

Annual Report 2021



Insplorion

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The formal annual accounts, signed by the Board of Directors and reviewed by the auditors, comprise pages 16–37.

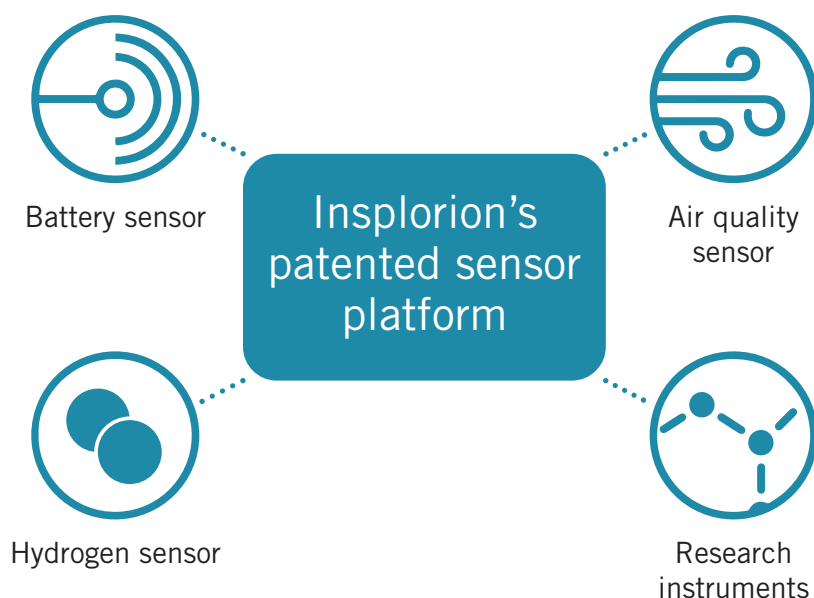
Insplorion in brief

Insplorion is an environmental technology company, that with its patented sensor platform *NanoPlasmonic Sensing* (NPS) develops, markets, and sells small and robust air quality, battery, and hydrogen sensors. The technology contributes to measurement of air quality in the major cities of the world, optimisation of batteries for tomorrow's cars, energy storage, and not least, transition to a greener society with hydrogen gas as energy carrier. In addition, the company sells NPS-based research instruments that provide researchers access to real-time nanoscale data in catalysis, materials, and life science.

Insplorion is based in Gothenburg and is listed on *Nasdaq First North*. Its underlying technology was developed during over a decade of research at the Department of Chemical Physics at Chalmers University of Technology.

Insplorion was founded in 2010.

Insplorion's sensors contribute to a sustainable future



Our sensor technology is a so-called platform technology, which means that it can be used within a range of different fields of application. Today Insplorion focuses mainly on four areas: hydrogen sensors, battery sensors, air quality sensors and research instruments.

The year in brief

- Insplorion was approved for listing at Nasdaq First North Growth Market and the first trading day was 29 January 2021.
- Key persons, employees and the Board of Directors subscribed in total 156,500 warrants under the incentive programme and the company received SEK 570,440.
- Two instruments were sold during the year, an M8 to a leading German vehicle manufacturer and an X1 to the European Institute for Energy Research (EIFER).
- The hydrogen sensor was put into service in a first commercial project.
- Reinforcements of the organisation during the year, new CEO and CFO.

The year 2021 in figures

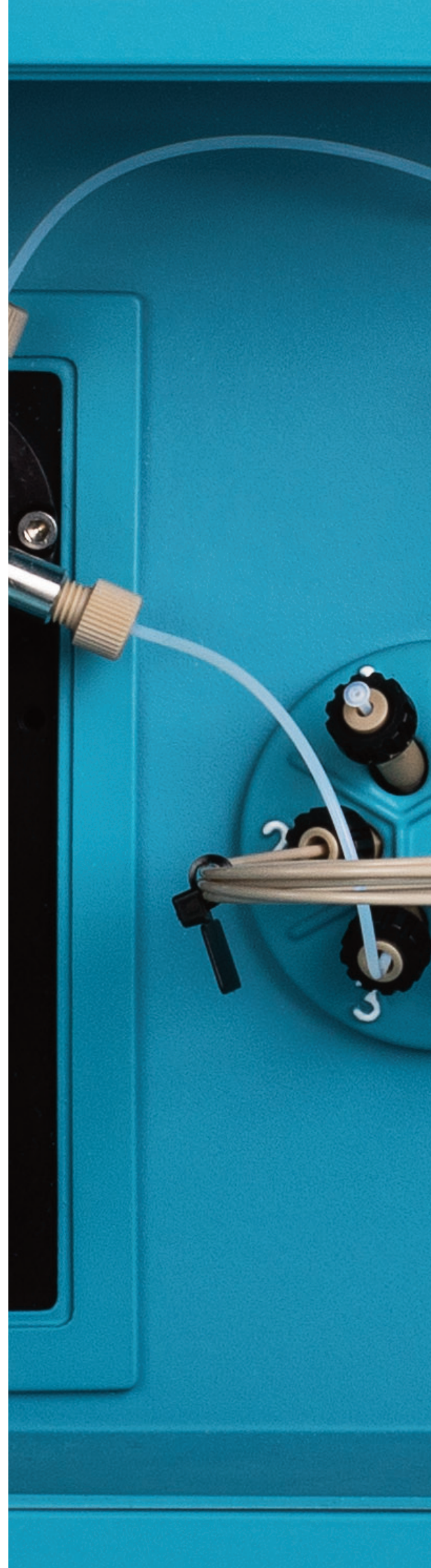
Net sales 2,335 kSEK.

Profit after financial items –11,620 kSEK.

Cash flow from operating and investing activities –17,968 kSEK.

Solidity 84 percent.

Quick ratio 512 percent.



A word from the CEO

The year 2021 was another special year for the world. For a period of time the world started opening up and travelling could be initiated on a small scale, only to be restricted again. During 2022 we however look forward to be able to meet new and old customers, partners, and key industrial players in real life, even though we at the time of writing are in the shadow of the war in Ukraine.

In many places of the world the Covid-19 restrictions have been eased during the spring, but we need to remember that this is happening at very different rates. Right now, the situation is strained in many places in Asia, which affects the supply chains of among others, electronic components, with continued long lead times. We are of course actively monitoring this situation to minimise possible delays in the development of our products.

Good reception for the M8 instrument

The financial year of 2021 offered positive news for Insplorion in several areas. The sale of the M8 research instrument for battery development to a leading German vehicle operator was highlighted during the year. The M8 was also launched as an independent product during Q4 and was well received.

In addition to the instrument M8 for battery research, the new instrument S2 was launched, mainly for applications of life science.

The first commercial hydrogen project

I also want to highlight the growing interest in the hydrogen field. We obtained our first commercial hydrogen project, where we were chosen due to our unique technology. This is still a project in an early commercial phase, with much development left, but it is still a proof that our technology has a large potential in the industrial hydrogen field.

\$ 500 billion in investments in the global hydrogen value chain

The Hydrogen Council anticipates investments along the whole value chain of hydrogen to be approximately USD 500 billion during the coming

eight years. This will set requirements for measuring to regulate and adjust processes and ensuring safety. We also see a clear interest from customers to start dialogues with us, that may be converted into additional customer financed development projects in the near future.

I have now been CEO of Insplorion for nearly two months. During my initial time my focus has been on deepening my knowledge of the company, our customers and our markets. This will continue to be my priority during the first half of 2022. Together with the team and the board I will also go more in depth into the technical and commercial prerequisites in our various areas, so we ensure that we adapt and prepare our business for the largest possible value creation in the future.

Gothenburg, March 2022

Johan Rask, CEO





Insplorion



Cutting-edge sensor technology

Insploirion markets and sells a proprietary sensor platform, which enables accurate, robust, and selective nano scale measurement.

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The technology has been commercialised since 2011 in the business area Research instruments, where Insploirion is selling measuring instruments for research in mainly life science, materials development and henceforth also battery research. The business operates simultaneously as a way to validate the technology and to identify new potential application fields.

Insploirion's sensor technology is a so-called platform technology, which means that it can be used in a range of different fields of application. In addition to research instruments, Insploirion has chosen to focus on the business areas hydrogen, battery, and air quality sensors. There is a significant volume and revenue potential within these business areas and Insploirion has today ongoing collaborations aimed at commercialising the technology in the respective fields.

The Insploirion technology is well suited for volume production, as it is small, accurate and robust and is possible to produce cost-effectively.

Vision

Insploirion is at the cutting-edge of technology and may, by the help of new sensor technology, accelerate the transition to fossil free energy, improve urban air quality and enhance research in health and environment.

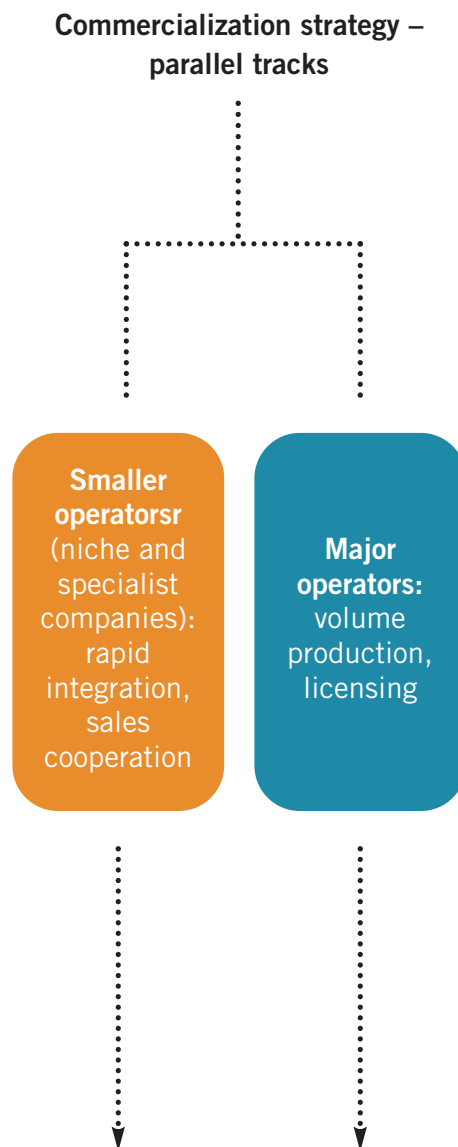
Large and growing market

Today Insploirion sees a growing need of sensors in all business areas, driven by raising global awareness of climate change, environmental considerations accelerated by regulatory requirements, but also by economic incentives such as greater efficiency and productivity.

