of procedure, instructions for the CEO and instructions for financial reporting. BONESUPPORT has also adopted a special attestation scheme. The Company also has a financial handbook that contains principles, guidelines and process descriptions for accounting and financial reporting. The Company has also summarized the internal control processes in a specific internal control policy. Finally, the Board of Directors has established an Audit Committee whose main tasks are to monitor the Company's financial position, to monitor the effectiveness of the Company's internal control, internal audit and risk management, to stay informed about the audit of the annual accounts and consolidated financial statements, and to review and monitor the auditor's impartiality and independence. Responsibility for the day-to-day work with financial control has been delegated to the Company's CEO, who in turn has delegated to the Company's CFO the overall responsibility for maintaining sound internal control over financial reporting. The CEO reports to the Board of Directors on an ongoing basis in accordance with the adopted instructions for the CEO and the instructions for financial reporting.

2. Risk assessment

The risk assessment includes identifying risks that may arise if the basic requirements for the Company's financial reporting are not met. In a special risk assessment document, BONESUPPORT's management team has identified and evaluated the risks that arise in the Company's operations and evaluated how the risks can be managed. Within the Board, the Audit Committee is primarily responsible for continuously evaluating the Company's risk situation, after which the Board also conducts an annual review of the risk situation. During the year, management evaluated risks related to strategies, compliance, financial and operational issues. Subsequently, management has evaluated these risks according to probability and effect, where risks with either high probability or high effect have been prioritized. This has then been presented to the Audit Committee before it has been reviewed by the Board of Directors. The Company has allocated each risk factor to at least one person in Group Management to lead the work of developing action plans and implementing them.

3. Control activities

In order to prevent, detect and correct errors and deviations, BONESUPPORT has established a framework for control in the form of policies, processes and procedures in relation to the control objectives. Control activities help to ensure that necessary actions are taken to identify risks consistent with achieving the Company's objectives. Examples of control activities at an overall level are that BONESUPPORT has a clear division of responsibilities with a number of forums and activities that constantly monitor the business. Well-defined business processes, separation of tasks and appropriate delegation of authority are also activities that promote good corporate governance and internal control.

Key processes that have been identified as potential material risk elements are mapped in detail in a separate process description in the financial handbook and key processes have been defined to ensure that there is sufficient separation of tasks and that adequate control mechanisms are in place.

4. Information and communication
BONESUPPORT has information and communication channels that aim to promote the accuracy of the financial reporting and enable reporting and feedback from the business to the Board and management, for example by making governing documents in the form of internal policies, guidelines and instructions regarding the financial reporting available and known to the employees concerned. The Board of Directors has also adopted an information policy that regulates the Company's external disclosure.

5. Follow-up
Compliance and the effectiveness of internal controls are monitored on an ongoing basis. The Company's CFO ensures that appropriate action plans for follow-up are available, and the CEO ensures that the Board of Directors receives regular reporting on the development of the Company's operations, including the development of the Company's results and position, as well as information on important events, such as research results and important agreements. The CEO also reports on these issues at each Board meeting. The Company's compliance with relevant policies and guidelines shall, in accordance with adopted policies, be evaluated annually and reported by the CFO to the Audit Committee. A summary with identified suggestions for improvements will then be presented to the Board.

Lund, April 16, 2025

THE BOARD OF DIRECTORS OF BONESUPPORT HOLDING AB

THIS IS A TRANSLATION FROM THE SWEDISH ORIGINAL

AUDITOR'S REPORT ON THE CORPORATE GOVERNANCE STATEMENT

TO THE GENERAL MEETING OF THE SHAREHOLDERS OF BONESUPPORT HOLDING AB (PUBL), CORPORATE IDENTITY NUMBER 556802-2171

ENGAGEMENT AND RESPONSIBILITY
It is the Board of Directors who is responsible for the corporate governance statement for the year 2024 52-55 and that it has been prepared in accordance with the Annual Accounts Act.

