SCANDINAVIAN MEDICAL SOLUTIONS

Annual Report 2025/26

Scandinavian Medical Solutions A/S

1 October 2025 to 30 September 2026



The future of healthcare is for everyone

CVR no. 39901749 · Gasværksvej 48, 1.tv., 9000 Aalborg, Denmark

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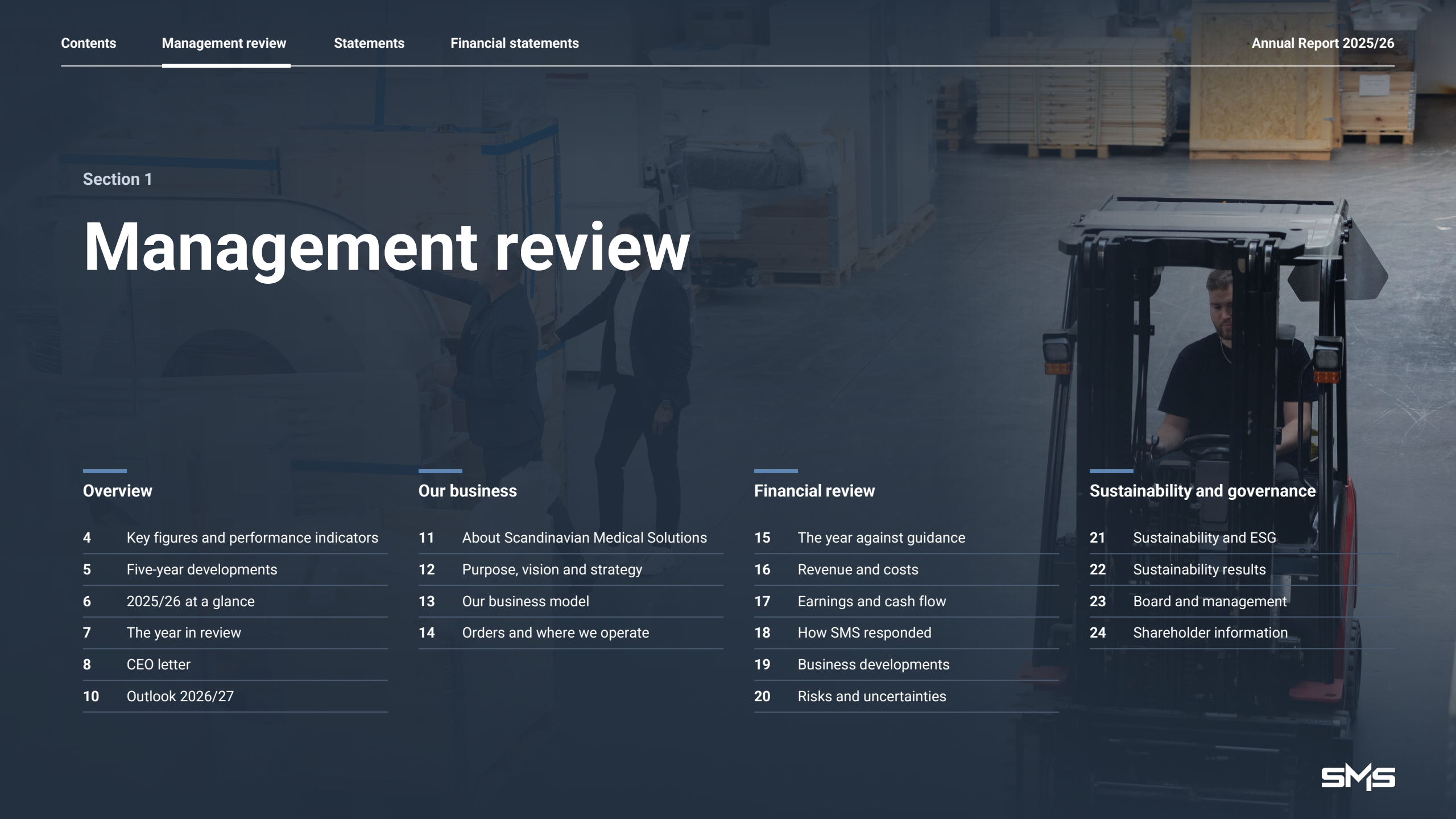
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Management review



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Key figures and performance indicators

tDKK	2025/26	2024/25	2023/24	2022/23	2021/22
Net revenue	177,287	245,442	226,682	191,192	110,530
Cost of goods sold	143,120	188,696	170,264	141,804	80,383
Gross profit before other external costs	34,167	56,746	56,418	49,388	30,147
Capacity costs	45,408	46,232	35,405	28,306	14,797
EBITDA	-11,241	10,514	21,013	21,082	15,350
EBIT	-21,728	1,789	13,751	16,627	14,741
Net financial items	-2,459	-1,574	-3,683	-834	-30
Earnings before tax	-24,187	215	10,068	15,794	14,712
Net profit	-18,959	26	7,787	12,224	11,373
Total assets	171,845	205,858	174,115	163,964	106,125
Investments in tangible fixed assets	10,200	20,807	18,469	40,820	13,757
Ending cash balance	1,361	2,149	10,997	7,918	27,763
Equity	68,717	82,665	82,483	74,451	62,186
Weighted average number of shares (1,000)	28,300	27,641	27,456	27,300	26,708
Closing number of shares (1,000)	29,624	27,687	27,502	27,317	27,250
Earnings per share (DKK)	-0.67	0.00	0.28	0.45	0.43
Gross margin (%)	19.3%	23.1%	24.9%	25.8%	27.3%
EBITDA margin (%)	-6.3%	4.3%	9.3%	11.0%	13.9%
Solvency ratio (%)	40.0%	40.2%	47.4%	45.4%	58.6%

Definitions

Gross profit before other external costs

Net revenue less cost of goods sold

Capacity costs

Other external costs plus staff costs

EBITDA margin (%)

EBITDA x 100 / net revenue

Gross margin (%)

Gross profit before other external costs x 100 / net revenue

Solvency ratio (%)

Equity x 100 / total assets

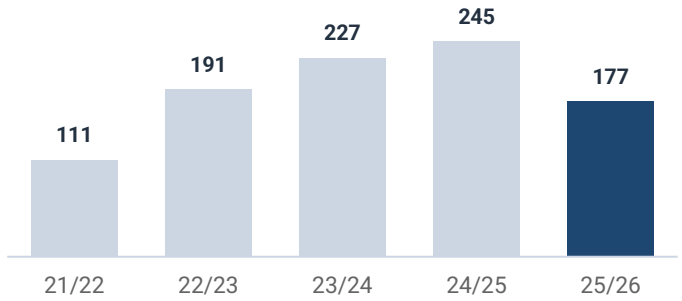
Earnings per share (DKK)

Net profit / weighted average number of shares

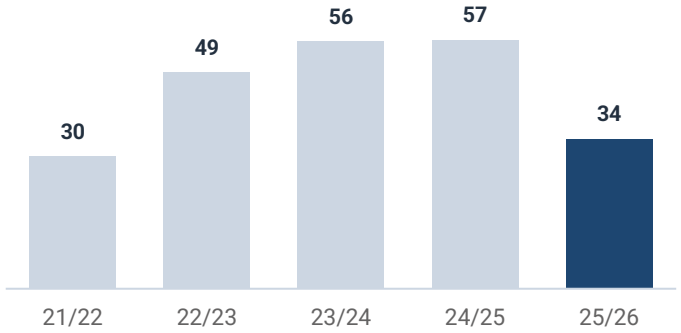
Key figures follow the recommendations of CFA Society Denmark.

Five-year developments

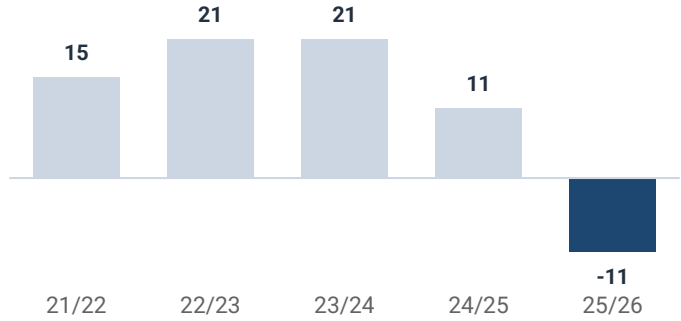
Net revenue, DKKm



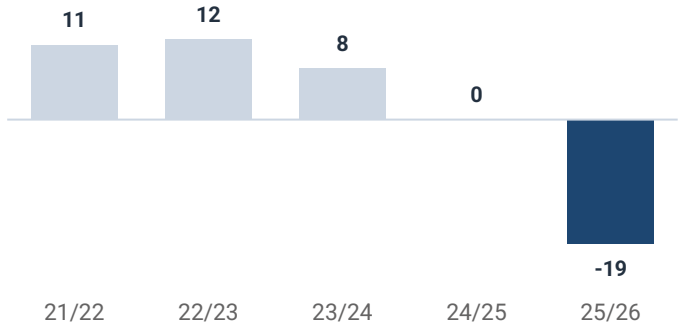
Gross profit before other external costs, DKKm



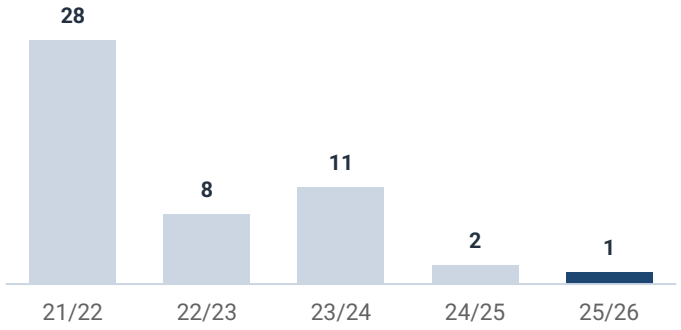
EBITDA, DKKm



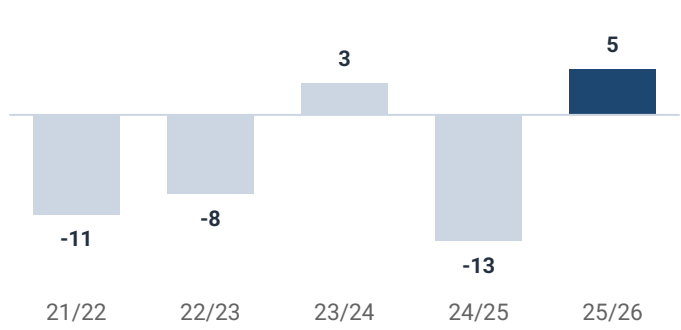
Net profit, DKKm



Ending cash balance, DKKm



Cash flow from operating activities, DKKm



2025/26 at a glance

Revenue and earnings fell, and guidance was revised twice during the year. Inventory came down, cash flow improved and Rental grew by around 30% for the second year in a row.