The global market for sensor technology is expected to grow the coming years and reach a value of USD 287 billion in 2025, which equates to an average annual growth rate of approximately 9.5 percent between 2019 and 2025.

Market and sales strategy

The strategy is to commercialise the technology through collaborations with players able to quickly integrate Insploirion's sensors in their products. In this way, Insploirion will receive not only early revenue, but also "proof of concept", market evidence and references, which will be of great importance for both additional businesses and larger volumes.



IPR (Intellectual Property Rights)

Insplorion's technology is called NanoPlasmonic Sensing (NPS) and is based on a long known optical phenomenon called Localized Surface Plasmon Resonance (LSPR). Somewhat simplified, the phenomenon means that small particles of metal naturally capture a certain wavelength when illuminated with light, and that this wavelength depends on the size of the particle and on what exists in its immediate vicinity.

In Insplorion's measurement instrument, metal discs and nano structures of various materials are attached on a certain type of surface, which is illuminated with light through an optical fibre. The difference of intensity at various wave lengths are captured by an analysis instrument, a so-called spectrometer. When different substances get near the particles, a change occurs of the wavelength where the particles have their LSPR-phenomenon, which is measured in real-time. By studying the way, the wavelength is changing, measurements can be made on different materials.

Unlike other measurement technologies based on LSPR, Insplorion has a patented technology where the metal particles get a coating customised to the substance to be measured. The coating entails a robust and selective measurement process, which is of great importance for accurate measurements in a more exposed environment.

The technology of Insplorion is protected by patents in three different patent families on markets in USA, EU, and Asia. The main patent relates to the ability to coat the sensor surface with various substances. In additions to patents, new knowledge is constantly evolving, such as how different materials or surfaces may be used to optimise measurements, or how to manufacture sensors on a larger scale. This knowledge is not always suitable to be patented (since an exact description will be made on how something is done) but is instead protected as know-how in the company.

Organization, technology development

Insplorion is a growing company where the team has highly developed technical expertise, and the company has renowned scientists among its owners as well as in its network. Insplorion is engaged in collaborative partnerships with both industrial companies and research groups at Chalmers Institute of Technology and Uppsala University. The company also counts many internationally renowned researchers among its customers.

All in all, Insplorion stays at the forefront of technology development at all times, both with regard to sensors intended for volume production, in applications such as battery management and gas measurements, and sensors in advanced research instruments, used by researchers all over the world for cutting-edge research applications.



Advantages of Insplorion's sensors

Fast

The sensors can be made fast and sensible due to the nano-size small dimensions.

Robust

The nano particles are made of metal and are attached on optical transparent materials, such as polymers, glass or quartz and may be coated with a protective layer. This makes them useable even under rough conditions.

By coating fibres for instance, the sensor unit is also able to operate in environments where no electric components are wanted.

Temperature-resistant

The sensors are useful for studying processes that are temperature-dependent and they generally also function at temperatures of several hundred degrees Celsius.

Suitable for miniaturisation

The sensors are well suited for miniaturisation, since the sensitive area can be just a few square millimetres only, and the optical signal from the sensor can be read out by components on a small, printed circuit board.

Several sensors in one

Due to the small units in which the measurement is done, it is possible to add several measurement parameters to the same chip or optical fibres without significantly increasing their size.

Cost-effective

The sensors can be produced cost-effectively and are well suited for mass production.

Hydrogen sensors

Insplorion is developing the world's fastest hydrogen sensor for the rapidly growing market of hydrogen-based vehicles, infrastructure, and fuel cells.

The sensor's rapid response time is of major importance e.g., for safety applications, or for process controls and optimisation of fuel cells, electrolyzers and other processes including hydrogen use. The sensor is accurate, compact, and cost-effective and contributes to a faster transition to the use of hydrogen as an alternative to fossil energy. It can also be used for the development of new technology, as in fuel cells, for increased understanding and optimisation of their function.



the use is made possible for private homes as well. The use of hydrogen requires robust systems for process control and for safety, where supervision by the help of sensors is part of the solution. In line with the strong development of new hydrogen segments, the requirements are also increasing for new sensor properties, such as fast, selective and robust sensors. Insplorion's measurement technology satisfies several of these parameters.

Market and sales strategy

Insplorion is commercialising its hydrogen sensor in two major application areas, both as a tool for early detection of leakage, and as a tool for online measurement of hydrogen processes. In both areas early customers with high demands on performance are possible to find. One example is the commercial hydrogen project taken during Q4, where Insplorion cooperates with a customer in the transport sector and where hydrogen is the energy carrier. Another example is the project where PowerCell is involved and where the sensor is customised to meet the requirements for the measurement environment in fuel cells. The work is done within the project "Nano-Plasmonic Ultra Fast H₂-Sensor for a Safe Hydrogen Economy", where a hydrogen sensor is being developed to enable faster transition to hydrogen, as an alternative to fossil energy, by increasing safety and optimisation of fuel cell operations.

Marknad

The Hydrogen Council among others, estimates that approximately USD 500 billion will be invested globally in the hydrogen market during the coming eight years, concerning areas such as process industry, production, transport, and storage. Hydrogen has great potential for producing both electricity and heating. Industry has used hydrogen for years and recently



Battery sensors

Development continues for Insplorion's battery sensor operation. With last autumn's well received launch of the research and development instrument M8 behind us, and its sale to a leading German vehicle manufacturer, we now continue working on the sensor development.



The development of our battery sensor is partly done within two EU-projects, the 3BeLiEVe and the InBat Eurostar, both of which have been going on for the last few years, focusing on the development of on-board sensors, but also through purely industrial projects. The EU-financed development projects are now approaching their final stages (Q2 2022 for Eurostar and likely the first half of 2024 for 3BeLiEVe) and it is in this stage that the evaluation of batteries with our integrated sensors will be done.

Market

The battery market is rapidly growing and the automotive industry in particular, calls for a strong increase in battery production capacity. According to Bloomberg's yearly New Energy Outlook for 2021, the assessment is that the size of the electric vehicle fleet in 2030 will be 355 million electric vehicles, which is a doubling compared to last year's estimation for the same time. This shows the rate of expansion of the battery market that we are in

the middle of. The increase in oil prices, and the expansion of charging infrastructure, spur this development in a positive direction. Insplorion wants to be part of this expansion and thereby contribute to a faster and greener transition.

Voltage, current and temperature are currently measured at just a few places in a battery pack to estimate the battery's state of charge and health. This technology has evolved and become more effective over the years, but it is not always good enough. Additional information is needed.

With the help of Insplorion's technology, with measurement on the inside of the battery, instead of on the outside, we hope to be able to assist with the required information for making a more accurate evaluation of the battery status. More exact estimates, which thereby decrease the generous safety margins applied in the batteries of today, will lead to improved possibilities of using the batteries' whole capacity and effect. In short, this may lead to lighter, smaller, and more effective battery packs in the final products.

Market and sales strategy

We are targeting battery producers, as well as material suppliers and end users, with our research instrument M8. With M8, they will be able to create a more complete picture of what for instance causes obsolescence, which in turn leads to lower battery capacity. By proving our technology in the research and development environments, we are opening up our opportunities of selling sensors for integration in end user products.



Air quality sensors

Insploirion develops sensors for nitrogen dioxide (NO₂) with different fields of application – from being part of developing smart cities, to ventilation systems.

The sensors are small, easy to mount and may be connected in networks to establish a real time view of the pollutants circulating in any given system.

Increasing global problems of polluted urban air, drive the demand of competitive air quality sensors. Insploirion's sensors can also be connected to the Internet, which allows for NO₂ measurement with high geographical precision.