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

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

Lund 16 April 2025

Ernst & Young AB

Henrik Rosengren
Authorized Public Accountant

THE BOARD OF DIRECTORS

LENNART JOHANSSON
Chair

Born: 1955
Elected into the Board: 2017
Elected as Chair: 2019
Education: MBA from Handelshögskolan, Stockholm.
Experience: Senior Advisor for Patricia Industries AB since 2015. Previously, Managing Director (Business Development, Operational and Financial Investments) at Investor AB, and partner and CEO at Emerging Technologies ET AB and B-Business Partners. Currently, Board member at Chalmers Ventures AB, Intervacc AB and GoCo Development AB.
Shareholding: 167,779 shares (own holding).

HÅKAN BJÖRKLUND
Member of the Board

Born: 1956
Elected: 2016
Education: Ph.D. in Neuroscience from Karolinska Institutet, Stockholm.
Experience: Partner in Tellacq AB, a private investment company. Dr. Håkan Björklund has a long and successful career in the healthcare industry, including as CEO of Nycomed. Elected to the Board of Directors of BONESUPPORT in December 2016 in connection with the funding of USD 37 million (SEK 315 million), led by Tellacq. Currently, Chair of the Board at Nordic Bioscience, BioPhorum, Asker Healthcare Group AB, Bohus BioTech AB and Intervacc AB.
Shareholding: -

MARY I O'CONNOR
Member of the Board

Born: 1957
Elected: 2022
Education: MD. from Drexel University in Philadelphia and Orthopedic Residency and Fellowship at Mayo Clinic in Rochester.
Experience: Professor Emerita of Orthopedic Surgery at Mayo Clinic. Past, Professor of Orthopaedics and Rehabilitation at Yale University School of Medicine. Co-founder and Chief Medical Officer at Vori Health, a physician-led virtual musculoskeletal company. Honored with the American Academy of Orthopedic Surgery 2023 Diversity Award, Dr. Mary I O'Connor, MD., is a nationally recognized leader in health equity, chairing the Movement is Life Caucus, a nonprofit multi-stakeholder coalition committed to addressing musculoskeletal health disparities, since its inception in 2010.
Shareholding: 25,779 shares (own holding).

BJÖRN ODLANDER
Member of the Board

Born: 1958
Elected: 2010
Education: MD. Ph.D. from Karolinska Institutet in Stockholm.
Experience: Founder and Managing Partner of HealthCap. Previously headed the Health Care Team at ABB Aros. He has pursued scientific research in the biochemistry of inflammation at Karolinska Institutet. Björn Odlander has extensive experience from Board assignments from listed and private companies in the life-science sector and is currently on the Boards of inter alia Oncorena AB, and Tribune AB.
Shareholding: -

CHRISTINE RANKIN
Member of the Board

Born: 1964
Elected: 2022
Education: B.Sc. in Business Administration and Economics from Stockholm University.
Experience: Previously, Senior Vice President Corporate Control at Veoneer Inc., CFO at Cherry AB, acting CFO/Head of Finance at Serneke Group, Head of Corporate Control at Spotify and partner/Head of US Capital Markets in Sweden at PwC.
Currently, Board member at, among other assignments, Coinshares International Ltd, Orexo AB, 4C Group AB and Starbreeze AB. Previously, Board member at Adventure Box Technology AB and Technopolis Plc.
Shareholding: 2,335 shares (own holding).

GROUP MANAGEMENT

EMIL BILLBÄCK
Chief Executive Officer

Born: 1970
Employed since: 2018
Education: B.Sc. in Business Administration from Karlstad University. Extracurricular education at Georgetown University, IMD and Ashridge Business School.
Experience: Emil Billbäck has more than 25 years of experience in Life Science, most recently as Chief Commercial Officer at BSN Medical. He has had operational roles at Astra Zeneca and Beiersdorf, and that of Senior Strategic Advisor within ESSITY. Currently, he is a Board member at Doctrin and has previously been a Board member at ATOS. Emil Billbäck has lived and worked in the United States and in Germany.
Shareholding: 363,571 shares (own holding).

