



REDSENSE MEDICAL AB (PUBL)
ANNUAL REPORT
2023



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Disclaimer

This document is a translation of the Swedish language version. In the event of any discrepancies between this translation and the original Swedish document, the latter shall be deemed correct.



24,967
NET SALES
kSEK

74%
SALES GROWTH

6,966
CASH
kSEK

-5,037
EBIT
kSEK

87 %
SOLIDITY

JANUARY – DECEMBER 2023

- Net sales amounted to kSEK 24,967 (14,340), an increase of 74%.
- Operating loss, EBIT amounted to kSEK 5,037 (10,208).
- Result after tax amounted to kSEK -4,513 (-8,758).
- Earnings per share were SEK -0.32 (-0.62).

“Let’s continue this growth journey together.”

A SUCCESSFUL YEAR WITH RECORD SALES

2023 set a new landmark for Redsense Medical with the highest net sales in the history of the company, kSEK 24,967 (14,303) giving a net sales growth of 74% compared to the same period in 2022. The US remains the driver and foundation of our business with 98% (98%) of our net sales in 2023. Outside the US, the development in the UK was positive, and the UK distributor ended up the largest contributor outside the US in 2023.

New leadership in the Board of Directors

The passing of our founder and former Chairman of the Board, Patrik Byhmer, at the end of December 2023 was a profound loss for our company. Patrik was not only a visionary leader but also a driving force behind our company's growth and success. His contributions to the development of our life-saving technology for the dialysis market will always be remembered, and his entrepreneurial spirit will continue to inspire us.

Despite this loss, 2023 was a year of progress and achievement for us in many areas. We have worked diligently to lay a solid foundation for future growth, and our efforts have yielded positive results. As we enter 2024, we do so with good momentum and optimism. We are delighted that Eva Walde has taken on the role as Chair of the Board, and we are confident in her ability to guide us through the opportunities and challenges that lie ahead.

The US market is the foundation of our business

The US home hemodialysis segment is currently our main market. Redsense has the unique position of being the only blood leakage system having FDA clearance, and the sales growth for Redsense is driven by the development of the home hemodialysis market. Home treatment is gaining popularity thanks to improved clinical outcomes, lower cost, increased convenience, and quality of life for the patient.

During the year, our two US distributors saw a solid increase in sales to the end-users, i.e. the dialysis providers. In August 2023 we received the second largest order ever from one of our US distributors (11.2 mSEK) which also confirms the increased usage of our products among the main US dialysis providers. In 2023, we sold more than twice the number of alarm units to our US distributors compared with 2022. This is very promising for the future uptake of sensors once these alarm units are in operation in the home hemodialysis settings.

Increased awareness for Venous Needle Dislodgement in the US

Home hemodialysis is supported by both political initiatives and promotions from the major dialysis providers in the US to increase the number of patients being treated in home settings. One important initiative is the Home Dialysis Risk Prevention Act (H.R.3118), which was introduced in the US House of Representatives in May 2023. This bipartisan legislation aims to provide Medicare coverage of monitoring devices to detect and alarm when a venous needle dislodgement (VND) occurs during home hemodialysis.

At present, the Redsense alarm system is not used for all home hemodialysis patients. With the Medicare coverage that will follow the implementation of this legislation, reimbursement will be an important incentive for dialysis providers to expand the usage of the Redsense alarm system for this modality.

We have been busy to increase awareness of VND among members of Congress through frequent meetings. At the end of September, Redsense arranged a Congressional briefing to address VND, in order to share knowledge and experience, as to discuss the risks with VND and how to increase patient safety for home hemodialysis patients. The briefing included presentations from AAKP, the Emergency Care Research Institute (ECRI), and Redsense Medical. This event gave the members of the US Congress an understanding of the real risks with VND, and how the enactment of the Home Dialysis Risk Prevention Act can improve patient safety.

Speaking about VND, ECRI (Emergency Care Research Institute), a global independent, non-profit organization devoted to improving safety, quality, and cost-effectiveness of care across all healthcare settings, is also highlighting the risks with VND. Ranking # 4 on the 2023 list of Top 10 Technology Hazards, ECRI's spotlight brings attention to the gravity of VND and Access-Bloodline Separation, a potentially life-threatening but preventable complication of hemodialysis that can happen to any dialysis patient at any time.

It is encouraging that the American Association of Kidney Patients (AAKP) has patient safety high on the agenda and endorses the use of technologies that can reduce the risk of fatalities and adverse events during home hemodialysis. In September, Redsense participated in the AAKP Annual Patient Meeting, giving a presentation in the section "Issues and Policies Impacting Patient Consumer Choice and Access to Treatments". Furthermore, Redsense was featured in a KFF Health News report in July, which also was distributed through CBS News. KFF Health News highlighted the potentially fatal danger of VND, and emphasized the need for a safety system like the Redsense alarm system.

To conclude, it is very promising with all the increased awareness of VND among several US stakeholders. Moving forward, this support will be instrumental for our continued growth within the US home hemodialysis segment.

Throughout the year we have been promoting the use of the Redsense alarm system at several conferences and meetings. One highlight was the world's largest nephrology conference, the American Society of Nephrology (ASN) in Philadelphia, where we exhibited and showcased our products. These types of events are effective ways for us to engage with all the important stakeholders, all the way from dialysis providers, physicians, nurses, and hemodialysis manufacturers to distributors.

Clamp part of our growth plan

One of our focus areas in 2023 has been the Redsense Clamp, an accessory to the alarm unit enabling automatic stop of the flow in the blood line in case of an incident, independently of the type of dialysis machine. The last step in attaining a CE mark for the Clamp is a usability study. During the year we made good progress with the study, and it is currently well underway at the Toronto General Hospital in Canada. There is significant interest in the Clamp, and we are looking forward to launching it in 2024 as it will be an important part of our growth plan. With the Clamp, we have an excellent opportunity to create an attractive bundle with the Redsense alarm unit, which will be especially important to attract new customers. In certain markets, such as Australia, the availability of the Clamp is critical to be able to start selling. There is also significant potential to increase sales of the Clamp in Canada and some European countries.

In 2023 we have also initiated the regulatory work for a 501(k) submission for the Clamp for the US market. In April we had a pre-submission meeting with the FDA which provided us with valuable input for our continued work and this process will be high on our agenda for 2024.

OTC Markets

During the year, we have taken steps to increase shareholder value by opening up for US investors and individuals to trade the Redsense share. At the end of September, Redsense was approved for cross-trading at the OTCQX market in New York. Given that most of our revenue is in the US, and with our biggest growth opportunities in this market, it comes naturally to facilitate for North American investors, to trade the Redsense share. The US stock market is one of the largest marketplaces for investors and we believe that OTCQX is a cost-effective way to allow US investors and individual stock buyers to trade the Redsense share.