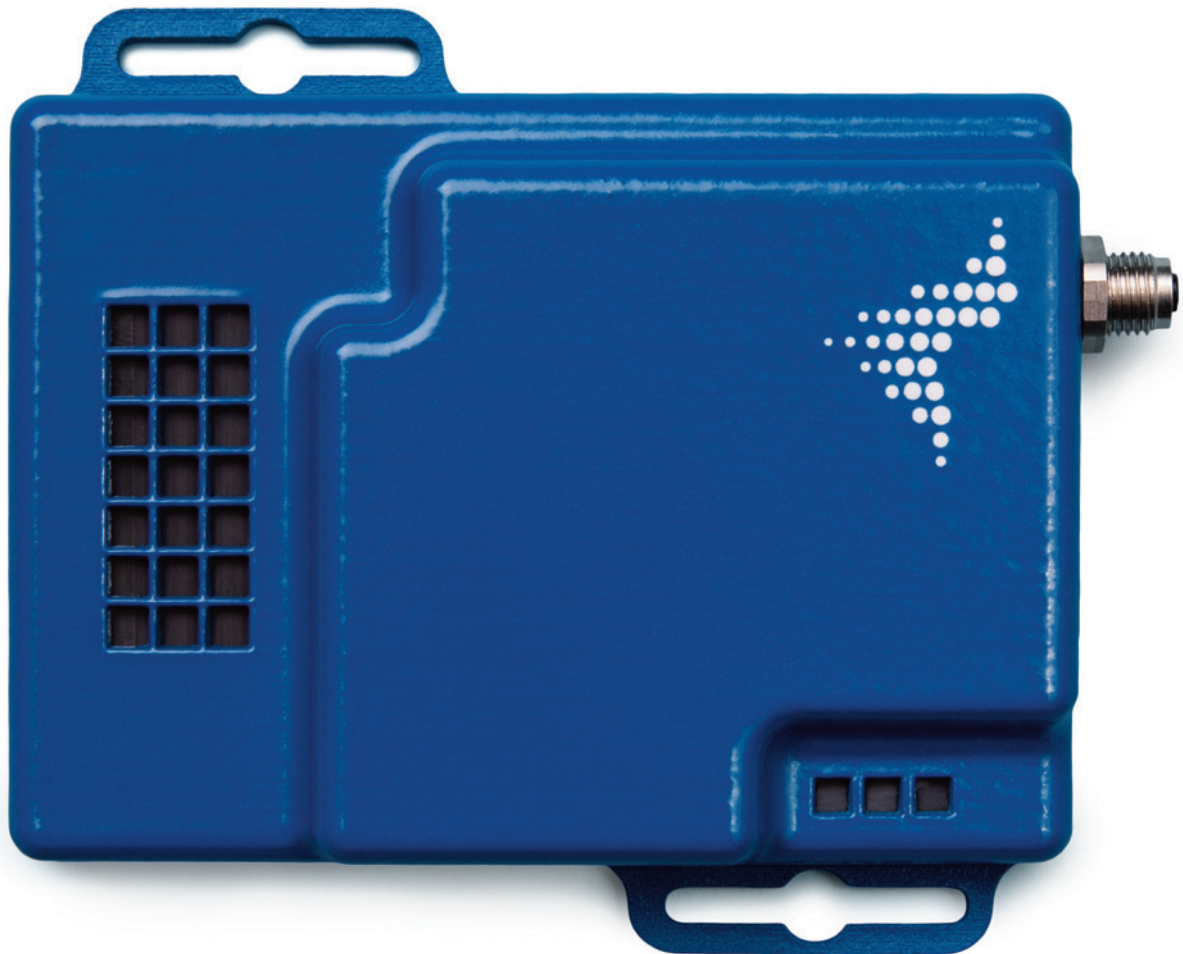


Market and sales strategy

The strategy of Insploirion is to launch the company's NO₂-sensors through smaller players, in order to obtain revenues, important references and validation of the product, in view of larger volume deals.

In the field of ventilation, it is mainly system providers who have the need to demonstrate and optimise filter functions, and to optimise operations depending on local measurement levels, where the major requirements are found, in partly closed spaces such as tunnels, mines, and garages. Successful demo trials have been made during the past year with British player AAC Eurovent, who intends to include our technology in their customer offering.

In parallel, development is ongoing to meet customer demands for ability to withstand tougher variations of humidity and temperature.



Research instruments

Every instrument comprises a basic package of Insplorion's software and an optical hardware module. Depending on the field of research, the customer selects the instrument which best matches the needs. A complete instrument system has a list price of about kEUR 40 to 90, depending on the selection of options.

Furthermore, annual revenues for sensors expended during experiments are purchased.

Even though revenues today from the instrument business are limited, the business area is interesting for validating the company's technology. Researchers have to date published more than a hundred scientific articles based on Insplorion's technology.



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Insplorion has as of today's date sold some thirty instruments to researchers in both academia and industry. The instruments can be utilised within several different research areas but are most frequently found in life science and materials development. Examples of customers are Rice University in USA and Nanyang Technological University in Singapore.

Insplorion's sale of measurement instruments is made directly through our own organisation, but also through distributors. Today, the company has distributor agreements with distributors in China, Japan, South Korea, United Kingdom, Ireland, Poland, Germany, Austria, Portugal, Australia, and New Zealand. Other markets are processed by our own organisation. Insplorion's goal is to widen the distributor network during the coming years.



The share

Insplorion is a Swedish public limited company, registered at the Swedish Companies Registration Office in 2010.

The company's registered office is in Gothenburg, Västra Götalands län (county), where the Annual General Meeting also takes place.

Insplorion conducts its business in accordance with the Companies Act and the object of the company's operation is to develop and commercialise sensor technology through sales of instruments and sensors for various applications and to conduct other activities compatible therewith.

Insplorion is affiliated to Euroclear Sweden AB. All of the company's securities are denominated in SEK. All shares are of the same class of shares, with one vote each, and are equally entitled to a share of the company's assets and profits without special restrictions.

Trading place

The share is traded on Nasdaq First North Growth Market as of 29 of January 2021. The shares are traded under the short name INSP, with ISIN code SE0006994943. The Insplorion share was traded on Spotlight Stock Market from 2015 until January 2021.

Share capital

As of December 31st 2021, the share capital of Insplorion amounted to SEK 1,962,892 divided in total 13,085,944 shares with a quota value of SEK 0.15. After the end of the financial year, shares in connection with a new share issue and subscription through warrants have meant that the number of shares in connection with the signing of the annual report amounts to 13,090,234 with a quota value of SEK 0.15.

Shareholders

As of December 31st 2021, Insplorion had more than 4,600 shareholders. The table on page 13 shows the ten largest shareholders.

Price development 2021

During the year, Insplorion's share price decreased 60 percent and was SEK 14.2 as of 30th December 2021. Average shares traded per trading day during 2021 were 29,791 shares. Market capitalisation amounted to MSEK 186 as of 31st December 2021. The diagram on page 13 shows the price development for the period 1st January to 31st December 2021.



Largest shareholders

Name	Share of votes and capital (%)
Avanza Pension	7.89
Mikael Hägg	3.82
Formue Nord A/S	3.63
AP Ventures	3.44
Hans-Olov Olsson	3.12
Chalmers Ventures AB	2.93
Nordnet Pension	2.41
Gunvald Berger	2.14
Lena Kasemo	1.89
Hawoc Investment AB	1.53
Other shareholders	67.19
Total	100.00

Share capital development

Since the company's start in 2010 until December 31, 2021, the share capital has developed as follows:

Year	Transaction	Total share capital	Total number of shares	Nominal value per share
2010	Company formation	100,000	100,000	1.00
2010	New issue	117,333	117,333	1.00
2011	New issues	126,666	126,666	1.00
2012	New issues	159,333	159,333	1.00
2014	New issues	181,539	181,539	1.00
2015	New issues and share split	753,838	5,025,585	0.15
2016	New issues	942,297	6,281,981	0.15
2017	New issues	982,272	6,548,481	0.15
2018	New issues	1,059,613	7,064,083	0.15
2019	New issues	1,467,181	9,781,205	0.15
2020	New issues	1,920,212	12,801,409	0.15
2021	New issues	1,962,982	13,085,944	0.15

Share price 2021



Executive management

Johan Rask
CEO since 2022



Johan has a master's degree in Industrial Economics from Chalmers University of Technology. He has worked in several different areas, which means that he has a broad commercial profile, including in Venture Capital, M&A Manager at Mölnlycke Healthcare, Business Area Manager at Abigo (now Essity) and as Strategy Manager at Timik Group AB.

Other ongoing assignments Gomero Group AB (Chairman), Presscise AB (Chairman), Timik Group AB (Member), Lumina Adhesives AB (member).

Holding 24,350 shares, of which 24,315 via Currere AB.

Per Giljam
CFO since 2021



Per has a master's degree in Economics from the School of Business, Economics and Law at the University of Gothenburg. Per has previously worked as a Business Controller at Vitrolife and in auditing at PwC. Per is responsible for financial management, reporting to the market and supporting the company's Business Units. Per is independent in relation to the company's major owners.

Other ongoing assignments –

Holding 4,000 shares.

Holding of related party 1,000 shares (spouse).

Elin Larsson Langhammer
Founder and CTO since 2010



Elin has a master's degree in technical biology from Linköping University and a doctorate in philosophy in materials science from Chalmers University of Technology, with NPS technology as her research area. Elin is one of the founders of Insplorion and is currently responsible for the development of sensors and IP protection. Elin has previously also been a researcher at the Competence Center for Catalysis at Chalmers.

Other ongoing assignments
Board member of MPS & Affärssystem AB.

Holding 141,330 shares.

Holding of related party 143,384 shares (spouse).

Olof Andersson
Responsible for production and development since 2018



Olof holds a Ph.D. in Sensor Science from Linköping University and is responsible for the development of Insplorion's scientific instruments. Olof has an M.Sc. in Microsystems and Biosensors and has prior experience from the development of research tools and analytical techniques. Olof is independent in relation to the company's major owners.

Other ongoing assignments –

Holding 4,172 shares.



Board of Directors

Jonas Ehinger

Chairman of the Board since 2020

Jonas Ehinger holds an M.Sc. with focus on biochemistry/chemistry from the University of Gothenburg. Since 2010, he has been CEO of Osstell AB, a global company that develops, manufactures and distributes diagnostic products for stability measurements in dental implants. He has 20 years of experience as CEO and has previously also been CEO of Celletricon and Mentice. Jonas has solid experience in developing sales strategies, distribution and sourcing in innovative technology-based and international companies. During his time at Osstell, he has also lived in the United States to establish and develop the Group's operations. Jonas is independent in relation to the company and its management, he is also independent in relation to the company's major owners.



Other ongoing assignments CEO of Osstell AB. Chairman of the board of Gapwaves AB and board member of Doxa AB and Leading Light AB.

Holding 5,000 shares via Walsh Holding AB.