HELENA L BRANDT
EVP Human Resources

Born: 1965
Employed since: 2017
Education: M.Sc. in International Business and Economics from Lund University. Has also studied at the University of Cologne and at the University of Cincinnati and the University of Delaware.
Experience: Helena L Brandt is a senior HR leader with 25 years of experience in a wide range of industries, from Life Science to IT/Telecom. She has held global HR roles at Astra Zeneca, SonyEricsson and Tetra Pak, developing organizations, people, leaders, teams and cultures as well as driving transformation and change.
Shareholding: 15,956 shares (own holding).

MICHAEL DIEFENBECK
EVP Medical & Clinical Affairs Chief Medical Officer

Born: 1974
Employed since: 2017
Education: MD. from Ludwig-Maximilians-University of Munich and Ph.D. from Friedrich Schiller University Jena. Certified orthopedic and trauma surgeon.
Experience: Founded Scientific Consulting in Orthopedic Surgery in 2014 and subsequently worked on several projects with BONESUPPORT as an independent medical advisor. He has 15 years of clinical experience from various hospitals in Germany, is the author of 32 published research articles in the field and is involved in the surgical education and training programs for students at Friedrich-Schiller-University Jena.
Shareholding: 108,160 shares (own holding).

HÅKAN JOHANSSON
Chief Financial Officer

Born: 1963
Employed since: 2018
Education: B.Sc. in Business Administration from Mid Sweden University.
Experience: Håkan Johansson has more than 30 years of experience as CFO and other senior management roles from several industries in the public and private sectors. Prior to BONESUPPORT, he was CFO for Northern Europe at Thunstall Healthcare Group (2012-2018), a global company in security technology and system solutions for healthcare. He has previously also worked at toy manufacturer BRIO AB (publ) and Arctic Paper Group.
Shareholding: 74,519 shares (own holding).

FERGUS MACLEOD
GM & EVP Commercial Operations EUROW

Born: 1970
Employed since: 2019
Education: HND in Business and Finance from University of Bedfordshire and Executive Leadership Program, Center for Creative Leadership.
Experience: Fergus MacLeod has more than 20 years' experience from international sales leadership positions in the orthobiology and medical equipment sectors with companies such as Johnson Matthey, RTI Surgical and Stryker.
Shareholding: 18,583 shares (own holding).

MICHAEL WRANG MORTENSEN
EVP R&D and Operations

Born: 1975
Employed since: 2021
Education: M.Sc. in Engineering from Technical University of Denmark, Ph.D. in Chemistry from University of Copenhagen and an executive MBA from the AVT Business School.
Experience: Michael Wrang Mortensen has more than 20 years of experience from the Medical Device and Healthcare industry with solid leadership and management experience within Innovation, Product Realization, Commercial Development and Operations. Prior to joining BONESUPPORT, he was Director for Development and Supply at Nanovi A/S. Before that, Michael held various management positions at Ferrosan Medical Devices A/S, innovating and developing combination products in partnership with large global players such as Ethicon Biosurgery Inc., Johnson & Johnson.
Shareholding: 25,000 shares (own holding).

MICHAEL ROTH
GM & EVP Commercial Operations North America

Born: 1963
Employed since: 2020
Education: BA degree in International Development from Clark University.
Experience: Michael Roth has over 25 years of experience with senior positions in both large and small companies active in orthopedics, with both direct and distributor-led sales. His most recent role before BONESUPPORT, was as Vice President of Sales and Marketing for Surgical Planning Associates (HipXpert). He has also served as Vice President of Sales for the Eastern Region at both Wright Medical and Microport Orthopaedics.
Shareholding: 31,733 shares (own holding).