"The goal is not an empty warehouse. Holding stock that we can sell and deliver quickly is at the core of our business model."



Henrik Ostenfeld Larsen
Interim CEO

Key figures

Revenue

177.3 DKKm

2024/25: DKK 245.4m

EBITDA

-11.2 DKKm

2024/25: DKK 10.5m

Inventories, 30 September

87.2 DKKm

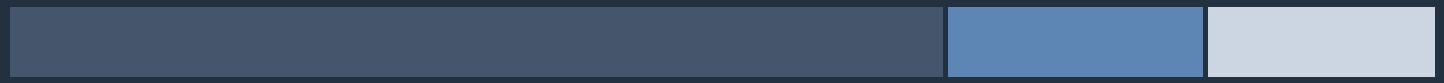
30 September 2025: DKK 109.7m

Free cash flow before financing

-5.4 DKKm

2024/25: DKK -33.3m

Revenue by business area



Equipment
66%

Parts
18%

Rental
16%

The year in review

Key events between 1 October 2025 and 30 September 2026.

Report
20 Nov 2025
Annual report 2024/25
Revenue of DKK 245.4m and EBITDA of DKK 10.5m. Guidance for 2025/26: revenue DKK 220-250m and EBITDA DKK 11-15m.

Governance
9 Dec 2025
Annual general meeting
Jonas Wulff Møller and Lene Gram Skjoldager join the board. Jonas Wulff Møller becomes chair.

Governance
26 Feb 2026
Extraordinary general meeting
Henrik Ostenfeld Larsen is elected to the Board of Directors.

Guidance
1 Apr 2026
Guidance revised
Revenue DKK 190-220m and EBITDA DKK 0-5m, as customers postponed investments and financing tightened.

Report
19 May 2026
Half-year report
Revenue of DKK 92.3m and EBITDA of DKK -6.9m. Net working capital improved by DKK 6.4m.

Capital
16-19 Jun 2026
Directed share issue
1,818,180 new shares at DKK 2.75 to members of the Board and Executive Board, DKK 5.0m gross.

Orders
4-11 Aug 2026
High-field MRI orders
A Siemens Lumina 3T for Ukraine, and a Siemens Skyra 3T and a GE Signa Artist 1.5T for Central Asia.

Guidance
26 Aug 2026
Guidance revised
Revenue DKK 155-175m and EBITDA DKK -9 to -13m. An accelerated inventory strategy is launched.

Governance
16 Sep 2026
Leadership changes
From 30 September, Henrik Ostenfeld Larsen is interim CEO and Patrick Remon Gammelholm joins the Executive Board as CCO.

CEO letter



Henrik Ostenfeld Larsen

Interim CEO

“Scandinavian Medical Solutions has been challenged by geopolitical conditions, but we have stabilized our platform and stand ready when the market turns.”

The 2025/26 financial year has been one of the most demanding in the history of Scandinavian Medical Solutions. U.S. tariffs, conflict in the Middle East, rising oil prices and tighter financing conditions for our customers slowed investment decisions across our markets and intensified price competition. We lowered our expectations twice during the year, and we are obviously not satisfied with the developments. Our response has been to focus on what we control, which is stabilizing our business platform, reducing the capital tied up in inventory and strengthening our cash position, so that we are well placed when the market turns.

Revenue for the year amounted to DKK 177.3 million (2024/25: DKK 245.4 million), and EBITDA was DKK -11.2 million (2024/25: DKK 10.5 million). Revenue was slightly above the revised guidance of DKK 155-175 million and EBITDA within the revised guidance of DKK -9 to -13 million, both announced on 26 August 2026, but well below our original expectations of DKK 220-250 million and DKK 11-15 million, respectively.

Rental was the bright spot

The decline in revenue was driven by Equipment Solutions, which accounted for around two-thirds of revenue, declining 32% compared to last year. Parts Solutions accounted for 18% of revenue and declined by 43%. Rental Solutions was the bright spot of the year, growing revenue by around 30% for the second consecutive year and at a higher margin than in 2024/25, now accounting for 16% of revenue. This confirms what we have seen in previous periods of uncertainty. When investment budgets are under pressure, customers turn to flexible solutions that convert capital expenditure into operating expenditure. Growth has mainly been driven by Europe, where long-term contracts provide recurring revenue, and the fleet is largely financed through leasing. Rental and Equipment also support each other, as rental units at the end of their contract period can be sold through our trading business.

Margins under pressure, quality position maintained

Our gross margin came under pressure from broad-based price competition, persistently high freight costs and U.S. tariffs, which we mostly absorbed ourselves. We position SMS in the middle of the market, delivering best-in-class quality at fair market value. We expect that the price pressure will ease as purchase prices normalize and the smaller players who sell at any price leave the market, and we are already seeing more attractive purchase prices for high-quality used equipment.

U.S. remains an important market

The U.S. remains an important market, and our U.S. organization is now able to sustain itself, with a local sales desk that buys and sells domestically. Even so, the U.S. was affected by tariffs and by stricter rules on the transport of dangerous goods, which have made it close to impossible for the industry to ship cooled systems by air. As a result, some systems intended for the U.S. market were sold in other markets at lower prices.

CEO letter

We estimate the combined negative impact from tariffs, currency and redirected sales to be significant, although lost sales are difficult to quantify. Tariffs paid amounted to DKK 1.3 million (2024/25: DKK 1.9 million), offset by income of DKK 1.4 million from an expected refund of tariffs paid in 2024/25 and 2025/26.

In emerging markets in the Middle East and Africa, where we had built strong momentum, the regional conflict, longer transport times and weaker financing conditions brought activity largely to a halt, and many customers are still awaiting clarity before committing to new investments. We have intensified our efforts in Europe and other markets to compensate. Many transactions have been postponed rather than lost as longer transport times, freight costs, tariffs and slower end-customer financing push deliveries and revenue recognition into later periods.

Less capital tied up

Last year, we stated that our focus for 2025/26 would be on optimizing working capital and inventory turnover, and we have acted on this. Inventory was reduced from DKK 109.7 million at 30 September 2025 to DKK 87.2 million at 30 September 2026, including the effect of write-downs. Free cash flow before financing improved to DKK -5.4 million (2024/25: DKK -33.3 million). In August, we accelerated our inventory strategy. The existing inventory will be realized gradually, and the proceeds reinvested in equipment with faster turnover and better margins. The goal is not an empty warehouse. Holding stock that we can sell and deliver quickly is at the core of our business model and has historically earned us good margins.

New internal tools that combine external market data with our own data now support our purchasing and sales decisions. At the same time, we have reduced our capacity costs through tighter headcount management, deferred IT investments, consolidation of our warehouses, partial delivery of U.S. sales support from Europe and shipping inventory to the U.S. only against confirmed demand.

These measures will have full-year effect in 2026/27. We have made the reductions with care in order not to compromise our long-term strategy or the people who make SMS what it is.

Our balance sheet remains solid with an equity of DKK 68.7 million and an equity ratio of 40.0%.

Leadership changes

While the strategy is largely unchanged, we made changes to our leadership during the year. At the extraordinary general meeting in February, the composition of the Board of Directors was changed to reflect the Company's operating environment and strategic priorities.

In September, Jens Hvid Paulsen stepped down as CEO at his own request and continues in the Company as Chief Purchasing Officer and member of the Executive Leadership Team. Henrik Ostenfeld Larsen was appointed Interim CEO. The recruitment of a permanent CEO is under way. At the same time, Patrick Remon Gammelholm was promoted to the Executive Board as Chief Commercial Officer.

Our founder and member of the Executive Board, Jens Krohn, who has built our U.S. business since 2024, expects to hand over the management of the U.S. company during 2027 and return to Denmark.

Outlook

For 2026/27, we expect revenue of DKK 180-200m and EBITDA of DKK 0-5m. We do not expect the market to recover overnight, but with a leaner cost base, a reduced inventory and a stable platform, we expect a gradual return toward the earnings levels of previous years.

We expect a positive cash flow for 2026/27 from the operating activities. This will increase the cash resource.

We remain confident in the general outlook for SMS, as the structural drivers are unchanged. Aging populations, growing demand for diagnostic imaging, pressure on healthcare budgets and a growing focus on reuse and circularity all support a business model that gives high-end imaging equipment a second life.

In summary, Scandinavian Medical Solutions has been challenged by geopolitical conditions, but we have stabilized our platform and stand ready when the market turns.

The Executive Leadership Team would like to thank our employees for their hard work in a difficult year, and our customers, partners and shareholders for their continued trust.