Ulla-Britt Fräjdin Hellqvist

Board member since 2018

Ulla-Britt has a master's degree in technical physics from Chalmers University of Technology and has been a member of the Royal Swedish Academy of Engineering Sciences (IVA) since 2004. She has 29 years of experience from working in listed, private and state-owned companies, including as chairman of the board of Kongsberg Automotive ASA, SinterCast AB, Ruter Dam, Tällberg Foundation Service AB, the Foundation for Strategic Research and Vindora Holding AB. Ulla-Britt has extensive experience from industry, ICT, the environment, research and business policy as well as societal development. She was 22 years at Volvo Cars, including head of Quality, Volvo Monitoring and Concept Center CA USA, Competence Center Environment and Business & Strategy Engine. Ulla-Britt has worked for more than five years at the Confederation of Swedish Enterprise with responsibility for business policy in areas such as sustainability, IT, research, the labor market, entrepreneurship and the work environment. Since 2006, she has worked as a business advisor and independent board member, independent in relation to the company and its management, independent in relation to the company's major owners. Ulla-Britt has lived and worked in the United States and Iraq.



Other ongoing assignments CEO and board member of Fräjdin & Hellqvist AB. Board member of Triboron International AB, Holmberg First Holding AB and DataRespons AS. Deputy board member of King Bunter AB.

Holding 12,850 shares.

Anders Sandell

Board member since 2020

Anders has an engineering degree from Halmstad University. Since 2008, he has been the CEO of Holmbergs Safety Systems Holding AB, which is active in child safety. Holmbergs Safety has organically and through acquisitions tripled its sales



and market presence over the past five years and moved from a component supplier to an innovative system company. Anders has extensive experience of industrialization to global customers in demanding environments. It includes in-depth knowledge of products, markets and customers in an international business-to-business environment, where sales and negotiations are both complex and time-consuming. Before Holmbergs Safety, Anders worked as marketing and product manager within Electrolux and Husqvarna with investments in Asia and Japan. Anders is independent in relation to the company and its management, independent in relation to the company's major owners.

Other ongoing assignments CEO and Chairman of the Board of Holmbergs Safety System Holding AB. Chairman of the Board of Holmbergs Digital Safety AB, Holmbergs Safety Ltd and Fasching Salzburg GmbH.

Holding 5,000 shares.

Jan Burenius

Board member since 2016

Jan has a master's degree in engineering from Chalmers University of Technology and a degree in economics from the University of Gothenburg. Jan has almost 50 years of international experience in various management positions within Volvo, Gränges and Nobel. In 1989, Jan founded the consulting company Nimba, which with its network of leading expertise has supported customers such as ABB, AstraZeneca, Ericsson, ESAB, ITT, KONE, Larsen & Toubro, Nokia, Volvo, Xylem and others around the world by focusing on customer value, innovation, product development and entrepreneurship. Jan has also written several books together with Per Lindstedt, including "The Value Model – How to Master Product Development and Create Unrivaled Customer Value" which has been included as course literature at technical universities on customer value and innovation. Today, Jan works as head of the Chalmers Innovation Foundation with Stena Center and is vice chairman of Engineers without Borders. Jan is independent in relation to the company and its management, independent in relation to the company's major owners.



Other ongoing assignments CEO and board member of Nimba AB. Chairman of the Board of ATIUM AB and OpenHack C4H (svb). Deputy board member of Burneus & Partners AB.

Holding 19,878 shares via Nimba AB.

Magnus Jonsson

Board member since 2021

Magnus is a civil engineer from Chalmers University of Technology in Gothenburg. Magnus has extensive experience from SAAB and Volvo with a focus on product development, design and technology. Magnus has been Senior Vice President in product development at Volvo Cars. Magnus has broad operational and strategic experience of working in complex and global business models with a large technology content. He is independent in relation to the company's management and major shareholders.



Other ongoing assignments Chairman of the Board of PowerCell, AstaZero and Bil Sweden. Magnus is also a board member of SmartEyes AB, Nilsson Special Vehicles, Gapwaves AB and Leading Light AB.

Holding –

Management report

The Board of Directors, together with the CEO, hereby submit the annual report and consolidated accounts for the financial year 2021-01-01 – 2021-12-31.

The annual report is drawn up in thousands of Swedish crowns, kSEK, unless otherwise specified.

Information about the business

Insplorion is an environmental technology company based in Gothenburg, founded in 2010. With its patented sensor platform *NanoPlasmonic Sensing* (NPS), the company develops and sells small and robust air quality, battery, and hydrogen sensors. The technology contributes to measurement of air quality in the major cities of the world, optimisation of batteries for tomorrow's cars, energy storage, and not least, transition to a greener society with hydrogen gas as an energy carrier. In addition, the company sells NPS-based research instruments that provide researchers access to real-time nanoscale data in catalysis, materials, and life science.

The company is listed on Nasdaq First North and its underlying technology was developed during over a decade of research at the Department of Chemical Physics at Chalmers University of Technology. Insplorion's sensor technology is a so-called platform technology, which means that it can be used within a range of different fields of application. Today Insplorion focuses mainly on four areas: hydrogen sensors, battery sensors, air quality sensors and research instruments.

The company's registered office is in Gothenburg.

This is the annual report for the company's twelfth year of operation.

Significant events of the financial year

First quarter

- *15 January* – Insplorion was approved for listing at Nasdaq First North Growth Market. First trading day was 29th of January.
- *15 February* – Insplorion receives MSEK 1.1 through the use of warrants.

Second quarter

- *19 April* – Insplorion holds its Annual General Meeting, where Magnus Jonsson was elected new member.
- At the Annual General Meeting decision was also made to introduce an incentive program based on employee stock options and warrants for all employees in the company and an incentive program based on warrants for the Board of Directors.

- *11 May* – Key persons, employees and the Board of Directors subscribed in total 156,500 warrants under the incentive programme and the company received SEK 570,440.
- *17 May* – Insplorion recruited Per Giljam as Chief Financial Officer (CFO).

Third quarter

- *14 September* – A leading German vehicle manufacturer buys Insplorion's instrument for battery development, after a rental period of six months. Order value amounted to MSEK 0.5.

Fourth quarter

- *26 October* – EIFER buys an Insplorion X1 instrument.
- *15 November* – Johan Rask is appointed new CEO.
- *17 December* – A successful pilot project in the UK for Insplorion's air quality sensor leads to a retail agreement.
- *23 December* – The hydrogen sensor in its first commercial project.
- *30 December* – Naventus is appointed new Certified Adviser.

Expected future development as well as risks and uncertainties

The ambition for hydrogen is to realise more customer financed projects, to eventually be able to commercialise volume applications.

Among the battery sensor projects, further results are expected from the EU-financed projects: the InBat Eurostars project and the Horizon 2020 project 3Be-LiEVe. In parallel, industrial contacts are expected to continue, both with Insplorion's battery development instruments and by feasibility studies.

In air quality we aim to finalise the product development of the nitrogen dioxide (NO₂) sensor's ability to withstand tougher variations of humidity and temperature, and of building further on the distribution agreement that was signed with AAC at the end of 2021. Prospects are expected to be reinforced for research instruments, due to the normalisation after Covid-19, and the launch of two new instruments at the end of 2021.

In research instruments, the outlook is expected to strengthen given normalization after Covid-19 and the launch of two new instruments at the end of 2021.

Results and position

Net revenues for the full year were doubled in comparison with previous year, but the comparative period is on the other hand heavily affected by negative effects

of Covid-19. Earnings performance remain negative, due to increased development costs. Investments in product development of battery and gas sensors and reinforcement of the organisation, are the main reasons for the higher costs during the year.

The company's financial position is good after the completed new share issues. Cash and cash equivalents amounted to kSEK 49,456 (66,558) as of 31st December. The company's interest-bearing liabilities totalled kSEK 2,401 (4,491).

Cash flow for the period (1st January – 31st December) amounted to kSEK –17.102, of which cash flow from operating activities amounted to kSEK –14.677.

Corporate risks

Although Insplorion's technology is proven on the market with an increasing number of paying customers, the establishment of the technology is in an early stage and several risks exist. Below is a description of the major risks.

Market related risks

NanoPlasmonic Sensing (NPS) is an emerging technology where Insplorion's products today are used by researchers in academia and industry. Insplorion's objective is to provide its technology in sensors for hydrogen, air quality, battery, and research instruments. The business area battery is based on the choice of battery manufacturers to integrate Insplorion's sensors in their batteries. There is a risk that battery manufacturers choose to introduce Insplorion's technology at a slower rate than what the company expects. There is also a risk that the advantages enabled by Insplorion's technology are not appreciated by manufacturers and consumers, or that competing technologies are developed, which may entail decreasing interest from battery manufacturers for Insplorion's technology. There is also a risk that Insplorion's technology may fail to cope with battery manufacturers' required demands for the integration of the company's technology in their batteries.

Insplorion's long-term objective for the business area air quality sensors is to sell large volumes of sensors to both private and public players around the world. Insplorion's sales are affected by customer demand for the company's products. There is a risk that the company's air quality sensors may not attain a wide market acceptance, and that the market may prefer other technologies at the same time as other existing technologies and methods may be developed.

Insplorion's assessment of future market developments is among other things associated with uncertainty regarding factors the company cannot

control. There is a risk that the markets for air quality sensors, hydrogen sensors, battery sensors and research instruments will develop in unfavourable directions for Insplorion, due to changed behaviour of end customers and other players, rapid technological development, environmental aspects, or other external factors.

Insplorion operates in a competitive market. Some of the company's competitors may have greater resources than the company and there is therefore a risk that these competitors may be able to react faster than Insplorion to new and specific customer demands. Competitors may develop products and methods that are more effective, affordable, or practical, obtain patent protection, commercialise their products earlier than the company, or have better entries and resources than the company to process the market. There is thus a risk that the company might become outperformed by other companies with similar products and methods.

The company has not detected any attempts to commercialise technologies equivalent to the company's NPS technology, that offer the same possibilities of nano scale measuring in harsh environments. It can not be excluded that new technology will be introduced to the market, or that existing technologies will be significantly improved, which may have a negative impact on the company's sales.