Looking forward to 2024 with confidence

We aim to continue our growth journey in 2024, with our strong position in the US home hemodialysis market as the foundation. We will intensify our sales and promotional activities in this segment. In addition, promotion of the Home Dialysis Risk Prevention Act is on the agenda as a possible market access opportunity. Another important growth initiative for 2024 is the CE mark and subsequent launch of the Clamp. When it comes to the Clamp, we also plan to submit a 510(k) application to the FDA in 2024 in order to pave the way for future clearance on the important US market. Our promotional activities will be high going forward, and we will be exhibiting at conferences in the US and Europe.

We have a unique product that fulfills a significant need to improve patient safety for hemodialysis patients. I look forward to keeping you updated on our continued progress, with several important milestones to be achieved in 2024.

Finally, I would like to express my appreciation to the team for all their contributions and dedication to making 2023 a successful year for Redsense.

Pontus Nobréus,
CEO Redsense Medical (publ)



According to studies, about 2,100 patients are affected by Venous Needle Dislodgement (VND) every day, causing the death of 21 patients every week – tragedies that could have been avoided.



21 patients die due to VND every week

21 patients are seriously injured every day due to VND

21|21|2100

2100 needles are dislodged every day

THIS IS REDSENSE MEDICAL

Redsense Medical AB is a medical device innovator established in 2006. Redsense's mission is to improve the safety of and quality of life for dialysis patients worldwide. Redsense has its main market in the US, and in addition distribution partners in Europe and Canada. The corporate headquarter is in Halmstad, Sweden, and for the US sales and marketing operations, Redsense has a US subsidiary. The company has developed the Redsense System, an innovation used for monitoring and alarming in the case of blood leakage during hemodialysis treatment. Redsense Medical solves one of the most serious remaining safety problems within hemodialysis – to quickly detect Venous Needle Dislodgement and catheter leakage to minimize blood leakage.

Chronic kidney diseases a growing global challenge

Globally, the number of people with end-stage renal diseases is increasing steadily, and the most common treatment option is chronic dialysis. The number of patients undergoing dialysis several times per week is approaching four million worldwide. The projected growth rate is six percent annually, driven by an ageing population and other factors.

The most common type of dialysis is hemodialysis, and close to 3.5 million people globally are treated weekly with this modality. Today, most of these treatments are performed in clinical settings, but home treatment is gaining popularity thanks to improved clinical outcomes, lower cost, increased convenience, and higher quality of life for the patient. This is supported by both political initiatives and promotions from the major dialysis providers.

Blood leakage during hemodialysis is a remaining safety problem

Hemodialysis is a well-established treatment method, and it is estimated that more than 500 million treatments are performed annually. However, there are still risks involved and Venous Needle Dislodgement (VND) is a potentially life-threatening complication that can happen to any dialysis patient at any time. VND is estimated to cause three avoidable deaths every day worldwide during hemodialysis.

The Redsense solution saves lives

To combat the risk factors involved with hemodialysis, Redsense developed the Redsense System, an innovation used for monitoring hemodialysis treatment and alarming in the event of blood leakage. The system consists of a patented fiber optic sensor which is embedded in a disposable patch designed for either a venous needle or central venous catheter. This sensor is connected to an alarm unit that is triggered when the sensor comes

into contact with blood so the issue can be addressed immediately and the blood flow stopped. Redsense System provides patients, nurses, and caregivers an extra pair of eyes. In essence, Redsense Systems is always alert, focused on one thing only and never looking away.

Well established among US dialysis providers

From the very start, development of the company's technology has been based on the demands and safety requirements of healthcare providers in the dialysis sector. The system is the only blood leakage system on the market that is both CE marked and FDA cleared. Redsense is proud to count the five largest dialysis providers and three in the top five best nephrology hospitals in the US among users of the Redsense system. The US department of Veteran Affairs even mandates the use of Redsense System for hemodialysis treatments.

Redsense products are used in both clinics and at home, daily and nocturnally. In recent years, more than million treatments have been carried out with the Redsense System worldwide.

Innovation to further improve patient safety

Redsense has developed the Clamp, an accessory to the alarm unit enabling automatic stop of the flow in the blood line in case of an incident, regardless of the type of dialysis machine. The Redsense Clamp is in the final stages of clinical validation to obtain a CE mark before being launched in Canada, Australia, and Europe. With regard the US market, necessary activities are ongoing to prepare for a 510(k) submission.

CONTRIBUTE TO SAVING LIVES

Every hemodialysis treatment carries the risk of VND, and Redsense's objective is to establish the blood loss alarm as a standard component of hemodialysis care. The Redsense system is the only product being FDA cleared in the US and CE-marked designed to detect incidents of VND during hemodialysis.

There are several advantages with the Redsense System:

- The system is designed to detect blood specifically – which reduces risk of false alarms
- No electronic circuits near the wound
- Entirely plastic-based disposable sensor patches – easy to recycle
- Life saved and lower cost of care – significantly improved patient safety with reduced resource consumption.



BOARD OF DIRECTORS AND SENIOR MANAGEMENT

eva walde

*Chairman of the Board,
since 2024, member of the
board since 2023*



Professional background

Eva has over 30 years of experience in senior positions in pharmaceuticals, medical devices, diagnostics and biotechnology industries, mainly in marketing and sales. Most recently, Eva was VP Global Marketing at Olink Proteomics AB. She was elected into the board in May 2023 and in Dec 2023 she was appointed Chairman of the Board.

Education

Master of Science in Business and Economics from Gothenburg University.

Other assignments

Board member of Sedana Medical AB, Senzime AB, FrostPharma AB, Epigencia AB and board member, partner and investor in Life Science Invest.

Shares in Redsense Medical

No shares in Redsense Medical AB

Independent

Independent in relations to the Company, it's management and the larger shareholders.

Susanne Olauson

*Member of the board, since
2013*



Professional background

Susanne has over 25 years of sales experience in the pharmaceutical industry, the medical technology industry, and life science. This includes positions as VP of Commercial Operations, European Congress Manager, Director of Sales & Marketing Development and Product Specialist.

Education

Bachelor in Marketing from Växjö University.

Other assignments

CEO at Odinwell AB (publ.), board member of LiU invest AB, Sangair AB, Red one & Red two AB.

Shares in Redsense Medical

3 000 shares in Redsense Medical AB

Non independent

As a major owner in Patrik Byhmer's estate, Susanne is the largest shareholder and there for non-independent.

lena oswald

*Member of the Board, since
2023*



Professional background

Lena has a strategic profile with a focus on building and developing companies commercially and internationally. Thirty years of experience and ability to position companies, brands, develop assortments and sales channels and markets globally. She is specialized in the connection between business strategy, organization and people. Lena combines a holistic view, from the outside in perspective, with implementation and action.

Education

Master in International Business and Economics from Lund University.

Other assignments

Executive Chairman of Bolon, Chairman of Form Us With Love, Chairman of InterPares

Shares in Redsense Medical

No shares in Redsense Medical AB

Independent

Independent in relations to the Company, it's management and the larger shareholders.