Henrik Ostenfeld Larsen

Interim CEO

Outlook 2026/27

We do not expect the market to recover overnight, but with a leaner cost base, a reduced inventory and a stable platform, we expect a gradual return toward the earnings levels of previous years.

Financial guidance 2026/27

Revenue

180-200 DKKm

Realized 2025/26: DKK 177.3m · 2024/25: DKK 245.4m

EBITDA

0-5 DKKm

Realized 2025/26: DKK -11.2m · 2024/25: DKK 10.5m

Assumptions

- Cost measures taken in 2025/26 will have full-year effect in 2026/27: Tighter headcount management, deferred IT investments, consolidated warehouses and partial delivery of U.S. sales support from Europe.
- The inventory strategy is expected to have full-year effect in 2026/27.
- No quick recovery is assumed in markets affected by tariffs, transport rules and regional conflict.
- The U.S. remains an important market.
- Rental and Parts add recurring revenue.

Financial calendar

9 Dec 2026
Annual general meeting

19 May 2027
Half-year report 2026/27

17 Nov 2027
Annual report 2026/27

About Scandinavian Medical Solutions

A global B2B provider of high-end pre-owned medical imaging equipment, founded in Denmark in 2018.



Headquarters	**Aalborg, Denmark**
Founded	**2018**
Listed	**Nasdaq First North, 2021**
Employees	**32** (2024/25: 29)
Locations	**Denmark, California, France**
Revenue 2025/26	**DKK 177.3m**

Our journey

2018
Founded in Aalborg

Established to increase scan capacity by buying and reselling used diagnostic imaging equipment.

2021
Parts and listing

Parts & Aftersales established. Listed on Nasdaq First North Growth Market Denmark in November.

2022
Rental across Europe

A fleet of MRI, CT and PET/CT trailers and modular systems for hospitals and clinics.

2024
North America

Operations established from Scandinavian Medical Solutions Inc. in California.

SMS in numbers

85+	1,000+	6,000+
countries served since 2018	systems sold	parts in inventory

Purpose, vision and strategy

Becoming a trusted, profitable and scalable European leader in pre-owned medical imaging.

Our purpose

Increase access to life-saving diagnostics

by giving imaging equipment a second life where it matters most

Our vision

The preferred global partner for pre-owned high-end imaging

helping increase global scan capacity by giving used MRI, CT and PET/CT systems a second life

Our strategy: the next phase

From

Growth and expansion

→

To

Profitable growth, cash discipline and operational excellence

Short-term strategic priorities

1. **Accelerate cash flow generation**
   Faster inventory rotation and active working capital management
2. **Optimize inventory balance**
   The right systems and parts in stock, with minimal capital tied up
3. **Expand the rental fleet**
   More flexible, diverse and high-value rental options for European healthcare
4. **Diversify revenue streams**
   A balanced mix across Equipment, Rental and Parts to reduce risk
5. **Pursue emerging markets**
   New commercial staff and partners to target high-potential markets beyond Europe and the U.S.
6. **Enhance operational excellence**
   Better processes, quality assurance and supply chain efficiency to support scale

Our business model

A full-service partner across the imaging lifecycle, run as three business areas that feed each other.

The cornerstone

Equipment Solutions

Sources, checks and sells high-end MRI, CT, PET/CT, Cath-Lab and mammography systems

Margin	**Lower**
Rhythm	**Longer sales cycles**

Supporting function

Parts Solutions

Supplies new and used parts to service providers, distributors and hospitals

Margin	**High**
Rhythm	**Daily transactions**

Strong profitability

Rental Solutions

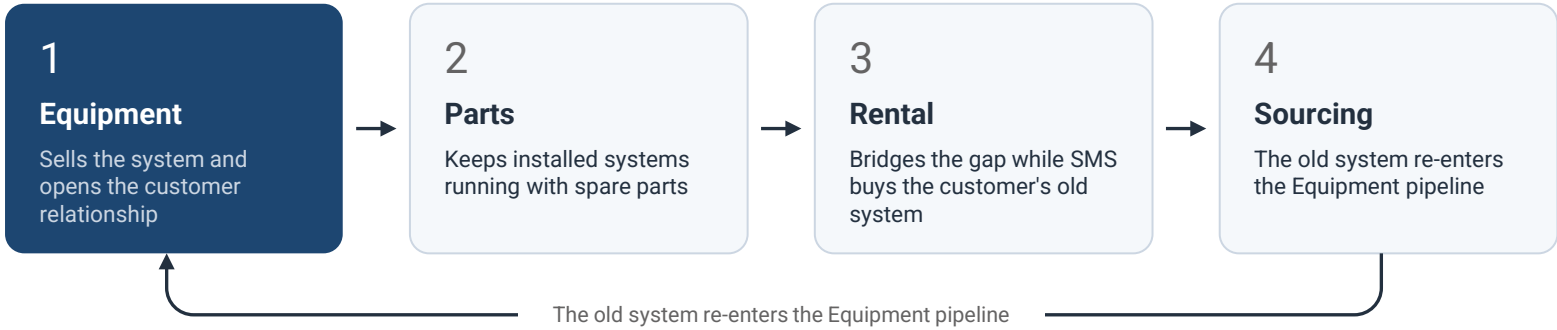
Short-, medium- and long-term rental of imaging systems across Europe

Margin	**Highest**
Rhythm	**Recurring revenue**

How we operate

- **Full-service partner**
  Solutions tailored to clinical, financial and logistical needs
- **Asset-light, scalable model**
  Buy, inspect and resell through a global network
- **Active inventory management**
  Efficient use of capital and short turnover times
- **International standards**
  Compliance with medical standards on every system

How the areas reinforce each other



Orders and where we operate

North America is SMS's largest market and accounted for 13 of the 20 orders announced in 2025/26.



20
orders announced

13
from U.S. customers

55-89 DKKm
combined disclosed value

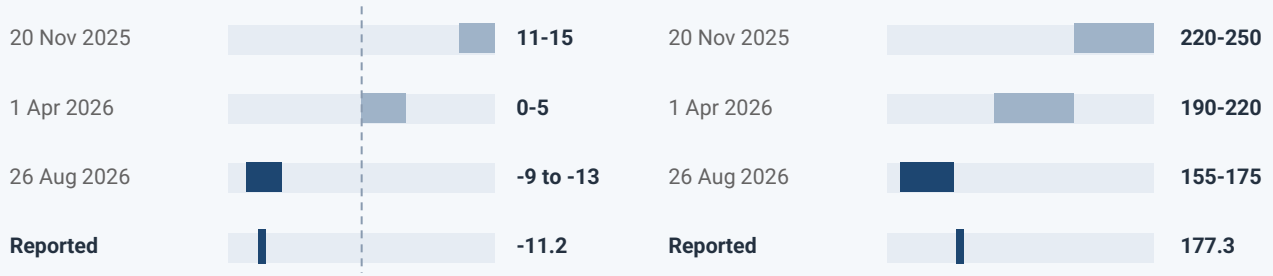
Orders announced in 2025/26

Date	System	Market	DKKm
1 Oct 2025	Siemens MRI	USA	2.0-3.5
1 Oct 2025	Siemens PET/CT	USA	3.5-5.0
2 Oct 2025	Siemens MRI	Eastern Europe	2.0-3.5
3 Oct 2025	Siemens MRI	USA	2.0-3.5
4 Nov 2025	Spare parts	USA	2.0-3.5
17 Nov 2025	Siemens MRI	South Asia	2.0-3.5
17 Nov 2025	2 MRI scanners	USA	5.0-8.5
23 Dec 2025	GE PET/CT	USA	2.0-3.5
22 Jan 2026	PET/MR	Eastern Europe	3.5-5.0
9 Feb 2026	MRI	USA	3.5-5.0
20 Mar 2026	Philips 3T MRI	Southern Europe	2.0-3.5
7 Apr 2026	2 GE PET/CT scanners	USA	5.0-8.5
4 Jun 2026	GE PET/CT	USA	2.0-3.5
9 Jun 2026	Upgraded MRI	USA	3.5-5.0
4 Aug 2026	Siemens Lumina 3T MRI	Ukraine	2.0-3.5
6 Aug 2026	Siemens Skyra 3T MRI	Central Asia	3.5-5.0
11 Aug 2026	GE Signa Artist 1.5T MRI	Central Asia	2.0-3.5
7 Sep 2026	Upgrade packages	USA	2.0-3.5
15 Sep 2026	Siemens PET/CT with installation	USA	3.5-5.0
23 Sep 2026	GE CT scanner	USA	2.0-3.5

The year against guidance

SMS revised its guidance twice during the year. The outcome is measured against the latest guidance from 26 August 2026.

Guidance for 2025/26 as announced, DKKm



First and second half, DKKm

DKKm	H1 2025/26	H2 2025/26	Full year 2025/26	H1 2024/25	H2 2024/25	Full year 2024/25
Revenue	92.3	85.0	**177.3**	122.7	122.7	**245.4**
Gross profit before other external costs	16.3	17.9	**34.2**	24.2	32.5	**56.7**
Capacity costs	23.2	22.2	**45.4**	23.6	22.6	**46.2**
EBITDA	-6.9	-4.3	**-11.2**	0.6	9.9	**10.5**
EBITDA margin, %	-7.5	-5.1	**-6.3**	0.5	8.1	**4.3**
Free cash flow before financing	-11.1	5.6	**-5.4**	-20.7	-12.6	**-33.3**

Outcome and revisions

Revenue of DKK 177.3m and EBITDA of DKK -11.2m compare with the latest guidance of DKK 155-175m and DKK -9 to -13m. Revenue came in slightly above the range and EBITDA within it. The first revision, on 1 April 2026, followed postponed and canceled orders, U.S. trade barriers and tighter financing. The second, on 26 August 2026, followed sharper price competition, higher freight costs, stricter rules for transporting dangerous goods, U.S. tariffs and the conflict in the Middle East.