The sensor technology of Insplorion is used in the framework of several collaborations, intended to develop, and commercialise the company's technology in existing application fields. Collaborations have been concluded with both academic institutions, such as Chalmers University of Technology, and with players within the industry. Insplorion is in varying degrees dependant on the planned development of these collaborations for a prosperous commercialisation of its technology in new fields of application. There is a risk that one, or several collaborators, choose to end their relationship with the company, or that a collaboration does not develop in a favourable way for Insplorion. If any of Insplorion's collaborators choose to end a partnership, there is a risk that the company may not be able to on its own drive forward a project linked to such a partner, or that a new collaboration must be initiated with a different partner, in order to be able to further develop the project. Several of the company's projects are in addition financed by subsidies. There is a risk that such subsidies fail for later development stages, and that the company will not be able to finance further development of products and technologies. The above mentioned could lead to delay or termination of a project.

Organisational risks

Insplorion's operations are run as a small organisation and rely on certain key employees such as its Chief Technology Officer and Chief Product Officer, as well as on its capability to recruit and keep qualified personnel. Moreover, the company faces growth initiatives that require an extended organisation. If any of the company's key employees should leave the company, or if the company fails to recruit new personnel as needed, the company's future development and commercialisation risk being delayed.

To ensure that the company will be able to successfully implement its strategy, it is further of great importance that the company's resources regarding management, administration, and equity, are disposed of in an optimal manner for the company. There is a risk that the company's resources would be insufficient, which would have a negative impact on Insplorion's operations, financial position, and results.

Technically related risks, quality, and production responsibilities

Insplorion's success depends on the high quality of its products. Hence, quality control plays a significant role in the determination of requirements and satisfaction of customer requirements, defect prevention, improvements to products and services, and the securing of product safety and efficiency. Insplorion is subject to product liability and other liability-related risks linked to products developed or produced by the company and may be forced to defend itself in legal proceedings. Such proceedings may be costly for the company and may result in reduced sales, extensive liabilities and take up time, attention, and resources of the management in a way that has a negative impact on the company's ongoing operations.

Insplorion's liability insurance may turn out to be insufficient to cover all potential claims and losses, which may cause a significant effect on the company's costs. Even unfounded claims may expose Insplorion to negative publicity and incur substantial costs for legal advice and potentially protracted legal proceedings. Irrespective of the final ruling, such pretensions and legal proceedings may have a major effect on Insplorion's reputation and thus also on the company's ongoing operations.

Legal risks

Risks related to the company's intellectual property. Patents and other intellectual properties are key assets of the company's operation and possible future assets and are therefore largely dependent on the possibilities of maintaining existing patent protection

and of obtaining additional patent protection for current and future commercialisations. Insplorion's technology is patented in among others the US, Europe, China, and Japan. The company's principal patents constitute the patent protection for a sensor using the LSPR technology (Localised Surface Plasmon Resonance), where the sensor surface is coated with different materials, which provides the technology with its robustness and its specific sensitivity for different molecules. The group has furthermore obtained patent protection for the usage of NPS/LSPR with different coatings, enabling accurate measurement of amounts of specific gases, as well as patent protection for the method of using the NPS/LSPR technology as a battery sensor.

There is a risk that issued patents will be circumvented or be declared invalid, that pending patent applications will not lead to issued patents or that third-party intellectual properties will prevent the marketing of Insplorion's products. Insplorion may furthermore become subject to claims that involve challenges of the company's patents and other rights, as well as indictments on infringements of rights that have already been assured to third parties, which may give rise to intellectual property litigation. Such proceedings may be time consuming and very costly, regardless of the outcome.

In the event of a negative outcome, the company may be required to pay indemnity, be prohibited to perform activities classified as infringement or be forced to acquire a license for continued production and marketing of potential products, which in turn may have a negative effect on the company's financial position. Besides patents, Insplorion also has valuable know-how, protected by the company. Should this know-how be exposed externally, it would cause negative effects for the company.

Financial risks

It cannot be excluded that it will take longer time than estimated before the company achieves positive cash flow. Neither can it be excluded that the company in the future will have larger capital requirements than what today is deemed necessary. There are no guarantees that this can be procured on terms that will be favourable for the shareholders. Failing to generate profits on a sufficient scale may have an impact on the company's market value.

Research and development

Main activities within both the hydrogen and the battery sensor segments are run as pure development projects.

Use of financial instruments

Financial instruments are reported in accordance with the rules in K3 chapter 11, which means that valuation is based on acquisition value.

Potential for continued operation

The Board of Directors considers that the company has an orderly funding for conducting planned activities during 2022 and several years thereafter.

Ownership

The company is affiliated to Euroclear Sweden AB, which means that Euroclear handles the company's register of shareholders. Insplorion's share is traded

on Nasdaq First North Growth Market as of 29 January 2021. The share was until then traded on Spotlight Stock Market from 25 June 2015.

The share name is Insplorion, the trading name (short name) is INSP, and the ISIN code is SE0006994943.

At the end of 2021, the company had in total 13,085,944 shares with a quota value of SEK 0.15. As a result of share issue and subscription by warrants, the number of shares, after the end of the financial year, and in connection with the signing of the annual report, amounts to 13,090,234 with a quota value of SEK 0.15.

Largest shareholders as of 2021-12-31

Name	Share of votes and capital (%)
Avanza Pension	7.89
Mikael Hägg	3.82
Formue Nord A/S	3.63
AP Ventures	3.44
Hans-Olov Olsson	3.12
Chalmers Ventures AB	2.93
Nordnet Pension	2.41
Gunvald Berger	2.14
Lena Kasemo	1.89
Hawoc Investment AB	1.53
Other shareholders	67.19
Total	100.00

Multiple-year comparison

The Group	2021	2020	2019	2018	2017
Net sales	2.335	1.177	2.464	2.502	812
Profit after financial items	-11.620	-12.795	-8.584	-7.576	-5.176
Balance sheet total	72.083	87.600	37.512	17.936	15.074
Solidity (%)	84.1 %	80.6 %	73.9 %	48.2 %	55.5 %

The Parent Company	2021	2020	2019	2018	2017
Net sales	3.881	2.898	4.144	3.530	1.104
Profit after financial items	-13.150	-13.664	-9.324	-7.583	-6.047
Balance sheet total	69.940	85.729	37.055	17.866	14.984
Solidity (%)	86.6 %	82.4 %	74.8 %	48.4 %	55.8 %

For definitions of indicators, see additional disclosures.

Changes in equity

The Group (kSEK)	Share capital	Not registered share capital	Other added capital	Balanced result	The result of the period	Total equity
Opening balance 2020-01-01	1,467	0	66,233	-31,387	-8,584	27,729
Loss brought forward				-8,584	8,584	0
New issue options	19		810			829
Issue costs options			-19			-19
New issue (directed / preferential)	434	29	59,845			60,308
Issue expenses (directed / preferential)			-5,450			-5,450
Net loss for the year					-12,795	-12,795
Equity on 2021-01-01	1,920	29	121,419	-39,972	-12,795	70,601
Outline of previous year's results				-12,795	12,795	0
Registration new issue	29	-29				0
New issue (decided 2020-11-06)	14	0	1,066			1,080
Issue costs (decided 2020-11-06)			-60			-60
Option program				597		597
The result of the period					-11,620	-11,620
At year end 2021-12-31	1,963	0	122,426	-52,169	-11,620	60,599

Parent company (kSEK)	Restricted equity			Unrestricted equity			Total equity
	Share capital	Not registered share capital	Fund for development fees	Other added capital	Balanced result	The result of the period	
Year start 2020-01-01	1,467	0	722	66,233	-32,110	-8,584	27,729
Outline of previous year's results					-8,584	8,584	0
Development Expenditure reserve			200		-200		0
New issue options	19			810			829
Issue costs options				-19			-19
New issue (directed / preferential)	434	29		59,845			60,308
Issue costs (directed / preferential)				-5,450			-5,450
Year total						-12,795	-12,795
Year start 2021-01-01	1,920	29	922	121,419	-40,894	-12,795	70,602
Outline of previous year's results					-12,795	12,795	0
Change development fund			619		-619		0
New issue options	29	-29					0
New issue (directed / preferential)	14			1,066			1,080
Issue costs (directed / preferential)				-60			-60
Option program					597		597
Year total						-11,620	-11,620
Year end 2021-12-31	1,963	0	1,541	122,426	-53,710	-11,620	60,600

Outline of results (amount stated in SEK)

The following funds are available to the Annual General Meeting:

Share premium fund	122,425,692
Balanced profit including profit for the year	-65,330,353
Total	57,095,339

The Board of Directors propose that the non-restricted equity, SEK 57,095,339, is brought forward.

Further information regarding the company's profit and financial position information can be found in the following income statement, balance sheet, cash flow statement and pertaining notes.