MALIN ALMGREN

Member of the Board, since 2023



Professional background

Malin has over 20 years of experience in the research field. She has worked for over two decades at esteemed institutions such as Karolinska Institutet and UCSD, gaining expertise in various fields like genetics/epigenetics, immunology, neuroscience and oncology. Her experience also includes working on clinical trials and collaborations with the industry. Aside from her scientific expertise, she has also developed a second career within finance. She has worked as a financial advisor for M&A transactions in the healthcare sector.

Education

Master in Biochemistry and a PhD in Medical Science.

Other assignments

CEO of Schain Research AB and board member of Experia Nordic Oy and Combigen AB.

Shares in Redsense Medical

No shares in Redsense Medical AB

Independent

Independent in relations to the Company, its management and the larger shareholders.

PATRIK BYHMER

Former Chairman of the Board

Redsense Medical mourns the passing of Patrik Byhmer, Chairman of the Board.

"Patrik was instrumental for the development of the company and for establishing a disruptive and life-saving technology for the dialysis market. He will be remembered as a visionary, smart, warm and very caring leader. So many of us will miss him and our thoughts are with his family." - says Eva Walde, new Chairman of the Board



PONTUS NOBRÉUS

Chief Executive Officer, since 2022



Professional background

Pontus has held leading business positions in diagnostic and medtech for more than 15 years, including employments in the US and South Africa. His most recent position was as CEO of Pro Health Pharma Sweden AB, and he previously served as CEO of Glycorex Transplantation AB (publ) and Business Development Director at Biovica International AB. Pontus's extensive experience extends across sales, business development, and leadership in international settings.

Education

MBA from Henley Business School, M.Sc. in Mechanical Engineering from Lund University. Certified Board Member by Styrelseakademin.

Other assignments

Owner EBAX Life science Consulting AB

Shares in Redsense Medical

5000 shares and 40 000 stock options in Redsense Medical AB

JENNIE KARDELL

Chief Financial Officer, since 2023



Professional background

Jennie has broad financial skills and solid experience of accounting, process development, international establishment, IPOs and business combinations from a number of leading roles, including as interims CFO. She's been a partner at Öresunds Redovisning AB for many years, where she the last two years led the integration following Ludvig & Co's acquisition of the company in 2021 as Office Manager.

Education

Bachelor in Science in Business and Economics from Uppsala University and SRF Certified Accounting consultant.

Other assignments

CFO at Odinwell AB (publ.), Chairman of SRF Konsulterna, Södra Kretsen, board member of Fields of Gold AB.

Shares in Redsense Medical

3887 shares in Redsense Medical AB

SEBASTIEN BOLLUE

Chief Operations Officer, joined 2016



Professional background

Sebastien joined the company in 2016, first in the role as Commercial Operations Manager and later as Director of Commercial Operations. He is responsible for leading day-to-day commercial activities, but also coordinates distribution, marketing and clinical evaluations.

Education

Master in International Marketing from Halmstad University, Bachelor in International Business: Marketing and Sales from Haaga-Helia University. Certifications in Supply Chain Strategy and Management (MIT Sloan School on Management). Clinical Evaluation & Post Market Surveillance (Medqure), Large Account Management Process and Strategic Selling with Perspective (Miller Haiman Group)

Other assignments

No other assignments.

Shares in Redsense Medical

50 000 shares.

ANN-MARIE ERIKSSON

Chief Technical Officer, since 2020



Professional background

Ann-Marie joined Redsense Medical in January 2020 as new CTO. Her most recent position was at the Halmstad branch of Etteplan Sweden AB, where she led the team successfully as Department manager, area manager and teamleader. She has solid experience of project management and quality systems management, with particular expertise in medical devices.

Education

Master of Science in Electrical Engineering with specialization in signal processing and telecommunication from the Chalmers University of Technology.

Other assignments

Member of TK62 since 2020
Member of IEC MT20 since 2022

Shares in Redsense Medical

2407 shares and 30 000 stock options in Redsense Medical AB

BRENDAN KANE

U.S Director of Sales, since 2016



Professional background

He has more than 30 years of renal industry experience, and his career has encompassed various sales, sales management, and business development positions, with National Medical Care, Fresenius Medical Care, American Renal Associated, innovating Health Specialists, and others.

Education

B.S.Stonehill College North Easton, MA

Other assignments

No other assignments.

Shares in Redsense Medical

50 000 shares and 30 000 stock options in Redsense Medical AB

JANE HURST

U.S Clinical Director, since 2007



Professional background

Jane became a Registered Nurse in 1980. Her clinical experience includes nephrology, hemodialysis, burns, oncology, and work as a nurse educator. In 2002 she obtained a specialized nursing certification as a legal nurse consultant that enables her to consult for attorneys, insurance companies, businesses, and various authorities.

Education

Miami Valley Hospital Wright State University School of Nursing

Other assignments

Continue providing assistance and insight into medical-legal issues.

Shares in Redsense Medical

105 000 shares in Redsense Medical AB



MANAGEMENT REPORT

The Board of Directors and the Chief Executive Officer of Redsense Medical AB (publ) hereby present the annual report and the consolidated financial statements for the financial year 2023.

The annual report is prepared in Swedish kronor, SEK. Amounts are stated in thousands of SEK (kSEK) unless otherwise specified.

AUDITOR'S REPORT

This annual report has been reviewed by the company's auditor.

SIGNIFICANT EVENTS DURING THE PERIOD

- On January 3, Redsense announced that MSEK 4.75 of the previously disclosed record order had been delivered in December 2022, with the balance of the order planned for delivery in Q1.
- On January 20, Redsense announced that Jennie Kardell will join the company as new Chief Financial Officer as of March 2023.
- On January 26, Redsense announced that ECRI (Emergency Care Research Institute) included Venous Needle Dislodgement as number 4 on its 2023 list of Top Technology Hazards.
- On April 28, Redsense announced that Redsense and FDA held a Pre-Submission Meeting in preparation for the 510(k) Premarket Submission of the Redsense Clamp.
- On May 8, Redsense announced that the Home Dialysis Risk Prevention Act was introduced by the US House of Representatives.
- On June 30, Redsense announced that Redsense has submitted an application for cross-trading on OTCQX Best Market in the US.

- On July 7, Redsense alarm system was featured in KFF Health News.
- On August 15, Redsense secured a strong autumn with a mSEK 11.2 order.
- On September 27, Redsense Medical arranged Congressional Briefing to address Venous Needle Dislodgement.
- On September 28, Redsense announced that Redsense Medical AB has a new large shareholder.
- On September 29, Redsense Medical AB has been qualified and approved to enter share trading on the OTCQX trading platform in the US under the symbol "RDSNF".
- On October 26, Redsense Nomination Committee for the 2024 Annual General Meeting was announced.
- On December 23, Redsense notified the market that Chairman of the Board, Patrik Byhmer, passed away.