The second half

The second half was marked by the same conditions as the first. Tariffs, longer sales cycles, tighter customer financing and broad price competition. Unlike in 2024/25, the second half did not bring a catch-up. Revenue in the second half was DKK 85.0m (H1 2025/26: DKK 92.3m, H2 2024/25: DKK 122.7m), and EBITDA was DKK -4.3m (H1 2025/26: DKK -6.9m, H2 2024/25: DKK 9.9m).

The focus in the second half was cash. Selling down inventory, reducing new purchasing commitments and lowering capacity costs. In August, SMS accelerated its inventory strategy.

Revenue and costs

Revenue, gross profit and capacity costs for 2025/26.

Revenue

177.3 DKKm

2024/25: DKK 245.4m

Revenue decreased by 28% to DKK 177.3m (2024/25: DKK 245.4m), slightly above the revised guidance of DKK 155-175m.

Equipment Solutions declined 32% and Parts Solutions 43%, reflecting lower market demand. Rental Solutions grew by around 30%, mainly in Europe. Equipment accounted for 66% of revenue, Parts for 18% and Rental for 16%.

Gross profit before other external costs

34.2 DKKm

Gross margin 19.3% (2024/25: 23.1%)

Gross profit before other external costs was DKK 34.2m (2024/25: DKK 56.7m), and the gross margin was 19.3% (2024/25: 23.1%). U.S. tariffs and higher freight costs were absorbed rather than passed on to customers. Tariffs paid were DKK 1.3m (2024/25: DKK 1.9m), offset by income of DKK 1.4m from an expected refund of tariffs paid in 2024/25 and 2025/26. Prices were under pressure from broad competition, and inventories were written down at year-end (see note 6).

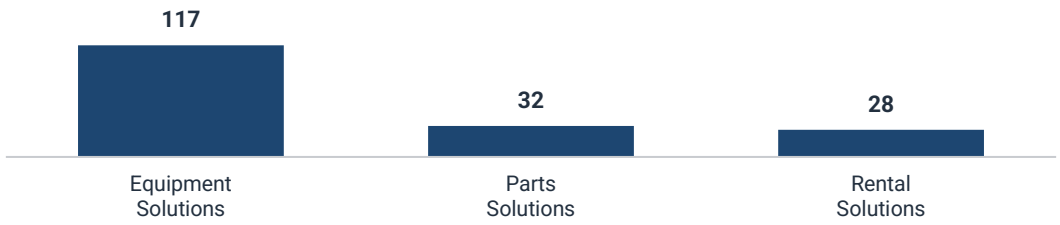
Capacity costs

45.4 DKKm

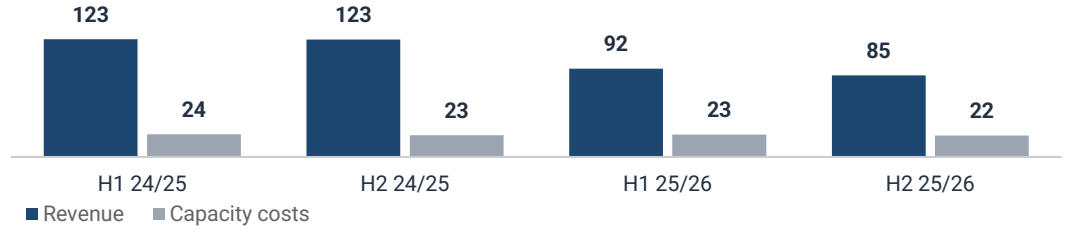
2024/25: DKK 46.2m

Capacity costs decreased by 2% to DKK 45.4m (2024/25: DKK 46.2m). Measures in the year were tighter headcount management, deferred IT investments, consolidated warehouses, partial delivery of U.S. sales support from Europe and shipping inventory to the U.S. only against confirmed demand. The full effect comes in 2026/27.

Revenue by business area, DKKm



Revenue and capacity costs by half-year, DKKm



Earnings and cash flow

Lower inventories turned negative EBITDA into a positive operating cash flow.

EBITDA

-11.2 DKKm

2024/25: DKK 10.5m

EBITDA was DKK -11.2m (2024/25: DKK 10.5m), within the revised guidance of DKK -9 to -13m. Gross profit fell DKK 22.6m due to lower prices in a pressured market, the sale of selected systems at a loss to reduce inventories, and write-downs of inventories.

Net profit

-19.0 DKKm

2024/25: DKK 26 thousand

Net profit was DKK -19.0m (2024/25: DKK 26 thousand). The result includes a tax income of DKK 5.2m, mainly from recognition of a deferred tax asset, against a loss before tax of DKK 24.2m.

Cash flow from operating activities

4.8 DKKm

2024/25: DKK -13.4m

Working capital released DKK 19.9m (2024/25: tied up DKK 21.2m), mainly from lower inventories. Inventories were DKK 87.2m at 30 September 2026 (DKK 109.7m), including the effect of write-downs.

Cash flow from operating activities was therefore DKK 4.8m (2024/25: DKK −13.4m), despite negative EBITDA.

Free cash flow before financing

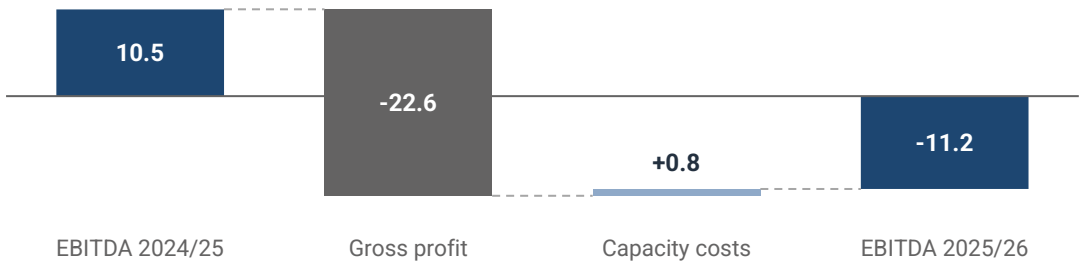
-5.4 DKKm

2024/25: DKK -33.3m

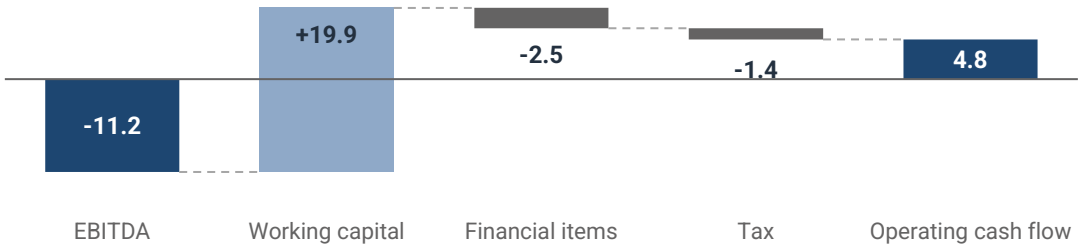
Free cash flow before financing was DKK -5.4m (2024/25: DKK -33.3m). Investments in tangible fixed assets were DKK 10.2m (DKK 20.8m), mainly rental assets.

Cash was DKK 1.4m and debt to financial institutions DKK 22.9m (DKK 2.1m and DKK 26.6m). Equity was DKK 68.7m and the solvency ratio 40.0% (2024/25: 40.2%).

From EBITDA 2024/25 to EBITDA 2025/26, DKKm



From EBITDA to operating cash flow, DKKm



How SMS responded

SMS realized inventory gradually, made fewer purchasing commitments and cut capacity costs.

What SMS did

Inventory strategy

Existing inventory realized gradually and reinvested in faster-turning B and C segment systems, still of high quality.

Purchasing

Fewer new purchasing commitments, and selling from other dealers' stock where it makes sense.

Data

New internal tools combine external market data with SMS's own data to support purchasing and sales.

Costs

Capacity costs reduced with a full-year effect in 2026/27.

Key figures, DKKm

Inventories

87.2 DKKm

2024/25: 109.7

Free cash flow before financing

-5.4 DKKm

2024/25: -33.3

Capacity costs

45.4 DKKm

2024/25: 46.2

Business developments

Activity held up in the U.S. and in Rental, while the Middle East and Africa came to a near halt.

Markets in 2025/26

United States — Held up

The most important market. SMS Inc. is now self-sustaining, with a local sales desk that buys and sells domestically. Tariffs and stricter transport rules slowed sales. 13 of the 20 orders announced in the year came from U.S. customers.

Europe — Rental grew

Rental grew, driven by long-term contracts. SMS stepped up its sales efforts in Europe, where competition is strong.

Middle East and Africa — Near halt

Regional conflict, longer transport times and weaker financing brought activity largely to a halt. Many customers are waiting for clarity before they invest.

Asia and Eastern Europe — Repeat orders

Long-standing customers in Central Asia and Ukraine ordered high-field MRI systems in August 2026.

Key markets, by importance

1. North America
2. Asia
3. Southern Europe
4. Emerging markets

Market growth drivers

Aging populations

More people need diagnostic imaging

Cost pressure in healthcare

Budgets favor high-quality used systems at a fraction of the price of new

Sustainability

Reuse extends the life of premium technology and keeps it out of waste

Risks and uncertainties

Four main risk areas, each with the actions SMS takes to manage them.