The Parent Company's income statement

All amounts in thousands of SEK	Note	2021-01-01 2021-12-31	2020-01-01 2020-12-31
Operating income	1		
Net sales	3	2,335	1,177
Own work capitalized		3,032	4,557
Other operating income	2	4,171	1,751
Total operating income		9,538	7,485
Operating expenses			
Raw materials and consumables		-488	-490
Other external charges	4, 5	-8,972	-10,287
Personnel costs	6	-10,948	-8,916
Depreciation of intangible and tangible fixed assets		-590	-369
Total operating expenses		-20,998	-20,062
Operating result		-11,460	-12,576
Profit from financial items			
Interest expenses and similar financial expenses	8	-160	-219
Result from financial items		-160	-219
Results before tax		-11,620	-12,795
Tax on result for the year	9	0	0
Results for the year		-11,620	-12,795

Consolidated balance sheet

All amounts in thousands of SEK	Note	2021-12-31	2020-12-31
ASSETS			
Fixed assets			
<i>Subscribed capital unpaid</i>			
Subscribed capital unpaid		0	1,339
Total subscribed capital unpaid		0	1,339
<i>Intangible assets</i>			
Capitalized expenses for development work	10	16,875	14,138
Concessions, patents, licenses, trademarks	11	2,408	2,434
Total intangible assets		19,283	16,571
<i>Tangible fixed assets</i>			
Machinery and other technical equipment	12	543	580
Total tangible fixed assets		543	580
Total fixed assets	4	19,826	17,151
Current assets			
<i>Inventory</i>			
Work in progress		2,124	1,085
Total inventory		2,124	1,085
<i>Receivables</i>			
Accounts receivable		222	87
Other receivables		138	1,251
Prepayments and accrued income	14	318	130
Total current receivables		678	1,468
<i>Cash and cash equivalents</i>	15	49,456	66,558
Total current assets		52,257	69,110
TOTAL ASSETS		72,083	87,600

All amounts in thousands of SEK	Note	2021-12-31	2020-12-31
EQUITY AND LIABILITIES			
Equity			
Share capital	16	1,963	1,920
Unregistered share capital		0	29
Other contributed capital		122,426	121,419
Balanced result		-52,169	-39,972
Profit/loss for the period		-11,620	-12,795
Total equity		60,599	70,601
Liabilities			
<i>Long-term liabilities</i>			
Liabilities to credit institutions	17	1,686	2,291
Total long-term liabilities		1,686	2,291
<i>Short-term liabilities</i>			
Liabilities to credit institutions		715	2,200
Accounts payable		712	1,396
Current tax liabilities		54	17
Other short-term liabilities		219	163
Accruals and deferred income	18	8,099	10,930
Total short-term liabilities		9,798	14,707
TOTAL EQUITY AND LIABILITIES		72,083	87,600

Consolidated cash flow statement

All amounts in thousands of SEK	Note	2021-01-01 2021-12-31	2020-01-01 2020-12-31
Operating activities			
Operating profit		-11,460	-12,576
Adjustment for non-cash items: depreciation/amortization according to plan	22		
Depreciation according to plan		590	369
Loss on sale of tangible and intangible fixed assets		26	0
Interest expenses and similar income items		-160	-219
Cash flow from operating activities before change in working capital		-11,004	-12,426
Change in working capital			
Increase (-)/decrease (+) in inventories		-1,039	-523
Increase (-)/decrease (+) in operating receivables		790	334
Increase (+)/decrease (-) in operating liabilities		-3,424	7,315
Cash flow from change in working capital		-3,673	7,126
Cash flow from operating activities		-14,677	-5,300
Investing activities			
Acquisition of capitalized expenses for research and more	10	-3,032	-4,557
Acquisition of machinery and other technical facilities	12	-259	-150
Sales of machinery and other technical facilities	12	0	0
Cash flow from investing activities		-3,291	-4,707
Financing activities			
Amortization of loans	17	-2,090	-100
New issues		2,359	54,330
Option program		597	0
Cash flow from financing activities		886	54,230
Increase/decrease of cash and cash equivalents		-17,102	44,222
Cash/cash equivalents at the beginning of the year		66,558	22,335
Cash/cash equivalents at the end of the period	15	49,456	66,558

The Parent Company's income statement

All amounts in thousands of SEK	Note	2021-01-01 2021-12-31	2020-01-01 2020-12-31
Operating income	1		
Net sales	3	3,881	2,898
Own work capitalized		445	336
Other operating income	2	2,467	870
		6,793	4,104
Operating costs			
Raw materials and consumables		-488	-490
Other external charges	4, 5	-7,915	-7,774
Personnel costs	6	-10,948	-8,916
Depreciation/amortization		-432	-369
		-19,783	-17,548
Operating profit		-12,990	-13,445
Result from financial items			
Interest costs and similar items	8	-160	-219
		-160	219
Profit after financial items		-13,150	-13,664
Year-end appropriations		1,530	868
Tax on profit for the year	9	0	0
Profit/loss for the period		-11,620	-12,795

The Parent Company's balance sheet

All amounts in thousands of SEK	Note	2021-12-31	2020-12-31
ASSETS			
Fixed assets			
<i>Subscribed but unpaid capital</i>			
Subscribed but unpaid capital		0	1,339
Total subscribed but unpaid capital		0	1,339
<i>Intangible assets</i>			
Capitalized expenses for development work	10	2,339	2,029
Concessions, patents, licenses, trademarks, etc.	11	1,378	1,404
Total intangible fixed assets		3,717	3,433
<i>Tangible fixed assets</i>			
Machinery and other technical facilities	12	543	580
		543	580
<i>Financial assets</i>			
Shares in group companies	13	50	50
Total financial fixed assets		50	50
Total fixed assets		4,310	4,063
Current assets			
<i>Inventories, etc.</i>			
Work in progress		2,124	1,085
Total inventory, etc.		2,124	1,085
<i>Receivables</i>			
Accounts receivable		222	87
Receivables from group companies		15,369	12,691
Other receivables		149	1,180
Prepayments and accrued income	14	318	130
Total current receivables		16,058	14,088
<i>Cash and bank balances</i>	15	47,448	65,153
Total current assets		65,630	80,326
TOTAL ASSETS		69,940	85,729

All amounts in thousands of SEK	Note	2021-12-31	2020-12-31
EQUITY AND LIABILITIES			
Equity			
<i>Restricted equity</i>			
Share capital	16	1,963	1,920
New issue under registration		0	29
Fund for development costs		1,541	922
Total restricted equity		3,504	2,871
<i>Non-restricted equity</i>			
Premium reserve		122,426	121,419
Retained loss		-53,710	-40,894
Profit/loss for the period		-11,620	-12,795
Total unrestricted equity		57,096	67,731
Total equity		60,600	70,602
Liabilities			
<i>Long-term liabilities</i>			
Liabilities to credit institutions	17	1,686	2,291
Total long-term liabilities		1,686	2,291
<i>Short-term liabilities</i>			
Liabilities to credit institutions		715	2,200
Accounts payable		712	1,214
Current tax liabilities		60	23
Other short-term liabilities		219	163
Accruals and deferred income	18	5,949	9,235
Total short-term liabilities		7,654	12,835
TOTAL EQUITY AND LIABILITIES		69,940	85,729

Notes common to the Group and the Parent Company

General additional disclosures

Note 1 Accounting and valuation policies – the Group and the Parent Company

The annual accounts and consolidated accounts are prepared in accordance with the Swedish Annual Accounts Act and the Swedish Accounting Standards Board BFNAR 2012:1 annual report and consolidated (K3).

The accounting policies are the same as the previous year.

Definitions of indicators

Solidity

Adjusted equity in relation to the balance sheet total.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. The Company reports the income at nominal value (invoice amount) if the payment is received in cash and cash equivalents directly upon delivery. Deductions are made for discounts provided.

Sales of goods

Sales of goods are reported when the Company has transferred the significant risks and benefits associated with ownership to the buyer, normally when the customer has the goods in their possession.

Tangible fixed assets

Tangible fixed assets are reported at acquisition value less accumulated depreciation and any impairments.

The assets are depreciated on a linear basis over the assets' estimated useful life. The following useful lives apply:

	Number of years
Machinery and other technical equipment	5
Fixtures, tools and fittings	5

Removal from the balance sheet

Tangible fixed assets or components are removed from the balance sheet or disposed of when no future economic benefits are expected from the use, disposal or sale of the asset or component.

When tangible fixed assets are sold, the capital gain is determined as the difference between the sales price and the asset's reported value and is reported in the income statement in one of the items 'Other operating income' or 'Other operating expenses'.

Intangible fixed assets

Intangible fixed assets consist of development costs and patents, respectively, and are reported at acquisition value less accumulated depreciation and any impairments.

Research expenditure is recognized immediately, while expenditure for development projects is capitalized as intangible assets to the extent that these meet the criteria for capitalization in the balance sheet. Expenditure that does not meet such criteria is recognized as incurred. The amount capitalized during the year is transferred between unrestricted and restricted capital, and is referred to as a fund for development expenditure. The criteria to be met are as follows:

- It is technically possible to complete the asset so that it can be used or sold.
- The company intends to complete the asset and to use or sell it.
- The company has the prerequisites to use or sell the asset.
- It is likely that the asset will generate future economic benefits.
- There are sufficient resources to complete the asset and to use or sell it.
- Development expenditure can be measured reliably.

Depreciation is made on a linear basis over the estimated useful life. The depreciation period for internally generated intangible fixed assets is 5 years, but for intangible assets that are of strategic importance to the group, such as patents and development costs for measuring instruments, the parent company and the Group use a depreciation period of up to 10 years.

	Number of years
Capitalized expenses for development work	5
Concessions, patents, licenses, trademarks, etc.	10

Removal from the balance sheet:

Intangible fixed assets are removed from the balance sheet upon disposal or sale of the asset. When intangible fixed assets are sold, the capital gain is determined as the difference between the sales price and/or when future benefits are not expected from the use of the asset, or disposal or sale of the asset at the reported value, and is reported in the

income statement. Impairment testing of intangible and tangible fixed assets at each balance sheet date is assessed to see if there is any indication that an asset's value is lower than its reported value. If there is such an indication, the asset's recoverable value is calculated. If the recoverable value is less than the reported value, an impairment is made which is recognized. An internally generated intangible fixed asset that is not yet ready to be used or sold as of the balance sheet date is always tested for impairment. The recoverable value of an asset or a cash-generating unit is the higher of fair value less sales costs and the value in use.

Government grants

Government grants are reported at fair value when there is reasonable assurance that the grant will be received and that the company will meet all the associated conditions. A government grant relating to expected costs is reported as prepaid income. The grant is recognized as income in the period when the costs arise which the government grant is intended to compensate. Government grants for the investment of tangible or intangible fixed assets reduce the reported value of the asset.

Financial instruments

Financial instruments are reported in accordance with the rules in K3, Chapter 11, which means that valuation is based on acquisition value.

Financial instruments reported in the balance sheet include accounts receivable and other receivables, accounts payable and loan liabilities. The instruments are recognized on the balance sheet when the parent company or the group, respectively, becomes a party to the contractual provisions of the instrument.