ANNA STEGMARK
EVP Quality Management & Regulatory Affairs

Born: 1980
Employed since: 2024
Education: M.Sc. in Pharmacy, Uppsala University.
Experience: Before joining BONESUPPORT, Anna Stegmark worked for Radiometer and HemoCue where she gained nearly 20 years of experience in the Medical Device industry, holding positions in QA and RA. She has worked closely with stakeholders both in global operations, development, marketing, and sales and also worked with continuous improvements of quality management systems. During the past 15 years, Anna Stegmark has worked with leadership and developed both local and global teams. She has lived and worked in Sweden, Denmark and Switzerland which has given her an international experience.
Shareholding: 2,000 shares (own holding).

ANNELIE AAVA VIKNER
EVP Global Marketing

Born: 1971
Employed since: 2019
Education: B.Sc. in Chemistry from Linköping Institute of Technology at Linköping University and a post graduate certificate in Leadership from Glasgow Caledonian University.
Experience: Annelie Aava Vikner has close to 30 years' of experience from marketing, sales and clinical trials in the field of medical technology & pharma. Previously, she has worked at Medtronic in different regional leading positions, mainly within marketing.
Shareholding: 12,480 shares (own holding).

ALTERNATIVE PERFORMANCE MEASURES AND FINANCIAL DEFINITIONS

BONESUPPORT uses Alternative Performance Measures (APM) to enhance understandability of the information in its financial reports, both for external analysis and comparison and internal performance assessment. Alternative Performance Measures are key figures not defined in financial reports prepared according to IFRS. The following key figures are used in the Annual Report:

Gross profit
Net sales less cost of sales. Shows the profit to cover other expenses and profit margin.

Gross margin
Net sales less cost of sales, divided by net sales. Shows the gross profit in relation to net sales and the margin for covering other expenses and profit margin.

Contribution
Net sales less the cost of sales, minus directly attributable selling expenses and research and development expenses. A result measure showing the performance of segments and their contribution to cover other Group costs.

Net sales growth
The difference in net sales between two years in relation to net sales for the earlier year. Shows the operations' sales performance.

Net sales growth in constant exchange rates, CER
The difference in net sales between two years in relation to net sales for the earlier year. The net sales for the current year is recalculated using the earlier year's exchange rates (see the average exchange rates used for the comparison year in Note 2 Financial risk management). Shows the operations' sales performance.

Adjusted operating result
Operating result reduced with expenses for IFRS2 and reduced with the change in the liability for social security contributions for these incentive programs.

Interest bearing debt
Leasing debt, current and non-current. Shows the debt level of the Group and forms the base for interest expenses.

Net cash
Cash and cash equivalents minus interest bearing debt. Is used to measure future funding needs.

Gross profit, gross margin, sales growth and contribution

SEKm	2024	2023
Net sales	898.7	591.1
Sales growth, %	**52.0**	**79.8**
Cost of sales	-66.5	-50.2
Gross profit	**832.3**	**540.9**
Gross margin, %	**92.6**	**91.5**
Directly attributable selling expenses	-486.2	-354.0
Selling expenses, not directly attributable	-24.1	-17.3
Selling expenses including commissions and fees	*-510.3*	*-371.3*
Directly attributable research & development expenses	-2.5	-3.0
Research & development expenses, not directly attributable	-73.5	-54.1
Research & development expenses	*-76.0*	*-57.1*
Contribution	**343.6**	**183.9**

Interest bearing debt and net cash

	Dec 31	
SEKm	**2024**	**2023**
Non-current leasing debt	7.7	13.2
Current leasing debt	6.9	4.3
Interest bearing debt	**14.6**	**17.5**
Cash and cash equivalents	227.0	167.4
Net cash	**212.4**	**149.9**

Adjusted operating profit

SEKm	2024	2023
Operating result	166.1	13.9
of which incentive costs	-37.7	-40.1
Adjusted operating profit	**203.8**	**54.1**

Net sales growth in constant exchange rates

SEKm	Net sales growth CER	Net sales 2024 calculated with average rates for 2023	Net sales 2023
NA	63%	719.4	442.4
EUROW	22%	180.9	148.6
Sum	**52%**	**900.3**	**591.1**

GLOSSARY

Autograft. A bone graft harvested from the patient's own skeleton, usually from the iliac crests.