SIGNIFICANT EVENTS AFTER THE PERIOD

- On January 8, Redsense announced that Eva Walde was appointed new Chairman of the Board.
- On January 9, Redsense announced a change in the Nomination Committee for the 2024 Annual General Meeting.
- On February 6, the largest owner Seventh Sense Adventures Holding AB announced the continuation as a long-term investor after the change in ownership, following the passing of Patrik Byhmer.
- On February 15, Redsense announced that American Association of Kidney Patients supports the Home Dialysis Risk Prevention Act.
- On March 14, Redsense announced that Home Dialysis Risk Prevention Act were addressed in House Committee on Ways and Means Hearing

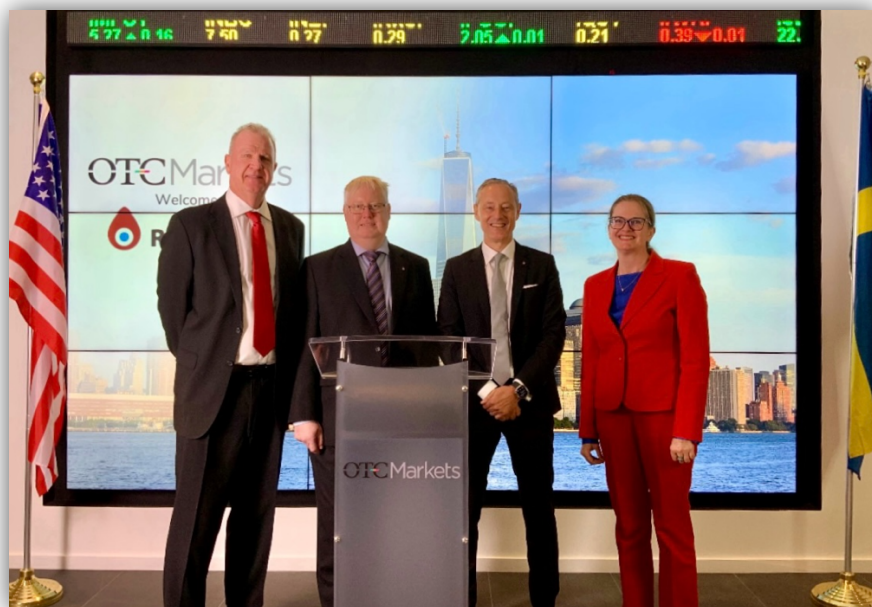
THE SHARE

The Redsense Medical share is listed on Spotlight Stock Market under the ticker REDS and traded on OTCQX Market under the ticker RDSNF. The share was originally listed on Aktietorget (today known as Spotlight Stock Market) on June 5, 2015, relisted on the Nasdaq First North Stockholm on October 2, 2017, before being relisted on Spotlight Stock Market on May 3, 2019. As of December 31, 2023, the company's market capitalization was mSEK 107.

The IPO share price of Redsense Medical in 2015 was SEK 5 per share. On the last day of trading, December 2023, the closing share price was SEK 7.6. Thus, the total shareholder return since the IPO is 52 percent.

SHARE TURNOVER

In total, 2.6 million shares were traded in the year, for a value of mSEK 23.



OWNERSHIP

At the end of the year, the ten major owners represented 47 percent of the share capital and voting rights. The largest shareholder, Patrik Byhmer, passed away in December 2023. His estate still holds all his shares, 14.03%, which he owned by different companies, with its largest part in Seventh Sense Adventures Holding AB, 11.89%.

THE TEN MAJOR OWNERS AS OF 2023-12-31

Seventh Sense Adventures Holding AB	11.89%
ShapeQ	6.55%
Avanza Pension	5.36%
Discover Capital Gmbh	5.34%
Nordnet Pensionsförsäkring	4.13%
Swedbank Robur Fonder	3.85%
Futur Pension	3.46%
Aktia Assets Management	2.21%
Martin Olausson	2.16%
Andra AP-fonden	2.14%
Total	47.09%

RISK AND UNCERTAINTIES

Dependency of customer demand

Chronic kidney disease is a growing problem and today approximately 4 million people globally rely on hemodialysis treatments every week. It is estimated that approximately 500 million hemodialysis treatments are performed globally each year, most of which are performed in clinics, but a growing trend is treatment to at home. Today, about 1-2% of treatments are performed in home settings. Currently, the Company has most of its sales in the US in the home hemodialysis segment and in recent years, the Company's product has been used in over one million treatments. Other countries where the Company has sales are primarily in Europe, but also in Canada. Given the large market and the Company's limited geographical coverage, it cannot be said that the product is widespread and in demand, and it cannot be guaranteed that the product will be in demand in the future. Political decisions and changed recommendations from authorities can affect demand both positively and negatively. A declining customer demand for the product could have a negative impact on the Company's operations, financial position, and operating profit. As the Company is developing products that are unique and groundbreaking, there is always a risk that sales and customer acceptance will take longer as the products will replace established methods. The fact that the Company has most of its sales in one market, the US, is a risk.

Dependency on distributors

In most markets, the Company uses distributors who sell to end customers, i.e. dialysis chains and clinics. In the US, the Company's largest market, the Company has two large, well-established distributors. In addition to these two distributors, the Company has its own staff promoting the Company's products and providing support to the customers. In Germany, the Company sell directly to clinics performing hemodialysis. In other markets, such as Canada, the UK and other countries in Europe, distributors are used. This means that the Company is dependent on establishing and maintaining partnerships with distributors in different countries. It is also crucial that distributors find the Company's products attractive for them to devote sufficient resources to marketing it to dialysis chains and clinics. A change in current distribution agreements, or if the Company cannot sign new agreements with distributors, could have negative consequences for the Company's operations, financial position, and operating profit.

Competition

There is some competition in this area, but not with any similar system or technology. Current competition is mainly:

- a) More staff at the clinic.
- b) Built-in venous pressure alarms in dialysis machines.
- c) External alarms that use electric current to detect conductive liquid.

There is a risk that new competitors will emerge in the future within the Company's market niche or through companies active in related areas developing solutions that compete with the Company's products. There is also a risk that new entrants may have greater resources than the Company to invest in product development and marketing. All the above may have a negative impact on the Company's operations, financial position, and operating results.

Government regulations and approvals

The Company is dependent on the Company's product meeting the regulatory requirements set within the framework of approval procedures in the markets in which the Company operates, primarily by the FDA (Food and Drug Administration) in the United States and CE marking. The Company holds the necessary permits for sales in the markets in which the Company currently operates. However, there is no guarantee that new necessary permits and certifications will be obtained when entering completely new markets or when introducing new solutions or products in the future. If the Company fails to comply with the above, it may have negative consequences for the Company's operations, financial position, and operating results.

Protection of intellectual property rights

The Company uses and is dependent on several proprietary solutions such as alarm units and venous needle patches. Most of the Company's intellectual property rights are protected by patents or other copyright protection. However, it cannot be ruled out that competitors are copying the Company's technology. Pursuing legal proceedings to defend the intellectual property rights risks being both costly and taking the management's focus away from the Company's operations. Such processes could be burdensome and costly and the Company risks losing out on such processes, which could be devastating for the Company's operations, financial position, and operating results.