Financial assets are removed from the balance sheet when the right to receive contractual cash flows of the financial instrument has expired or been transferred, and substantially all risks and rewards of ownership of the asset have been transferred.

Financial liabilities are removed from the balance sheet when the obligations have been settled or otherwise terminated.

Accounts receivable and other receivables

Receivables are recognized as current assets with the exception of items with due date later than 12 months after the balance sheet date, which are recognized as fixed assets. Receivables are recognized to the amount expected to be paid less individually assessed bad debt.

Loans and accounts payable

Loans payable are recognized at amortized cost in accordance with the effective interest method. If

the recognized amount differs from the amount to be repaid at maturity, the difference is recognized as interest expense over the term of the loan using the instrument's effective interest rate. Hence, at the date of maturity, the recognized amount will agree with the amount to be repaid.

Short-term accounts payable are recognized at cost.

Set-off of financial assets and liabilities

Financial assets and liabilities are set off and recognized at a net amount in the balance sheet only when there is a legal right to set off the recognized amounts and there is an intention to settle them with a net amount or to simultaneously realize the asset and settle the debt.

Lease agreements

Most of the Group's lease agreements are operating leases and are expensed on a straight-line basis over the lease period. The finance leases are not considered to represent substantial value and are thus expensed in line with the operating leases.

Inventories

Inventories are recognized at cost or net realizable value, whichever is lowest. The risk of inventory obsolescence has been taken into account. The cost is determined using the first-in, first-out (FIFO) method. In addition to acquisition costs, the cost includes costs incurred in bringing the inventories to their present location and condition.

In the case of finished and semi-finished goods manufactured in-house, the cost consists of direct manufacturing costs and a reasonable portion of indirect manufacturing costs. Measurement has taken normal capacity utilization into account.

Cash flow statement

The cash flow statement is drawn up using an indirect method. The reported cash flow covers only operations resulting in cash transactions. Frozen funds are not classified as cash and cash equivalents.

Remuneration of employees

Short-term remunerations:

Short-term remunerations to employees in the form of salaries, bonuses and paid holidays are remunerations to employees that fall due within 12 months from the balance sheet date in the year in which the employee earned the remuneration.

Short-term remuneration is valued at the undiscounted amount that the Company is expected to pay as a result of the unused entitlement.

Defined contribution pension plans:

The Company pays fixed fees to other legal entities with regard to several government plans and insurance policies for individual employees. The Company has no legal obligations to pay additional fees in addition to payments of the fixed fee which is reported as an expense in the period in which the relevant service is performed.

Compensation in the event of termination:

Compensation in the event of termination is paid when a company within the Group decides to terminate an employee's employment prior to the normal retirement date or when an employee accepts an offer of voluntary resignation in exchange for such compensation. Compensation that do not provide the Company any future economic benefits are recognized as expenses and liabilities when there is legal or constructive obligation to pay such compensation. Benefits are measured at the best estimate of the amount that would be required to settle the liability on the balance sheet date.

Provisions

A provision is recognized when the Company has an obligation (formal or informal) a result of an event that has occurred, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be estimated reliably.

Contingent liabilities

A contingent liability is:

- A possible obligation that, as a result of events that have occurred and whose occurrence will only be affirmed by one or more uncertain future events not entirely within the control of the company, occurs or does not, or
- An existing obligation, resulting from past events, which is not recognized as a liability or provision because it is unlikely that an outflow of resources will be required to settle the obligation or because the size of the liability cannot be measured reliably.

Contingent liabilities are a summary term for such guarantees, financial obligations and any liabilities that are not included on the balance sheet.

Public grants

Public grants that are not contingent on future performance are recognized as revenue when the conditions for the award of the grant are satisfied. Public grants that are contingent on future performance are recognized as revenue when the performance is delivered. Received contributions where all conditions have not yet been met are recognized in the item Other liabilities. Contributions received for

the purchase of a fixed asset reduce the acquisition cost of the asset.

Receivables and liabilities in foreign currency

Monetary items in foreign currency are translated at the rate on the balance sheet date. Arising exchange rate differences are recognized in the income statement. Foreign exchange gains and losses in conjunction with operating receivables and liabilities in foreign currency are reported in the items 'Other operating income' or 'Other operating expenses'. Other foreign exchange gains and losses are reported in Result from financial items.

Non-monetary items are not translated at the balance sheet date and are measured at the acquisition value (translated at the rate on the transaction date).

Borrowing costs

No borrowing costs are capitalized when fixed assets are manufactured/developed.

Income taxes

Current taxes are calculated using the tax rates and tax rules that are in effect as at the balance sheet date. Deferred taxes are calculated using the tax rates and tax rules that have been decided before the balance sheet date.

Since the Board does not assess it to be likely that it would be possible to use deferred tax assets arising from unused tax losses during the coming year, no such assets are recognized. See Note 10.

Current tax and changes in deferred tax are reported in the income statement, unless the tax is attributable to an event or transaction that is reported directly in equity. In such events, related tax effects are also recognized in equity.

Related parties

Transactions that take place by means other than market terms with related parties, in accordance with the Swedish Annual Accounts Act, Chapter 1. Section 8 or 9, shall have information on this submitted. In addition to what is stated in Note 8, Salaries, remunerations of the Board and the CEO, no transactions with related natural persons have taken place. For information on internal transactions between the group companies, please see Note 3.

Accounting policies of the parent company**Group contributions**

Group contributions made from parent companies to subsidiaries and group contributions received by parent companies from subsidiaries are reported as appropriations.

Estimates and assessments

When preparing financial statements, the Board of Directors and the CEO must, in accordance with applied accounting and valuation principles, make certain estimates, assessments and assumptions that affect the accounting and valuation of assets, provisions, liabilities, revenue and expenditure. The areas where such estimates and assessments can be of great importance to the parent company and the Group, and which can thereby affect the income statements and balance sheets in the future, are described below.

Significant assessments

The following are significant assessments that have been made in applying the company's accounting principles that have the most significant effect on the financial statements.

Capitalization of intangible assets

The distribution between the research and development phases in new development projects and determining whether the requirements for capitalization of development expenditure are met require assessments. After capitalization, the issue of whether the accounting requirements for development expenditure continue to be met and whether there are indications that the capitalized expenditure may be subject to a decline in value is monitored. This is done through an annual impairment test.

Impairment

To assess the need for impairment, the recoverable value for each asset or cash-generating unit is calculated based on expected future cash flow, and using an applicable interest rate to be able to discount cash flow. Uncertainties lie in assumptions about future cash flows and determining an appropriate discount rate.

Uncertainty in the estimate

Below is information on estimates and assumptions that have the most significant effect on reporting and valuation of assets, liabilities, income and expenses. The outcome from these may deviate significantly.

Useful lives of depreciable assets

At each balance sheet date, a review is made of current assessments of useful lives for depreciable assets. Information on the assessments made can be found in Note 1, the section on Intangible investments.

Group structure

Shares and participations in subsidiaries

Shares and participations in subsidiaries are recognized at cost less impairment. The cost includes the purchase consideration paid for the shares as well as acquisition costs. Any capital injections and intra-group transfers are added to the cost as they occur. Dividends from subsidiaries are recognized as income.

Consolidated financial statements

The consolidated financial statements include subsidiaries in which the parent company directly or indirectly has a controlling influence. In assessing whether a controlling influence exists, consideration is given to holdings of financial instruments that are potentially vote eligible, and which can be exercised or converted to vote eligible shares (e.g. options and convertible debentures) without delay. A controlling influence normally exists when the parent company directly or indirectly holds more than 50 percent of the votes.

The consolidated financial statements are prepared in accordance with the acquisition method, which means that the subsidiaries' taxed and untaxed equity is included in the Group's equity only to the extent that it is earned after the acquisition.

Transactions eliminated during consolidation

All intra-group transactions, balances and unrealized internal gains in the group have been eliminated in their entirety.

Fund for development costs

The corresponding capitalized development expenditure is set aside in a fund for development costs. The fund reduces the company's unrestricted funds in equity and increases correspondingly in restricted equity. However, this only affects the legal entity and as such is adjusted in a group context.

Note 2 Other operating income

	The Group		The Parent Company	
	2021	2020	2021	2020
Public grants	4,171	1,751	2,467	870
Total other operating income	4,171	1,751	2,467	870

The grants are contingent upon the Company fulfilling the contributor's general conditions for use of the payments.

Note 3 Intra-group purchases and sales

	The Group		The Parent Company	
	2021	2020	2021	2020
Percentage				
Sales relating to group companies	0	0	40	59
Purchases relating to group companies	0	0	0	0

Note 4 Leases*Operational leasing*

The group's leasing expenses primarily consist of leased premises. The lease extends over a one-year period with automatic extension of one year at a time, with the possibility of termination.

The Group	2021-12-31	2020-12-31
Within one year	276	276
Later than one year but within five years	0	0
Later than five years	0	0
Group, total	276	276

The Group's operational lease costs for the year amounted to kSEK 608 (kSEK 850).

The Parent Company	2021-12-31	2020-12-31
Within one year	276	276
Later than one year but within five years	0	0
Later than five years	0	0
Parent Company, total	276	276

The Parent Company's operational lease costs for the year amounted to kSEK 608 kSEK (kSEK 850 kSEK).

Note 5 Remuneration of the auditors

	The Group		The Parent Company	
	2021	2020	2021	2020
KPMG	126	122	114	110
Audit work in addition to statutory audit	70	11	70	11
Total remuneration of auditors	196	133	184	121

Audit engagements refer to the examination of the Company's Annual Report and accounts and the administration of the Company's affairs by the Board of Directors and the Managing Director, other tasks which are for the Company's auditor to perform, and consultation and other assistance in response to observations made during the aforementioned performance of examinations and other tasks. Everything else is classified as "Other engagements".