Market risks

Exposure

- Pre-owned prices follow new-equipment prices and interest rates
- Cheaper new systems could narrow the price gap and shrink the pre-owned market
- Long purchase decisions, especially at public hospitals, can delay revenue

How SMS manages it

- Diversified product and geographic exposure
- Control of long-term commitments and faster stock rotation
- Downturns used to buy equipment at low prices

Tariffs and transport

Exposure

- Shifting U.S. tariffs on imported systems (up to 15% during the year) and a pending U.S. review of medical equipment imports
- Buyers hesitate, as transit can take up to 12 weeks
- Stricter dangerous-goods rules limit air freight of cooled systems

How SMS manages it

- More local sourcing and refurbishment in the U.S.
- Own import and export licenses and customs clearance
- Systems redirected to other markets when needed

Currency risks

Exposure

- Most purchases and sales are international, mainly in USD
- Systems are often bought in EUR and sold in USD, priced 3-6 months before payment

How SMS manages it

- Need for hedging is assessed continuously
- So far, the cost of hedging has outweighed the benefit

Inventory and liquidity

Exposure

- Capital tied up in inventory
- Falling prices for used equipment can require write-downs
- Slower customer financing delays payment

How SMS manages it

- Inventory strategy and faster-turning stock
- Inventory shipped to the U.S. only against confirmed demand
- Credit facilities

Sustainability and ESG

Giving imaging equipment a second life, measured through the same three KPIs for the fourth year.

Our commitment

Longer equipment life

Extending the life of scanners to improve public health worldwide

Quality and safety

Customers trust SMS to deliver safe, quality-tested products

Continuous improvement

Creating long-term value for stakeholders and the communities where SMS operates

Three KPIs and why they matter

1 Helium recycling

Helium cools MRI scanners and is a limited global resource. Reusing it in a closed loop reduces new helium production and lowers transport emissions. SMS has implemented a structured helium recycling process as part of its technical capability.

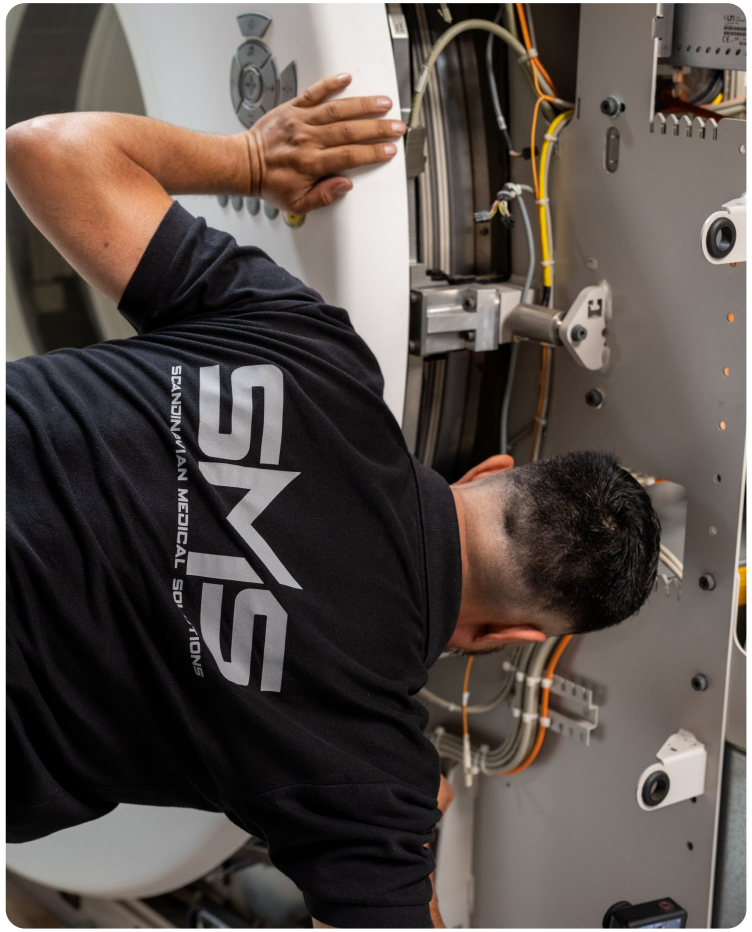
2 Recycling of system components

Parts from end-of-life legacy systems still hold value. Reusing them keeps installed scanners running, saves customers time and money, and keeps parts out of waste.

3 Systems sold to developing countries

Delivering used imaging solutions worldwide is SMS's core mission. Each sale reuses a functional system and adds imaging capacity in regions with a substantial need. SMS mostly supplies resellers, and it often knows the end destination because customers buy systems to meet specific end-user requirements.

SMS has grown from a small reseller into a company operating across borders. Since 2022/23 it has reported on the same three KPIs, linking sustainability directly to how the business runs: recovering helium, reusing parts and reselling systems.



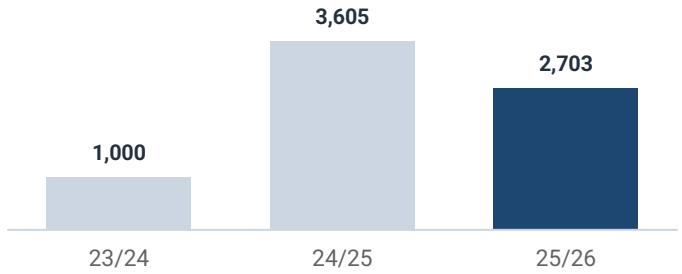
Sustainability results

Results on the three sustainability KPIs, against the two previous years.

Helium recovered

2,703 liters

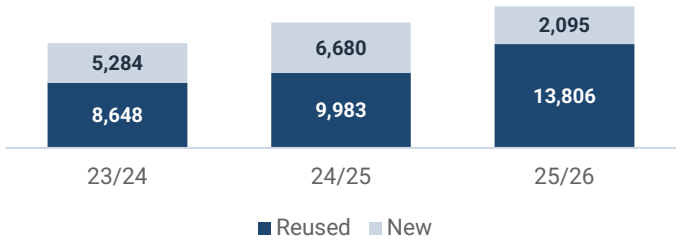
2024/25: 3,605 liters from 6 MRI systems



Parts sold by Parts Solutions

87 % reused

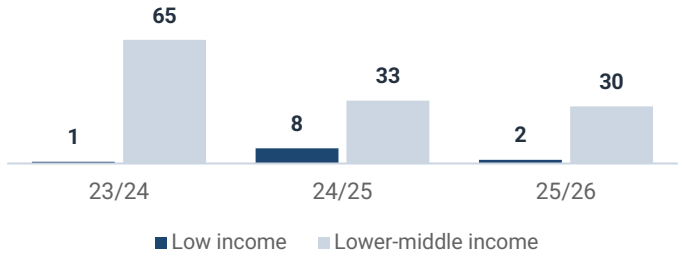
2024/25: 60% of 16,663 kg



Systems sold to developing countries

32 systems

2024/25: 8 to low-income and 33 to lower-middle income countries



Sustainability KPIs	Unit	2025/26	2024/25	2023/24
Helium recovered	liters	2,703	3,605	1,000
Parts sold by Parts Solutions	kg	15,901	16,663	13,932
Of which reused spare parts	kg	13,806	9,983	8,648
Reuse share of parts sold	%	87	60	62
Systems sold to low-income countries	number	2	8	1
Systems sold to lower-middle income countries	number	30	33	65

Helium recovered

Recovered from systems that no longer needed to stay cold, for example before long-distance transport or dismantling for parts.

Parts reused

Parts harvested from legacy systems extend component life and save customers time and money.

Systems to developing countries

SMS mostly sells through resellers but often knows the end destination, adding capacity where the need is greatest.

Board and management

Board of Directors



Jonas Wulff Møller

Chair

Elected at the annual general meeting on 9 December 2025 and chair of the board since then.



Lene Gram Skjoldager

Deputy chair

Elected at the annual general meeting on 9 December 2025. Deputy chair since 16 September 2026.



Morten Rasmussen

Board member

Board member since the listing in 2021. Re-elected at the annual general meeting on 9 December 2025.



Henrik Ostenfeld Larsen

Board member and interim CEO

Board member since February 2026 and interim CEO from 30 September 2026.

Executive Board



Henrik Ostenfeld Larsen

Interim CEO

Interim CEO from 30 September 2026.



Jens Krohn

CEO US and founder

Founded SMS in 2018 and has built the U.S. business since 2024. Expects to hand over the U.S. company during 2027 and return to Denmark.



Patrick Remon Gammelholm

Chief Commercial Officer

Joined the Executive Board on 30 September 2026. Previously Group Commercial Director, with 11 years in medical technology.

Shareholder information

The SMS share and its largest shareholders.

Share price and daily trading volume, 2025/26

Closing price, DKK (line, left axis) · Volume, shares (columns, right axis)



Largest shareholders at 30 September 2026

Shareholder	Ownership, %
Jens Krohn (through holding companies)[1)]	32.7
Nordic Compound Invest A/S[2)]	5-10

1) Jens Krohn held 34.88% through holding companies according to the half-year report 2025/26, before the directed share issue in June 2026.

2) Publicly registered shareholding with the Danish Business Authority at 30 September 2026.