Product Liability and Claims for Damages

Actual or perceived lack of quality of the Company's products could lead to claims for damages regarding product liability being directed against the Company. The risk of this in the Company's largest market, the US, is greater than in many other markets. Claims for damages may in turn lead to a negative impact on the Company's earnings and financial position. The above may have a negative impact on the Company's operations, financial position, and operating results.

Regulations and political decisions

The Company has its main operations in Sweden, but its products are also sold internationally. The company is exposed to risks in the event of changes in laws, regulations, taxes, and customs. The Company is also affected by political and economic uncertainties in the countries where the Company operates. In the event of unfavorable changes, the above may have a negative impact on the Company's operations, financial position, and operating profit.

Production

Contract manufacturers and other production partners are used to produce the Company's products. The Company works continuously to streamline and scale up production capacity through its production partners. Currently, the Company is well equipped to scale up production when needed. However, there is no guarantee that the Company will be able to scale up production capacity at a sufficient pace to be able to supply the products according to the market development. It is also not possible to rule out the possibility of operational and production disruptions.

Launch of new products

Since the Company develops products which are unique and groundbreaking, there is always a risk that market acceptance will take longer as the products will replace established methods.

Technology development

In medical technology, technological development is generally rapid and continuous. It is crucial for the Company that the technical solution that the Company uses to detect blood leakage is accepted by, among others, customers, patients, and regulatory authorities. In the future, other technologies may be introduced, and it is not certain that the Company has the opportunity and ability to further develop its product to meet the new demands of technological development. To maintain a competitive solution, the Company needs to invest in further development of the products. There is a risk that such further development will be more costly than planned. There is also a risk that the costs incurred for product development do not result in commercial success. All the above may have a negative impact on the Company's operations, financial position, and operating results.

Dependency of staff and key personnel

It is important that the Company succeeds in attracting and retaining qualified personnel and management. Key employees are expected to have a significant impact on the Company's future success. If key employees leave the Company or if the Company is unable to attract qualified personnel, this could have negative consequences for the Company, which could adversely affect the Company's operations, financial position, and operating results.

Future capital needs

Historically, the Company has needed capital injections to finance primarily the product development of first- and second-generation products. However, there is no guarantee that sales of the second-generation products (= current products) will proceed as planned and that further capital injections will not arise in the future. There is no guarantee that new capital can be raised if the need arises or that it can be done on terms that are acceptable to the Company's shareholders. The above could have a negative impact on the Company's operations, financial position, and operating results.

Currency risks

The Company currently has and is expected to continue to have sales in several foreign markets. If a large part of future revenues come from international markets, a large part of future sales will be made in a currency other than SEK, which entails an exchange rate risk that may have a negative impact on the Company's operating activities, financial position, and operating profit. It should be noted that fluctuation in currencies may also have a positive effect on the Company.

MULTI-YEAR OVERVIEW (KSEK)

Group					
kSEK	2023	2022	2021	2020	2019
Net sales	24,967	14,340	9,362	14,442	13,265
Profit or loss after financial items	-4,513	-8,758	-7,972	-9,034	-5,071
Balance sheet total	26,505	30,731	43,243	78,704	18,991
Equity ratio (%)	87.1	88.3	86.7	89.9	81.6
Parent					
kSEK	2023	2022	2021	2020	2019
Net sales	17,179	10,516	7,338	12,737	9,630
Profit or loss after financial items	-11,767	-12,005	-10,450	-8,171	-7,156
Balance sheet total	55,183	66,795	80,976	173,144	61,138
Equity ratio (%)	94.3	95.5	93.3	67.0	92.8

PROPOSED APPROPRIATIONS OF PROFIT OR LOSS

The following funds (kSEK) are available to the Annual General Meeting:

Retained profit	48,812
Profit or loss for the year	-11,767
	37,045

The Board of Directors proposes the following distribution:
Carried forward to new account

37,045

The financial result and position of the Group and the Parent Company in general is set out in the income statements, balance sheets, cash flow statements and notes below.

NET SALES AND RESULTS

The group's net sales for 2023 were kSEK 24,967 (14,340), corresponding to an increase of 74% compared to the previous year. The growth was driven by deliveries of the US order stock as well as a new order from one of the US distributors and sales to European distributors. The US was the biggest market with 98 percent (98) of net sales. The gross profit for the group amounted to kSEK 12,606 (8,851). The decrease of gross margin is an effect of the product mix sold and cost allocation.

Other external expenses amounted to kSEK 8,850 (12,550). The decrease is mainly due to reduced consulting services for the development of the Redsense Clamp and reduced financial consulting services.

After the board decision not to trade with shares and bonds, and a reclassification of exchange rates differences, group has lower net financial item kSEK 524 (1,450).

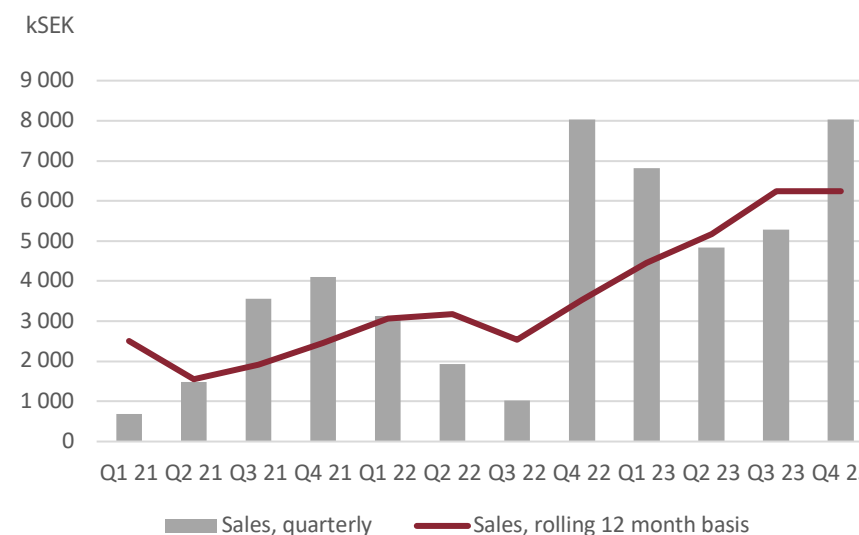
FINANCIAL POSITION

On December 31, the Group's cash and cash equivalents amounted to kSEK 6,966 (3,672) and the deposits, related to short-term investments were kSEK 0 (6,909). As of December 31, the company credit facility of kSEK 1,000 remains unused.

FINANCIAL OVERVIEW

kSEK	2023	2022
Net sales	24,967	14,340
Net sales, change	74%	53%
Gross profit	12,606	8,851
Gross margin	50%	62%
Operating profit (EBIT)	-5,037	-10,208
Earnings per share	-0.32	-0.62
Cash flow from operating activities	-5,052	-9,783
Solidity	87%	88%

BREAKDOWN OF NET SALES PER QUARTER



PARENT COMPANY

The Group's parent company, Redsense Medical AB (publ), has one wholly owned subsidiary in the US.