Note 6 Personnel

	The Group		The Parent Company	
	2021	2020	2021	2020
<i>Average number of employees</i>				
The average number of employees is based on the number of hours worked paid by the Company in relation to the normal working time.				
Average number of employees	15	13	15	13
of whom women	5	5	5	5
of whom men	10	8	10	8
<i>Salaries, remunerations of personnel</i>				
Salaries, remunerations, social security contributions and pension costs have been paid in the following amounts:				
Salaries and remunerations	7,769	6,551	7,769	6,551
Pension costs	546	330	546	330
Social security contributions	2,072	1,703	2,072	1,703
	10,388	8,584	10,388	8,584
<i>Board of Directors and senior executives</i>				
Number of Board members				
on the balance sheet date	5	5	5	5
of whom women	1	2	1	2
of whom men	4	3	4	3
CEO and senior executives				
of whom women	0	0	0	0
of whom men	1	1	1	1
<i>Salaries, remunerations of the Board and the CEO</i>				
Salaries, remunerations, social security contributions and pension costs have been paid in the following amounts:				
Salaries and remunerations	1,373	1,318	1,373	1,318
Pension costs	82	70	82	70
Social security contributions	451	431	451	431
	1,906	1,819	1,906	1,819

The CEO is entitled to severance pay in accordance with the employment contract.

Note 7 Share-based compensation

Warrants and employee options programme 2021/2024, where 29,900 Incentive Warrants and 59,800 employee stock options have been issued. This means a maximum dilution of approximately 0.7 percent of shares and votes in the Company. Warrants and employee stock options entitles the holder for each option to acquire one share in Insplorion at price of SEK 41.10 per share.

Warrants to the Board series 2021/2024, where 85,000 Incentive Warrants have been issued. This means a maximum dilution of approximately 0.6 percent of the shares and votes in the Company.

Each warrant entitles the holder to acquire one share in Insplorion at price of SEK 41.10 per share.

Note 8 Interest costs and similar items

	The Group		The Parent Company	
	2021	2020	2021	2020
Interest costs, other	160	219	160	219
	160	219	160	219

Note 9 Deferred tax

The Company has accumulated tax loss carryforwards of kSEK 74 275 (62 678). The underlying value of the deferred tax attributable to these losses amounts to kSEK 15 301 (12 912). In the 2019–2021 financial statements, the Company has, as a precautionary measure, chosen not to recognize the value of these deferred tax assets arising from tax losses on the balance sheet, as it does not expect to be able to utilize them in the near future.

Note 10 Capitalized expenditure for development work and similar assets

	The Group		The Parent Company	
	2021- 12-31	2020- 12-31	2021- 12-31	2020- 12-31
Cost, opening balance	15,074	10,517	2,967	2,631
Capitalization for the year	3,032	4,557	445	336
Accumulated cost, closing balance	18,106	15,074	3,412	2,967
Accumulated amortization, opening balance	-937	-801	-937	-801
Amortization for the year	-294	-136	-136	-136
Accumulated amortization, closing balance	-1,231	-937	-1,073	-937
Carrying amount	16,875	14,137	2,339	2,029

Note 11 Concessions, patents, licenses, trade marks and similar rights

	The Group		The Parent Company	
	2021- 12-31	2020- 12-31	2021- 12-31	2020- 12-31
Cost, opening balance	2,434	2,434	1,404	1,404
Accumulated cost, closing balance	2,434	2,434	1,404	1,404
This year's depreciations	-26	0	-26	0
Accumulated amortization, closing balance	-26	0	-26	0
Carrying amount	2,408	2,434	1,378	1,404

Note 12 Machinery and other technical equipment

	The Group		The Parent Company	
	2021- 12-31	2020- 12-31	2021- 12-31	2020- 12-31
Cost, opening balance	1,106	956	1,106	956
Investments for the year	259	150	259	150
Sales and disposals	-30	0	-30	0
Accumulated cost, closing balance	1,335	1,106	1,335	1,106
Accumulated depreciation, opening balance	-526	-292	-526	-292
Sales and disposals	5	0	5	0
Depreciation for the year	-270	-233	-270	-233
Accumulated depreciation, closing balance	-791	-526	-791	-526
Carrying amount	544	580	544	580

Note 13 Participations in Group companies

	The Parent Company	
	2021	2020
Cost, opening balance	50	50
Carrying amount	50	50

Subsidiary, corporate registration number, registered office	Number of shares	in %	Carrying amount
<i>Inspilorion Sensor System AB, 556969-5140, Gothenburg</i>	50,000	100	50

Specification of parent company's holdings of shares and participations in subsidiaries

This refers to the ownership of capital, which corresponds to the share of votes for the total number of shares.

Note 14 Prepayments and accrued income

	The Group		The Parent Company	
	2021- 12-31	2020- 12-31	2021- 12-31	2020- 12-31
Prepaid rent	61	60	61	60
Prepaid insurance	191	54	191	54
Other	66	16	66	16
318	130	318	130	

Note 15 Cash and cash equivalents

	The Group		The Parent Company	
	2021- 12-31	2020- 12-31	2021- 12-31	2020- 12-31
Bank balances	49,456	66,558	47,448	65,153
Total cash and cash equivalents	49,456	66,558	47,448	65,153

Other receivables include blocked funds of kSEK 50 (50).

Note 16 Information about share capital

	Number of shares	Quota value per share
Number/value at beginning of the year	12,801,409	0.15
New issue	284,535	0.15
Number/value at year-end	13,085,944	0.15

Note 17 Long-term liabilities

	The Group		The Parent Company	
	2021-12-31	2020-12-31	2021-12-31	2020-12-31
Due within 2 to 5 years	1,686	2,291	1,686	2,291
Due later than 5 years	0	0	0	0
	1,686	2,291	1,686	2,291

Growth loan from the Swedish Energy Agency

The original borrowed amount amounts to SEK 4.1 million. The maturity of the loan is 10 years. The interest rate is 6% and is paid every three months in arrears. Amortization takes place every three months, starting three months after the end of the fifth year from the disbursement of the loan with 5% of the principal amount per instalment.

Conditional loan from the Swedish Agency for Economic and Regional Growth

The original borrowed amount amounts to SEK 0.47 million. The interest rate is 2 % and must be paid on May 31 and November 30 every year. Amortization amounts to 5 % of the net amount invoiced to the customer, which must be paid in two equal instalments, one on May 30 and on November 30.

Note 18 Accruals and deferred income

	The Group		The Parent Company	
	2021-12-31	2020-12-31	2021-12-31	2020-12-31
Accrued salaries and remunerations	290	387	290	387
Accrued holiday pay incl. social	1,420	1,150	1,420	1,150
Accrued social security contributions	150	162	150	162
Prepaid grants	5,871	8,006	3,736	6,326
Accrued interest costs	55	46	55	46
Other external charges	312	1,179	297	1,164
Total accrued expenses	8,098	10,930	5,948	9,235

Note 19 Pledged assets

	The Group		The Parent Company	
	2021-12-31	2020-12-31	2021-12-31	2020-12-31
Business mortgages	500	500	500	500
Pledges and other collateral	50	50	50	50

Note 20 Contingent liabilities

	The Group		The Parent Company	
	2021- 12-31	2020- 12-31	2021- 12-31	2020- 12-31
Contingent liabilities	Inga	Inga	Inga	Inga

Note 22 Non-cash items

	The Group	
	2021- 12-31	2020- 12-31
Depreciation/amortization	616	369
Total non-cash items	616	369

Note 23 Significant events after the balance sheet date

- January 4 – Hydrogen centre financed by the Swedish Energy Agency.
- January 24 – Fourth suscription period of T01 started where 4,290 new shares were subscribed.

Gothenburg, March 28, 2022

Jonas Ehinger
Chairman of the Board

Johan Rask
CEO

Anders Sandell
Director

Ulla-Britt Fräjdin Hellqvist
Director

Jan Burenius
Director

Magnus Jonsson
Director

Our auditor's report was submitted on March 28, 2022.

KPMG AB

Daniel Haglund
Chartered Accountant
Signed on the Swedish original

Auditor's report To the general meeting of the shareholders of Insplorion AB (Publ), corp. id 556798-8760

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Insplorion AB (Publ) for the year 2021. The annual accounts and consolidated accounts of the company are included on pages 16–37 in this document.

In our opinion, the annual accounts and consolidated 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 and the group as of 31 December 2021 and their financial performance and cash flow for the year then ended in accordance with 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.

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.

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 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. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibility

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

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

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

- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

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

Report on other legal and regulatory requirements

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 Insplorion AB (Publ) for the year 2021 and the proposed appropriations of the company's profit or loss.

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

Basis for Opinions

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

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

Responsibilities of the

Board of Directors and the Managing Director

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

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

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

Auditor's responsibility

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

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

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

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

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

Gothenburg, March 28, 2022

KPMG AB

Daniel Haglund
Chartered Accountant
Signed on the Swedish original

Financial Information

Insplorion will publish financial statements for the financial year 2022 on the following occasions:

May 19

Interim report for the first quarter 20212.

August 23

Half-yearly report 2022.

October 27

Interim report for the third quarter 2022.

February 23, 2023

Year-end report for the financial year 2022.

All financial information relating to Insplorion and concerning you as a shareholder can be found on Insplorion's website, in the Investors section.

Annual General Meeting

Insplorion's Annual General Meeting will be held on April 19, the meeting will be held only by advance vote (postal vote). In light of the continued Covid-19 situation, the meeting will be conducted in accordance with a so-called postal voting procedure, which means that shareholders and proxies will not be able to physically attend the meeting. Instead, shareholders can only attend the meeting by voting and submitting questions in advance.

Shareholders who wish to participate in the meeting by prior voting shall both as of 7 April 2022 be entered in the share register kept by Euroclear Sweden AB, and notify their participation by casting their advance vote to the company in accordance with the instructions in the notice. Forms and notices are available on the company's website www.insplorion.com.



Insplorion

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