The share

Listing
Nasdaq First North Growth Market Denmark

Ticker
SMSMED

Number of shares, 30 September 2026
29,624,180

Closing price, 30 September 2026
DKK 2.42

Market value, 30 September 2026
DKK 71.7m

Directed share issue, June 2026
1,818,180 shares at DKK 2.75

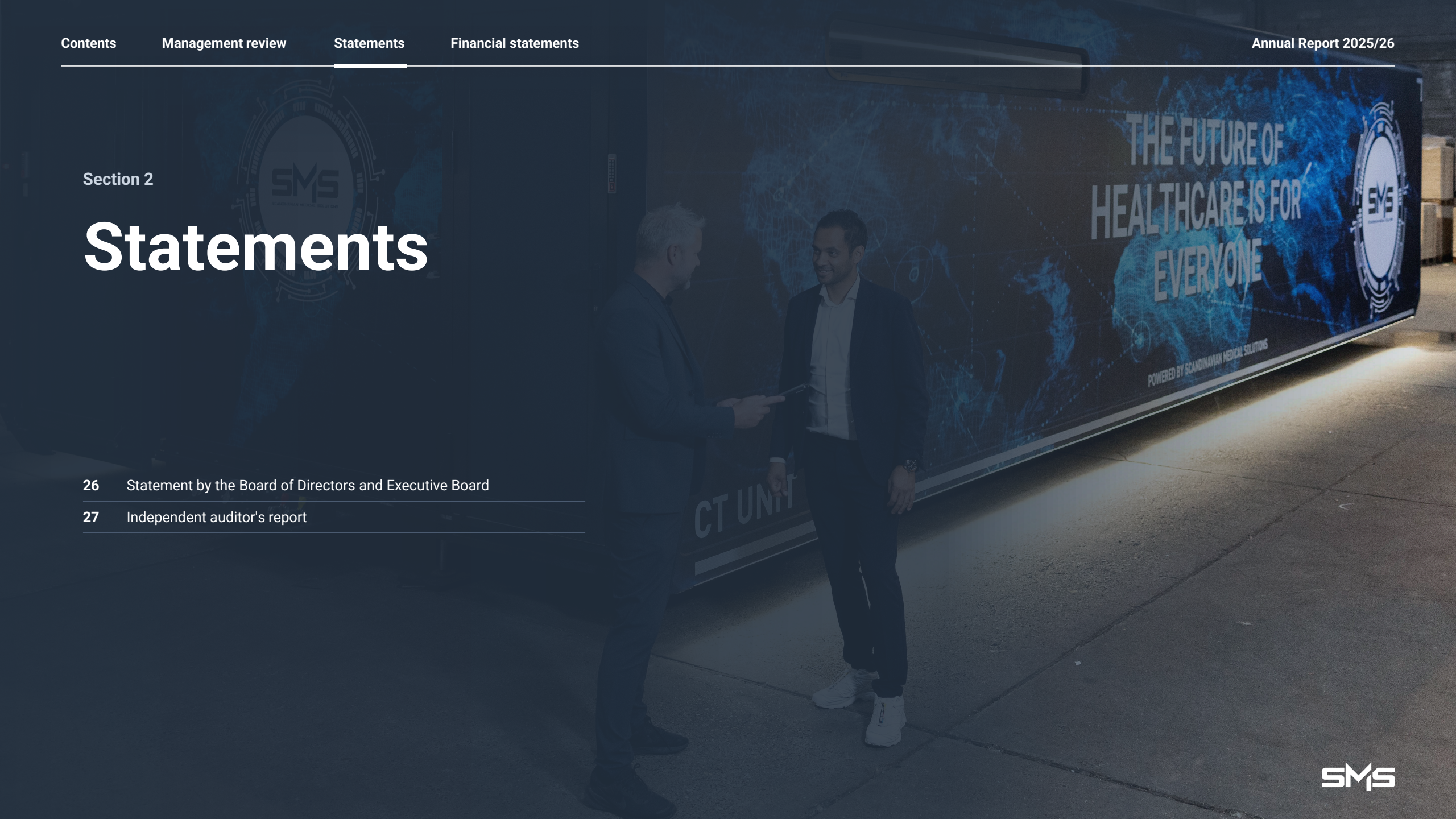
Investor relations: investor@scandinavian-medical.com

Section 2

Statements

26 Statement by the Board of Directors and Executive Board

27 Independent auditor's report



Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Scandinavian Medical Solutions A/S for the financial year 1 October 2025 – 30 September 2026. The annual report has been prepared in accordance with the Danish Financial Statements Act. In our opinion, the consolidated financial statements and the parent company's financial statements give an accurate and fair view of the Group's and the Parent Company's assets, liabilities, and financial position at 30 September 2026 and of the results of the Group's and the Parent Company's operations and consolidated cash flows for the financial year 1 October 2025 – 30 September 2026. Further, in our opinion, the Management's review gives a fair review of the development in the Group's and the Parent Company's activities and financial matters, of the results for the year and of the Group's and the Parent Company's financial position. We recommend that the annual report be approved at the annual general meeting.



Aalborg, 19 November 2026

Executive Board

Henrik Ostenfeld Larsen
Interim CEO

Jens Krohn
CEO US

Patrick Remon Gammelholm
Chief Commercial Officer

Board of Directors

Jonas Wulff Møller
Chair

Lene Gram Skjoldager
Deputy chair

Morten Rasmussen
Board member

Henrik Ostenfeld Larsen
Board member

Independent auditor's report

To the shareholders of Scandinavian Medical Solutions A/S

Report on the audit of the Consolidated Financial Statements and Parent Company Financial Statements

Opinion

We have audited the consolidated financial statements and the parent company financial statements of Scandinavian Medical Solutions A/S for the financial year 1 October 2025 – 30 September 2026 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group as well as for the Parent Company and a cash flow statement for the Group. The consolidated financial statements and parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the Parent Company's assets, liabilities and financial position at 30 September 2026 and of the results of the Group's and the Parent Company's operations and consolidated cash flows for the financial year 1 October 2025 – 30 September 2026 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and the parent company financial statements" section of our report.

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

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

Management's responsibility for the consolidated financial statements and the parent company financial statements

Management is responsible for the preparation of consolidated financial statements and parent company financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that Management determines is necessary to enable the preparation of consolidated financial statements and parent company financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent company financial statements, Management is responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the consolidated financial statements and the parent company financial statements unless Management either intends to liquidate the Group or the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements and the parent company financial statements

Our objectives are to obtain reasonable assurance as to whether the consolidated financial statements and the parent company financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements in Denmark will always detect a material misstatement when it exists. Misstatements may 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 financial statement users made on the basis of these consolidated financial statements and parent company financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the consolidated financial statements and the parent company financial statements, 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 opinion.

  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.

Independent auditor's report

Auditor's responsibilities for the audit, continued

- obtain an understanding of internal control relevant to the 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 Group's and the Parent Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the consolidated financial statements and the parent company financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company'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 consolidated financial statements and the parent company financial statements or, if such disclosures are inadequate, to modify our opinion. 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 the Group and the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and contents of the consolidated financial statements and the parent company financial statements, including the disclosures, and whether the consolidated financial statements and the parent company financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements and the Parent Company financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the Management's review

Management is responsible for the Management's review. Our opinion on the consolidated financial statements and the parent company financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and the parent company financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the consolidated financial statements or the parent company financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the consolidated financial statements and the parent company financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Report on Other Legal and Regulatory Requirements

Statement on Report on Income Tax Information

As the Company's auditor, we are required to provide a statement pursuant to section 137 i of the Danish Financial Statements Act as to whether the Company was required to prepare a report on income tax information for the financial year 1 October 2025 – 30 September 2026 and, if so, whether the Company has published the report in accordance with the requirements of the Danish Financial Statements Act.

This statement does not constitute an assurance engagement. We have based our work on the information applied by Management in their assessment of whether the Company was subject to the requirement to prepare a report on income tax information, the knowledge obtained in connection with our audit of the Financial Statements, and such procedures as we considered necessary to enable us to provide this statement.

Based on the work we have performed, we conclude that the Company was not required to prepare a report on income tax information for the financial year 1 October 2025 – 30 September 2026.

Aalborg, 19 November 2026

KPMG, Statsautoriseret Revisionspartnerselskab, CVR no. 25 57 81 98

Steffen S. Hansen
State Authorised Public Accountant, mne32737

Section 3

Financial statements

30 Income statement 2025/26

31 Balance sheet: Assets

32 Balance sheet: Equity and liabilities

33 Statement of changes in equity 2025/26

34 Cash flow statement 2025/26

35 Notes to the financial statements

39 Accounting policies

Income statement 2025/26

tDKK	Note	Group		Parent	
		2025/26	2024/25	2025/26	2024/25
Net revenue		**177,287**	245,442	**153,451**	220,456
Cost of goods sold	6	**-143,120**	-188,696	**-132,314**	-173,369
Other external costs	6	**-21,150**	-22,468	**-15,514**	-18,416
Gross profit		**13,017**	**34,278**	**5,623**	**28,671**
Staff costs	1	**-24,258**	-23,764	**-18,683**	-19,539
Depreciation		**-10,487**	-8,623	**-9,171**	-8,000
Other operating costs		**0**	-102	**0**	-102
Operating profit		**-21,728**	**1,789**	**-22,231**	**1,030**
Income from subsidiaries		**0**	0	**120**	799
Financial income		**581**	577	**494**	275
Financial expenses		**-3,040**	-2,151	**-2,778**	-2,150
Profit before tax		**-24,187**	**215**	**-24,395**	**-46**
Tax on profit for the year	2	**5,228**	-189	**5,436**	72
Net profit	**3**	**-18,959**	**26**	**-18,959**	**26**