CALENDAR

Interim report Q1, January – March 2024	May 8, 2024
Annual General Meeting 2024	May 8, 2024
Interim report, Q2, January – June 2024	Aug 29, 2024
Interim report, Q3, January – September 2024	Nov 26, 2024
Year-end report, January – December 2024	Feb 26, 2024

All financial reports are published at www.redsensemedical.com

CONSOLIDATED INCOME STATEMENT

	Note	2023-01-01 2023-12-31	2022-01-01 2022-12-31
kSEK			
Net sales		24,967	14,340
Capitalized development work		552	2,413
Other operating income		39	1,036
Total operating income		25,558	17,790
Cost of goods sold		-12,361	-5,489
Other external expenses	2,3,4	-8,850	-12,550
Personnel costs	5	-8,693	-9,906
Depreciation/Impairment		-62	-53
Other operating cost		-629	0
Total operating costs		-30,595	-27,998
OPERATING RESULT		-5,037	-10,208
Income from other securities		-1,545	67
Other interest income and similar items	6	62	3,525
Interest expenses and similar items	7	-33	-102
Impairment of other securities		2,040	-2,040
Result from financial items		524	1,450
PROFIT OR LOSS AFTER FINANCIAL ITEMS		-4,513	-8,758
PROFIT OR LOSS BEFORE TAX		-4,513	-8,758
PROFIT OR LOSS FOR THE PERIOD		-4 513	-8 758

CONSOLIDATED BALANCE SHEET

kSEK	Note	2023-12-31	2022-12-31
ASSETS			
Fixed assets			
<i>Intangible assets</i>			
Capitalized development cost	8	12,905	12,354
<i>Tangible assets</i>			
Technical equipment and tools	9	355	365
Total fixed assets		13,260	12,719
Current assets			
<i>Inventory, etc.</i>			
Finished goods and merchandise		1,268	742
Advances to suppliers		87	789
		1,355	1,531
<i>Short-term receivables</i>			
Accounts receivable		2,967	4,934
Other short-term receivables		1,195	326
Prepayment and accrued income	10	761	641
		4,924	5,901
<i>Short-term deposits</i>			
Other short-term deposits		0	6,909
Cash and cash equivalents		6,966	3,672
Total current assets		6,966	10,581
TOTAL ASSETS		26,505	30,731

kSEK	Note	2023-12-31	2022-12-31
EQUITY AND LIABILITIES			
Equity			
<i>Restricted equity</i>			
Share capital		1,404	1,404
Restricted reserve		598	598
Development fund		12,965	12,414
<i>Non-restricted equity</i>			
Retained earnings		12,641	21,491
Profit or loss for the period		-4,513	-8,758
Total equity		23,095	27,149
Liabilities			
<i>Short-term liabilities</i>			
Accounts payable		1,749	981
Other short-term liabilities		197	465
Accruals and deferred income	11	1,464	2,136
Total liabilities		3,410	3,582
TOTAL EQUITY AND LIABILITIES		26,505	30,731

CONSOLIDATED CHANGE IN EQUITY

kSEK	Share capital	Contributed capital	Retained earnings	Total equity
Opening balance January 1, 2022	1,404	123,631	-87,543	37,492
Result for the period			-8,758	-8,758
Warrant issuance			252	252
Exchange rate differences and other adjustments			-1,837	-1,837
Closing balance December 31, 2022	1,404	123,631	-97,886	27,149

kSEK	Share capital	Contributed capital	Retained earnings	Total equity
Opening balance January 1, 2023	1,404	123,631	-97,886	27,149
Result for the period			-4,513	-4,513
Warrant issuance			0	0
Exchange rate differences and other adjustments			460	460
Closing balance December 31, 2023	1,404	123,631	-101,940	23,095

CONSOLIDATED CASH FLOW

kSEK	Note	2023-01-01	2022-01-01
		2023-12-31	2022-12-31
Operating activities			
Profit or loss after financial items		-4,513	-8,758
Adjustment for non-cash items		-1,518	-30
Cash flow from operating activities before changes in working capital		-6,032	-8,788
Cash flow from changes in working capital			
Increase (-)Decrease (+) in inventories		176	-103
Increase (-)Decrease (+) in operating receivables		977	-1,290
Increase (+)Decrease (-) in operating liabilities		-173	397
Cash flow from operating activities		-5,052	-9,783
Investing activities			
Acquisition of intangible fixed assets		-551	-2,413
Acquisition of tangible fixed assets		-52	-48
Acquisition of financial assets		0	-589
Divestment of financial assets		8,949	13,918
Cash flow from investing activities		8,346	10,868
Financing activities			
Warrants		0	176
Change in borrowings		0	-2,572
Cash flow from financing activities		0	-2,395
Cash flow for the period		3,294	-1,311
Cash and cash equivalents, opening balance			
Cash and cash equivalents, opening balance		3,672	4,983
Cash and cash equivalents, closing balance		6,966	3,672

PARENT COMPANY'S INCOME STATEMENT

kSEK	Note	2023-01-01 2023-12-31	2022-01-01 2022-12-31
Net sales	12	17,179	10,516
Capitalized development work		551	2,413
Other operating income		39	369
Total operating income		17,770	13,298
Cost of goods sold		-12,361	-5,489
Other external expenses	2,3,4	-5,976	-8,834
Personnel costs	5	-6,246	-7,591
Depreciation/Impairment		-4,848	-4,840
Other operational costs		-629	0
Total operating costs		-30,060	-26,753
OPERATING RESULT		-12,290	-13,455
Income from other securities		-1,545	67
Other interest income and similar items	6	62	3,525
Interest expenses and similar items	7	-33	-102
Impairment of other securities		2,040	-2,040
Result from financial items		524	1,450
PROFIT OR LOSS AFTER FINANCIAL ITEMS		-11,767	-12,005
PROFIT OR LOSS BEFORE TAX		-11,767	-12,005
PROFIT OR LOSS FOR THE PERIOD		-11,767	-12,005

PARENT COMPANY'S BALANCE SHEET

kSEK	Note	2023-12-31	2022-12-31
ASSETS			
Fixed assets			
<i>Intangible assets</i>			
Capitalized development cost	8	12,905	12,354
Patent	13	16,894	21,680
<i>Tangible assets</i>			
Technical equipment and tools	9	355	365
<i>Financial assets</i>			
Shares in subsidiaries	14	7	7
Receivables from group companies	15	0	12,346
Total fixed assets		30,161	46,751
Current assets			
Inventory		1,268	689
Advances to suppliers		87	789
Accounts receivable		93	150
Receivables from group companies		20,541	10,320
Other short-term receivables		438	326
Prepayment and accrued income	10	684	641
Short-term deposits		0	6,909
Cash and cash equivalents	16	1,911	220
Total current assets		25,022	20,044
TOTAL ASSETS		55,183	66,795

kSEK	Note	2023-12-31	2022-12-31
EQUITY AND LIABILITIES			
Equity			
<i>Restricted equity</i>			
Share capital		1,404	1,404
Restricted reserve		598	598
Development fund		12,965	12,414
<i>Non-restricted equity</i>			
Retained earnings		48,812	61,368
Profit or loss for the period		-11,767	-12,005
Total equity		52,013	63,780
Liabilities			
<i>Short-term liabilities</i>			
Accounts payable		1,745	688
Other short-term liabilities		197	465
Accruals and deferred income	11	1,228	1,862
Total liabilities		3,170	3,015
TOTAL EQUITY AND LIABILITIES		55,183	66,795