Bisphosphonate. A group of medicines that inhibit bone breakdown.

BMA. Bone Marrow Aspirate.

BMP. Bone Morphogenetic Protein.

Bone graft substitute. A synthetic material used as bone grafts instead of biological bone tissue.

CERAMENT BVF. CERAMENT BONE VOID FILLER.

CERAMENT G. CERAMENT with Gentamicin.

CERAMENT V. CERAMENT with Vancomycin.

CERTiFy. A prospective, randomized, controlled clinical trial with 135 patients in 20 leading trauma centers in Germany, aimed to compare treatment using CERAMENT BVF with autologous bone graft (autograft) transplantation.

Clinical study. A study on humans of e.g. a medical device or a pharmaceutical product.

CMS (The Centers for Medicare and Medicaid Services). CMS provides health coverage to more than 100 million people through Medicare, Medicaid, the Children's Health Insurance Program, and the Health Insurance Marketplace.

CONVICTION. A randomized, controlled trial to evaluate the efficacy of CERAMENT G in the treatment of osteomyelitis (chronic bone infection).

CRIOAc. A healthcare network in France that is implemented through a nationwide health ministry program to improve outcomes in the management of bone and joint infections.

C-shares. Performance shares within performance share programs issued in the form of class C-shares.

DBM. Demineralized Bone Matrix. A processed form of allograft, an acid-extracted matrix from human bone sources.

FDA. US Food and Drug Administration. The federal medical authority in the US.

GPO. Group Purchasing Organization. An entity with the purpose to realize savings and efficiencies by aggregating purchasing volumes.

HEOR. Health Economics and Outcomes Research. Scientific discipline that quantifies the economic and clinical outcomes of medical technology.

ICUR. Incremental Cost-Utility Ratio. A quote that compares cost and utility between two alternative treatment alternatives.

IDN (Integrated Delivery Network). An integrated delivery network, also referred to as a health system, is an organization that owns and operates a network of healthcare facilities.

MDR. The Medical Device Regulation is an EU regulation designed to ensure the safety and performance of medical devices.

NTAP (New Technology Add-on Payment designation). An additional reimbursement that manufacturers of new, groundbreaking technologies can apply for.

Osteoinduction. Osteoinduction at bone graft material (or growth factor) can stimulate the differentiation of osteoblasts, forming new bone tissues.

Osteomyelitis. Bone infection.

PMMA. Poly methyl methacrylate, often called "bone cement".

SOLARIO. A randomized, European multicenter study showing that orthopaedic infections treated surgically with local antibiotic bone defect fillers could reduce systemic antibiotics to less than seven days vs previous standard of care of at least four weeks.

Survival rate. Metaoy et al. showed in a published study1 significant clinical benefits of antibiotic-eluting CERAMENT G and CERAMENT V in the treatment of bone infections resulting from diabetes-related foot ulcers. The study included 105 patients and showed that survival in the CERAMENT group was 87.5 percent compared to only 44.9 percent ($p<0.00001$) for the group with standard treatment, measured over five years. In addition, significant improvements in infection control were noted as well as a reduced risk of reinfection and amputation

Tibial plateau fracture. Fracture of the upper part of the tibia.

TPT (Transitional Pass-Through). Transitional pass-through payments provide additional payment for new devices, drugs, and biologicals that met eligibility criteria for a period of at least two years but not more than three years.

1 Metaoy S, Rusu I & Pillai A. 'Adjuvant local antibiotic therapy in the management of diabetic foot osteomyelitis', Clin Diabetes Endocrinol 10, 51. December 2024.

HEADQUARTERS

BONESUPPORT HOLDING AB
Scheelevägen 19
SE-223 70 Lund, Sweden

+46 46 286 53 70
www.bonesupport.com
info@bonesupport.com

BONESUPPORT™