Balance sheet at 30 September 2026: Assets

tDKK	Note	Group		Parent	
		2025/26	2024/25	2025/26	2024/25
Operating equipment and fixtures		**2,218**	2,665	**1,266**	2,004
Leasehold improvements		**1,318**	1,713	**1,209**	1,571
Rental assets		**52,618**	44,910	**49,685**	41,394
Rental assets under construction		**0**	13,349	**0**	9,394
Tangible fixed assets	4	**56,154**	**62,637**	**52,160**	**54,363**
Deposits		**1,448**	1,411	**1,136**	1,124
Receivables from group entities		**0**	0	**2,332**	7,671
Equity investments in subsidiaries		**0**	0	**1,097**	945
Financial assets	5	**1,448**	**1,411**	**4,565**	**9,740**
Non-current assets		**57,602**	**64,048**	**56,725**	**64,103**
Trading goods		**84,305**	106,435	**75,532**	102,808
Prepayment for goods		**2,860**	3,302	**1,887**	1,883
Inventories	6	**87,165**	**109,737**	**77,419**	**104,691**
Trade receivables	6	**12,151**	22,717	**8,439**	19,142
Receivables from group entities		**0**	0	**9,342**	8,242
Deferred tax	2	**3,611**	0	**3,611**	0
Income tax		**2,282**	964	**2,267**	964
Other receivables		**6,454**	4,392	**4,920**	3,714
Prepaid expenses	6	**1,219**	1,851	**888**	1,509
Receivables		**25,717**	**29,924**	**29,467**	**33,571**
Cash and cash equivalents		**1,361**	2,149	**0**	0
Total current assets		**114,243**	**141,810**	**106,886**	**138,262**
Total assets		**171,845**	**205,858**	**163,611**	**202,365**

Balance sheet at 30 September 2026: Equity and liabilities

tDKK	Note	Group		Parent	
		2025/26	2024/25	2025/26	2024/25
Share capital		**1,184**	1,107	**1,184**	1,107
Reserve according to equity method		**0**	0	**1,041**	889
Translation reserve		**-57**	-89	**0**	0
Retained earnings		**67,590**	81,647	**66,492**	80,669
Equity		**68,717**	**82,665**	**68,717**	**82,665**
Deferred tax provisions	2	**315**	1,825	**0**	1,825
Provisions		**315**	**1,825**	**0**	**1,825**
Lease liabilities		**31,334**	30,342	**31,334**	30,342
Non-current liabilities other than provisions	7	**31,334**	**30,342**	**31,334**	**30,342**
Short-term lease liabilities	7	**8,868**	6,622	**8,868**	6,622
Debt to financial institutions		**22,897**	26,562	**22,897**	26,562
Prepayment from customers		**8,977**	4,583	**4,879**	3,470
Trade payables		**27,386**	49,812	**25,025**	48,741
Payables to group entities		**0**	0	**53**	0
Income tax		**17**	159	**0**	0
Other liabilities		**3,334**	3,288	**1,838**	2,138
Current liabilities other than provisions		**71,479**	**91,026**	**63,560**	**87,533**
Total liabilities other than provisions		**102,813**	**121,368**	**94,894**	**117,875**
Total equity and liabilities		**171,845**	**205,858**	**163,611**	**202,365**

Not recognized in the balance sheet: Non-recognized lease and rental liabilities (note 8), contingent liabilities and other commitments (note 9), pledges and collateral (note 10). Related parties are described in note 11.

Statement of changes in equity 2025/26

Group

tDKK	Share capital	Translation reserve	Retained earnings	Total
Equity 1 October 2025	1,107	-89	81,647	**82,665**
Capital increase	77	0	4,903	**4,980**
Currency rate adjustment	0	32	-1	**31**
Transferred over the profit appropriation	0	0	-18,959	**-18,959**
Equity 30 September 2026	**1,184**	**-57**	**67,590**	**68,717**

Parent

tDKK	Share capital	Reserve according to equity method	Retained earnings	Total
Equity 1 October 2025	1,107	889	80,669	**82,665**
Capital increase	77	0	4,903	**4,980**
Currency rate adjustment	0	32	-1	**31**
Transferred over the profit appropriation	0	120	-19,079	**-18,959**
Equity 30 September 2026	**1,184**	**1,041**	**66,492**	**68,717**

Equity at 1 October 2025 is the closing balance at 30 September 2025.

Cash flow statement 2025/26

Group, tDKK	Note	2025/26	2024/25
Operating profit		**-21,728**	1,789
Depreciation and other operating costs		**10,487**	8,725
Change in net working capital	12	**19,862**	-21,155
Cash generated from operations		**8,621**	**-10,641**
Financial income received		**581**	577
Financial expenses paid		**-3,040**	-2,151
Paid tax		**-1,353**	-1,198
Cash flow from operating activities		**4,809**	**-13,413**
Purchase of tangible fixed assets		**-10,200**	-20,807
Sale of tangible fixed assets		**0**	1,277
Addition of financial assets		**-26**	-314
Cash flow from investing activities		**-10,226**	**-19,844**
Free cash flow before financing		**-5,417**	**-33,257**
Capital increase		**4,980**	245
Proceeds from new debt to financial institutions		**0**	4,892
Repayment of debt to financial institutions		**-3,665**	0
Proceeds from new leasing debt		**10,274**	33,143
Repayments of leasing debt		**-7,036**	-13,559
Cash flow from financing activities		**4,553**	**24,721**
Change in cash and cash equivalents		**-864**	**-8,536**
Cash and cash equivalents, beginning of year		**2,149**	10,997
Foreign currency adjustment		**76**	-312
Cash and cash equivalents, end of year		**1,361**	**2,149**

Cash flow from operating activities

4.8 DKKm

2024/25: DKK -13.4m

Cash flow from investing activities

-10.2 DKKm

2024/25: DKK -19.8m

Free cash flow before financing

-5.4 DKKm

2024/25: DKK -33.3m

Cash flow from financing activities

4.6 DKKm

2024/25: DKK 24.7m

Notes to the financial statements

1. Staff costs

	Group		Parent	
tDKK	**2025/26**	**2024/25**	**2025/26**	**2024/25**
Wages and salaries	21,625	21,186	16,125	16,961
Pension (defined contribution)	2,377	2,352	2,302	2,352
Other costs of social security	256	226	256	226
Staff costs	**24,258**	**23,764**	**18,683**	**19,539**
Average full-time employees	32	29	27	26

Salary compensation of DKK 26 thousand (2024/25: DKK 126 thousand) is offset in wages and salaries.

Remuneration of the Executive Board and the Board of Directors

tDKK	**2025/26**	**2024/25**
Executive Board, including pension	5,552	5,621
Board of Directors	592	588
Remuneration	**6,144**	**6,209**

Warrants, programme 2022	**2025/26**	**2024/25**
Outstanding at beginning of year	118,668	237,334
Exercised during the year	-118,668	-118,666
Outstanding at end of year	0	118,668
Exercise price per share, DKK	1.5	1.5

The warrants were granted under clause 4.6 of the articles of association to employees in the sales organization, including the Commercial Director, who joined the Executive Board on 30 September 2026. The warrants vested in three tranches and could be exercised over four years from the start of the program. The remaining 118,668 warrants were exercised in December 2025. No warrants are outstanding at 30 September 2026, and no new programs have been established.

2. Tax

	Group		Parent	
tDKK	**2025/26**	**2024/25**	**2025/26**	**2024/25**
Current tax	88	253	0	0
Prior year adjustment	115	-942	0	-950
Adjustment of deferred tax	-5,431	878	-5,436	878
Tax on profit for the year	**-5,228**	**189**	**-5,436**	**-72**
Deferred tax				
Deferred tax at beginning of period	-1,825	-947	-1,825	-947
Deferred tax, adjustment for the year	5,431	-878	5,436	-878
Other adjustments (currency, subsidiaries)	-309	0	0	0
Deferred tax at end of the period	**3,297**	**-1,825**	**3,611**	**-1,825**

Deferred tax includes tangible fixed assets, leasing debt, write-downs on inventories and receivables, and the value of tax losses carried forward. A deferred tax asset of DKK 3,611 thousand is recognized in the parent company, mainly relating to tax losses carried forward. Management expects the asset to be utilized against future taxable income based on budgets.

3. Net profit

	Group		Parent	
tDKK	**2025/26**	**2024/25**	**2025/26**	**2024/25**
Retained earnings	-18,959	26	-19,079	-773
Allocated to equity-method reserve	0	0	120	799
Net profit	**-18,959**	**26**	**-18,959**	**26**

Notes to the financial statements

4. Tangible fixed assets

tDKK	Group				Parent			
	Operating equipment and fixtures	Leasehold improvements	Rental assets	Assets under construction	Operating equipment and fixtures	Leasehold improvements	Rental assets	Assets under construction
Cost price, beginning of year	4,064	2,434	60,168	13,349	3,128	2,250	55,857	9,394
Currency adjustments	46	6	142	39	1	0	0	1
Additions	600	61	2,424	7,116	32	61	2,139	7,130
Transferred	0	0	14,446	-14,446	0	0	14,446	-14,446
Reclassified from/(to) inventories	0	0	-1,273	-6,058	0	0	-1,273	-2,079
Cost price, end of year	**4,710**	**2,501**	**75,907**	**0**	**3,161**	**2,311**	**71,169**	**0**
Depreciation, beginning of year	1,399	721	15,258	0	1,124	679	14,463	0
Currency adjustments on depreciation	15	2	36	0	1	0	-1	0
Depreciation for the year	1,078	460	8,950	0	770	423	7,977	0
Depreciation on reclassified to inventories	0	0	-955	0	0	0	-955	0
Depreciation, end of year	**2,492**	**1,183**	**23,289**	**0**	**1,895**	**1,102**	**21,484**	**0**
Carrying amount, end of year	**2,218**	**1,318**	**52,618**	**0**	**1,266**	**1,209**	**49,685**	**0**
Of which, leased assets	-	-	32,084	-	-	-	32,084	-

Opening balances are the closing balances at 30 September 2025. Depreciation is shown as positive amounts.

Notes to the financial statements

5. Financial assets

tDKK	Deposits, group	Deposits, parent	Receivables, parent
Cost, beginning of year	1,411	1,124	7,671
Currency adjustments	10	0	0
Additions/disposals	26	12	-5,339
Carrying amount, end of year	**1,448**	**1,136**	**2,332**

Equity investments in subsidiaries (parent)

tDKK	2025/26
Cost, beginning of year	56
Revaluation, beginning of year	889
Profit or loss for the year	120
Currency adjustments	32
Carrying amount, end of year	**1,097**

Subsidiaries

tDKK	Registered office	Ownership
Scandinavian Medical Solutions Inc.	Santa Ana, USA	100%
Scandinavian Medical Solutions Sarl	Paris, France	100%

6. Inventories, receivables and prepaid expenses

Inventories are measured net of write-downs to net realizable value. Inventories have been written down by DKK 6,500 thousand at 30 September 2026.