PARENT COMPANY'S CHANGE IN EQUITY

kSEK	Share capital	Contributed capital	Retained earnings	Total equity
Opening balance January 1, 2022	1,404	10,599	63,530	75,533
Result for the period			-12,005	-12,005
Warrant issuance			252	252
Funds for development costs		2,413	-2,413	0
Closing balance December 31, 2022	1,404	13,012	49,364	63,780

kSEK	Share capital	Contributed capital	Retained earnings	Total equity
Opening balance January 1, 2023	1,404	13,012	49,364	63,780
Result for the period			-11,767	-11,767
Warrant issuance			0	0
Funds for development costs		552	-552	0
Closing balance December 31, 2023	1,404	13,563	37,046	52,013

PARENT COMPANY'S CASH FLOW

		2023-01-01 2023-12-31	2022-01-01 2022-12-31
kSEK	Note		
Operating activities			
Profit or loss after financial items		-11,767	-12,005
Adjustment for non-cash items		2,808	4,225
Cash flow from operating activities before changes in working capital		-8,958	-7,779
Cash flow from changes in working capital			
Increase (-)Decrease (+) in inventories		122	-156
Increase (-)Decrease (+) in operating receivables		-10,319	-2,289
Increase (+)Decrease (-) in operating liabilities		155	-144
Cash flow from operating activities		-19,000	-10,368
Investing activities			
Acquisition of intangible fixed assets		-551	-2,413
Acquisition of tangible fixed assets		-52	-48
Acquisition of financial assets		0	-589
Divestment of financial assets		21,295	13,918
Cash flow from investing activities		20,692	-10,868
Financing activities			
Warrants		0	176
Change in borrowings		0	-2,572
Cash flow from financing activities		0	-2,395
Cash flow for the period		1,692	-1,896
Cash and cash equivalents, opening balance			
Cash and cash equivalents, opening balance		220	2,116
Cash and cash equivalents, closing balance		1,911	220

NOTES

NOTE 1 ACCOUNTING PRINCIPLES

General information

The annual accounts and consolidated accounts have been prepared in accordance with the Swedish Annual 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.

Revenue recognition

Revenue has been recognized at the fair value of the consideration received or receivable to the extent that it is likely that the financial benefits arising from it will be available to the company and can be reliably calculated.

Consolidated accounts

The consolidated accounts have been prepared according to the purchase method, which means. That assets and liabilities of acquired subsidiaries are recognized at fair value in line with the established acquisition analysis. If the cost of the subsidiaries' shares exceed the estimated fair value of the anticipated net assets according to the acquisition analysis, the difference is recognized as goodwill.

Transactions between Group companies

Intra-group claims and liabilities, transactions between group companies and unrealized gains are eliminated in full. Unrealized losses are eliminated as well, unless the transaction is equivalent to an impairment loss.

Translation of foreign subsidiaries

Foreign subsidiaries' accounts are translated using the current method. All balance sheet items have been translated at the exchange rate on the balance sheet date. All items in the income statement have been translated at the average exchange rate during each month. Any translation differences that arise are reported directly against equity.

Assets

Intangible assets

The Company recognizes internally generated intangible assets according to the capitalization model. This means that all expenditure relating to the development of an internally generated intangible asset is capitalized and amortized over the estimated useful life of the asset, provided that the criteria in BFNAR 2012:1 are fulfilled.

Fixed assets

Intangible and tangible fixed assets are recognized at cost less accumulated depreciation according to plan and any impairment losses.

Depreciation is linear over the asset's estimated useful life, taking significant residual values into account. The following depreciations rates are applied:

Intangible fixed assets	
Capitalized expenditure for development work	5 years
Concession, patents, licenses, trademark	5-13 years

Tangible fixed assets

Depreciations is expensed in the income statement.
Equipment, tools, fixtures and fittings 5 years

Financial instruments

Financial instruments are measured at cost. The instrument is recognized in the balance sheet when the company becomes a party to the contractual provisions of the instrument. A financial asset is derecognized when the contractual right to the cash flow from the asset has expired or been transferred and the company has transferred materially all the risks and rewards associated with the holding. A financial liability is derecognized when the contractual obligation is fulfilled or otherwise has ceased to exist.

Accounts receivables/Other receivables

Accounts receivables and other receivables are recognized as current assets at the amount expected to be paid less individually assessed bad debt.

Inventory

The inventory is measured at the lower cost and net realizable value at the balance sheet date. Net realizable value refers to estimated selling price of the goods less the transactions cost. The chosen valuation method takes the effect of obsolescence into account.

Income tax

Total taxes consist of current taxes and deferred taxes. Taxes are recognized in the income statement except where the underlying transaction is recognized in equity.

Remuneration to employees

Remuneration of employees refers to all kind of remuneration given by the company to its employees. Short-term employee benefits include salaries, paid annual leave, compensated absence, bonus and post-employment benefits (pension). Short-term employee benefits are recognized as expenses and liabilities when there is legal or constructive obligation to pay a remuneration due to a previous event and a reliable estimate of the amount can be given.

Public grants

Government grants are recognized at fair value when there is reasonable assurance that the grants will be received and the company will be comply with the conditions attached to the grants. Grants intended to cover investments in tangible or intangible fixed assets reduce the cost of the assets and, hence, the depreciable amount.

Definitions of key figures:

Net sales

The undertaking's main income, invoiced costs, additional income and income adjustments.

Operation profit/loss, EBIT

Operating profit (EBIT) is profit before financial items.

Gross Profit

Net sales less cost of goods sold.

Earnings per share

Net profit for the period divided by the average number of shares during the period.

Balance sheet total

The company's total assets.

Solidity

Equity divided by total assets.

NOTE 2 REMUNERATIONS TO AUDITOR

	2023	2022
KPMG		
Auditing	215	306
Other services	25	70
	240	376

NOTE 3 LEASING AGREEMENTS

This year's leasing cost from leasing agreements, amounts to 434 kSEK (352).

	2023	2022
Payment due within a year	217	217
Payment due later than a year but within five years	91	213

NOTE 4 TRANSACTIONS BETWEEN RELATED PARTIES

	2023	2022
Seventh Sense Adventures Holding AB	30	0

NOTE 5 EMPLOYEES AND PERSONNEL COST

	2023		2022	
Salaries and remunerations		Other		Other
	Board and CEO	employees	Board and CEO	employees
Parent company	2,451	1,590	3,786	1,940
Subsidiaries	0	2,351	0	2,315
Group, total	2,451	3,941	3,786	4,255

Group	2023	2022
Average number of employees	5	5
Women	2	2
Men	3	3
Group	2023	2022
The Board	5	5
Women	4	2
Men	1	3
Parent Company	2023	2022
Average number of employees	4	3
Women	2	1
Men	2	2
Salaries and remunerations		
Chairman of the Board, Bo Unéus	0	61
Chairman of the Board, Patrik Byhmer	186	44
Other board members:		
Malin Almgren, Lena Oswald, Eva Walde		
Susanne Olausson	400	360
Chief Executive Officer	1,865	3,321
Other employees	1,590	1,940
	4,041	5,726
Social security contributions		
Pension cost for the Chief Executive Officer	340	546
Pension cost for other employees	226	232
Other social security contributions, statutory and contractual	1,413	1,339
	1,979	2,117
Total salaries, remunerations, social security contributions and pension costs	6,116	7,843

NOTE 6 INTEREST INCOME AND SIMILAR ITEMS

	2023	2022
Interest income from other securities	20	1,022
Other interest income	42	1
Exchange rates differences	0	2,503
	62	3,525

NOTE 7 INTEREST EXPENSES AND SIMILAR ITEMS

	2023	2022
Other interest costs	33	102
	33	102

NOTE 8 CAPITALIZED EXPENDITURES FOR DEVELOPMENT WORK AND SIMILAR WORK

Group	2023	2022
Cost, opening balance	13,332	10,918
Purchases	551	2,413
Accumulated cost, closing balance	13,883	13,332
Depreciation, opening balance	-978	-978
Depreciation for the year	-	-
Accumulated depreciation, closing balance	-978	-978
Carrying amount	12,905	12,354

Parent Company	2023	2022
Cost, opening balance	13,332	10,918
Purchases	551	2,413
Accumulated cost, closing balance	13,883	13,332
Depreciation, opening balance	-978	-978
Depreciation for the year	-	-
Accumulated depreciation, closing balance	-978	-978
Carrying amount	12,905	12,354

NOTE 9 EQUIPMENT, TOOLS, FIXTURES AND FITTINGS

Group	2023	2022
Cost, opening balance	479	431
Purchases	52	48
Accumulated cost, closing balance	531	479
Depreciation, opening balance	-114	-60
Depreciation for the year	-62	-53
Accumulated depreciation, closing balance	-176	-114
Carrying amount	355	365

Parent Company	2023	2022
Cost, opening balance	479	431
Purchases	52	48
Accumulated cost, closing balance	531	479
Depreciation, opening balance	-114	-60
Depreciation for the year	-62	-53
Accumulated depreciation, closing balance	-176	-114
Carrying amount	355	365

NOTE 10 PREPAID EXPENSES AND ACCRUED INCOME

Group	2023	2022
Prepaid insurance	200	104
Other prepaid expenses	561	537
	761	641
Parent Company	2023	2022
Prepaid insurance	123	104
Other prepaid expenses	561	537
	684	641

NOTE 11 ACCRUED EXPENSES AND PREPAID INCOME

Group	2023	2022
Accrued salaries, holiday pay and social taxes	1,356	1,992
Other accrued costs	108	144
	1,464	2,136
Parent Company	2023	2022
Accrued salaries, holiday pay and social taxes	1,184	1,718
Other accrued costs	44	144
	1,228	1,862

NOTE 12 PURCHASE AND SALES BETWEEN GROUP COMPANIES

Redsense Medical ABs part of purchases and sales between Group companies, seen below.

	2023	2022
Purchase	0	0
Sales	97%	97%

NOTE 13 PATENTS AND SIMILAR RIGHTS

Parent Company	2023	2022
Cost, opening balance	32,600	32,600
Accumulated cost, closing balance	32,600	32,600
Amortization, opening balance	-10,920	-6,133
Amortization for the year	-4,786	-4,786
Accumulated amortization, closing balance	-15,706	-10,920
Carrying amount	16,894	21,680

NOTE 14 PARTICIPATIONS IN GROUP COMPANIES

Name	Equity stake		
Redsense Medical Inc (USA)	100%		
	Equity	Profit or loss	
Redsense Medical Inc (USA)	-12,015	2,513	
	2023	2022	
Cost, opening balance	7	7	
Accumulated cost, closing balance	7	7	

NOTE 15 RECEIVABLES FROM GROUP COMPANIES

	2023	2022
Cost, opening balance	12,346	15,305
Outgoing receivables	-12,346	-2,959
Accumulated cost, closing balance	0	12,346

NOTE 16 BANK OVERDRAFT FACILITY

	2023	2022
Bank overdraft facility, amount granted	1,000	2,000
Amount used	0	0

NOTE 17 NUMBER OF SHARES AND QUOTA VALUE

On December 31, 2023, the share capital of Redsense Medical amounted to SEK 1,404,081, divided into 14,040,810 shares, each with a quota value of SEK 0.10. All shares carry the same voting rights.

There are 100,000 warrants outstanding in the Company, which can increase the share capital by SEK 10,000. The exercise period is between 1-30 June 2025.

NOTE 18 DEFERRED TAX ASSETS

There is a tax loss carry-forward of approximately kSEK 4,415 in the parent company as of 31 December 2023, corresponding to a theoretical deferred tax asset of approximately kSEK 77,657. For reasons of prudence and uncertainty as to whether the deferred tax assets would remain after ownership change, no deferred tax asset is recognized in the financial statement as of 2023-12-31.

NOTE 19 SIGNIFICANT EVENTS AFTER THE END OF THE YEAR

- On January 8, Redsense announced that Eva Walde was appointed new Chairman of the Board.
- On January 9, Redsense announced a change in the Nomination Committee for the 2024 Annual General Meeting.
- On February 6, the largest owner Seventh Sense Adventures Holding AB announced the continuation as a long-term investor after the change in ownership, following the passing of Patrik Byhmer.
- On February 15, Redsense announced that American Association of Kidney Patients supports the Home Dialysis Risk Prevention Act.

NOTE 20 PLEDGED ASSETS

	2023	2022
Business mortgage	1,500	1,500



THE ANNUAL REPORT HAS BEEN SIGNED ON THE DAY SPECIFIED BY OUR ELECTRONICAL SIGNATURES.

Eva Walde, Chairman of the Board

Susanne Olausson, Director

Malin Almgren, Director

Lena Oswald, Director

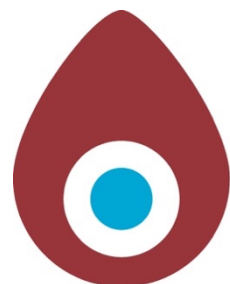
Pontus Nobreus, Chief Executive Officer

THE AUDITOR'S REPORT WAS SUBMITTED ON THE DAY SPECIFIED BY THE ELECTRONIC SIGNATURE.

KPMG AB

Andreas Johansson

Authorized Public Accountant



REDSENSE

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