Trade receivables are measured net of write-downs for bad debts. Trade receivables include a receivable from one customer which has been written down by DKK 1,000 thousand. The Company has obtained a judgment against the customer for an amount exceeding the carrying amount and continues to pursue the full claim. The carrying amount is based on management's assessment of the likely recovery.

Prepaid expenses consist of prepaid insurances, licenses etc.

7. Non-current liabilities

Lease liabilities amount to DKK 40,202 thousand, of which DKK 4,534 thousand is due after five years.

8. Non-recognized lease and rental liabilities

Parent company
The parent company has entered into operating leasing agreements with a contractual obligation of DKK 176 thousand. Of the contractual obligation, DKK 176 thousand falls due within 1 year from the balance sheet date.
The parent company has entered into rent obligations with a contractual obligation of DKK 1,046 thousand. Of the contractual obligation, DKK 1,005 thousand falls due within 1 year from the balance sheet date.

Group
The group has entered into operating leasing agreements with a contractual obligation of DKK 176 thousand. Of the contractual obligation, DKK 176 thousand falls due within 1 year from the balance sheet date.
The group has entered into rent obligations with a contractual obligation of DKK 1,892 thousand. Of the contractual obligation, DKK 1,851 thousand falls due within 1 year from the balance sheet date.

Notes to the financial statements

9. Contingent liabilities and other commitments

The Group was, until 21 November 2022, jointly taxed with all Danish-affiliated companies, but is hereafter independently taxed due to changes in the ownership structure. The Danish entities were jointly and severally liable for tax on the Group's jointly taxed income until the end of the joint taxation. The jointly taxed entities' total net liability to SKAT amounted to DKK 0 thousand on 30 September 2026. Any subsequent corrections of the taxable income subject to joint taxation or withholding taxes on dividends, etc., may increase the entities' liability. The Group is not liable to any other parties.

As part of the Group's ongoing purchase and sale of pre-owned equipment, the Group continuously submits indications of interest to purchase equipment for takeover after the end of the financial year. Such indications of interest are not binding and are therefore not quantified. At 30 September 2026, the Group had made down payments on two systems for which the purchase has subsequently been completed. The remaining purchase price 30 September 2026 amounts to DKK 2,000 thousand.

10. Pledges and collateral

Parent: As collateral toward financial institutions with a liability of DKK 22,897 thousand as of 30 September 2026, a company pledge of DKK 33,500 thousand and an additional DKK 1,500 thousand has been provided with collateral in operating equipment and fixtures, leasehold improvements, rental assets, inventories, and trade receivables. The carrying value of pledged assets amount to DKK 117,608 thousand as of 30 September 2026. Rental assets financed under finance lease with a carrying amount of DKK 32,084 thousand are pledged toward the leasing company with leasing liabilities of DKK 40,202 thousand as of 30 September 2026.

Group: As collateral toward financial institutions with a liability of DKK 22,897 thousand as of 30 September 2026, a company pledge of DKK 33,500 thousand and an additional DKK 1,500 thousand has been provided with collateral in operating equipment and fixtures, leasehold improvements, rental assets, inventories, and trade receivables. The carrying value of pledged assets amount to DKK 123,386 thousand as of 30 September 2026. Rental assets financed under finance lease with a carrying amount of DKK 32,084 thousand are pledged toward the leasing company with leasing liabilities of DKK 40,202 thousand as of 30 September 2026.

11. Related parties

Related parties comprise the Board of Directors, Executive Board, their close family members and companies. No owners exercise control. Through holding companies, the CEO of SMS US Jens Krohn, has an ownership stake of 32.7% of the company and thereby significant influence. The following transactions with related parties occurred during the financial year (all amounts in tDKK).

Related-party transactions (parent)

tDKK	2025/26
Sale of goods to group entities	19,710
Management fee to group entities	3,493
Purchase of services from group entities	1,443
Interest income from group entities	351

12. Change in net working capital (group)

tDKK	2025/26	2024/25
Change, inventories	22,572	-25,157
Change, receivables	9,136	-3,386
Change, trade payables	-22,426	9,210
Change, other payables	4,440	-1,699
Transferred between fixed assets and inventories	6,376	0
Currency adjustments	-236	-123
Change in net working capital	**19,862**	**-21,155**

Accounting policies

Basis of preparation

The annual report has been prepared in accordance with Danish financial statements legislation and generally accepted accounting principles. It has also been prepared in accordance with the provisions applying to reporting class C medium-sized entities under the Danish Financial Statements Act. These policies have been consistently applied throughout the years.

Reclassification

Referring to the true and fair view set out in the Danish Financial Statements Act, the Company has reclassified individual items in the income statement. The reclassifications have affected the items Cost of goods sold, Other external costs and Staff costs but have not affected results before tax, results for the year or equity. Comparative figures have been restated accordingly.

Recognition and measurement

Assets are recognized in the balance sheet when, because of a past event, it is probable that future economic benefits will flow to the company and when the asset's value can be reliably measured. Liabilities are recognized in the balance sheet when, because of a past event, the company has a legal or actual obligation, and it is probable that future financial benefits will flow from the company. The value of the obligation can be measured reliably. On initial recognition, assets and liabilities are measured at cost price. Measurement after initial recognition is done as described for each accounting item below. On recognition and measurement, anticipated losses and risks that appear before the annual report's presentation and confirm or invalidate conditions existing at the balance sheet date are considered. The income is recognized in the income statement as earned. Furthermore, all costs incurred to earn the profit for the year have been recognized in the income statement.

Foreign currency translation

The Company uses DKK as its functional and presentation currency. Transactions in foreign currency will be translated upon initial recognition at the exchange rate on the day of the transaction.

Receivables, liabilities, and other monetary items in foreign currency that have not been settled on the balance sheet date are converted at the balance sheet date's exchange rate. Exchange rate differences that arise between the exchange rate on the day of the transaction and the exchange rate on the payment date and the balance sheet date are recognized in the income statement as financial items. Tangible and intangible fixed assets, inventories, and other non-monetary assets purchased in foreign currency are converted at historical rates.

Net revenue

The income statement recognizes net revenue from selling parts and equipment when delivery and risk transfer to the buyer has occurred. The date of transfer of the most significant benefits and risks is determined using standard Incoterms ®2020. The point of revenue recognition is when the agreed delivery obligations are met. Lease income from rental assets and income from service contracts is recognized in the income statement ratably over the term of the agreements. Net revenue is recognized excluding VAT, taxes, and discounts in connection with the sale and is measured at the fair value of the fixed consideration.

Cost of goods sold

The cost of goods sold includes the financial year's sales, which are measured at cost price and adjusted for usual inventory write-downs.

Other external costs

Other external costs include costs related to the company's primary activities, including premises, office maintenance, sales, promotion, etc.

Staff costs

Staff costs include wages, salaries, social security, pensions, etc., for the company's employees. Received refunds are offset in salary costs and disclosed in note 1.

Accounting policies

Warrants

Warrants granted free of charge to the Company's employees, management, and board of directors are considered transactions among shareholders. They are, therefore, not recognized in the financial statements when granted. When warrants are exercised, the proceeds are recognized in equity as capital contribution.

Income from equity investments in subsidiaries

The proportionate share of the individual subsidiaries' profit/loss after tax is recognized in the Parent Company's income statement after full elimination of intra-group gains/losses and amortization of goodwill.

Financial income and expenses

Financial income consists of interest income, including net exchange rate gains relating to transactions in foreign currency.

Financial expenses consist of interest costs, including interest related to financial leases, net exchange rate losses relating to transactions in foreign currency and additional interest costs.

Tax

The financial year's tax, which consists of the year's current tax and changes to deferred tax, is recognized in the income statement with the part that can be attributed to the financial year's result and directly in equity with the part that can be attributed to entries directly in the equity. Until 21 November 2022, the company was jointly taxed with all Danish-affiliated companies but is hereafter independently taxed. The current Danish corporation tax in the joint taxation period is distributed between the jointly taxed companies in proportion to their taxable income (full distribution with refund regarding tax losses). Joint tax contributions between the jointly taxed companies that have not been settled at the balance sheet date are classified as joint tax contributions in receivables or liabilities.

Tangible fixed assets

Tangible fixed assets are measured at cost price with accumulated depreciation and write-down deductions. The cost price includes the acquisition price, costs directly associated with the acquisition, and costs for preparing the asset until the asset is ready to be used. Tangible fixed assets under construction are recognized and measured at cost at the balance sheet date. When the asset is available for use, the cost is transferred to the relevant class of assets, and depreciation begins. The depreciation basis is cost price with a deduction of expected residual value after the end of the useful life. Straight-line depreciation is carried out based on the following assessment of the assets' expected valuable lives:

- Operating equipment and fixtures 3-5 years
- Leasehold improvements 5-7 years
- Rental assets 4-10 years

Estimated useful lives and residual values are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognized prospectively. Rental assets that cease to be rented and are available for sale to others during the ordinary business are transferred to inventories at their carrying amount when they become held for sale. Proceeds from the sale of such assets are recognized as revenue. Gains and losses on the disposal of other tangible assets are determined as the difference between the net disposal proceeds and the carrying amount of the item at the date of disposal. Gains and losses are recognized in the income statement as other operating income or other operating costs, respectively.

Leases

On initial recognition, leases of tangible assets with the Company as lessee that transfer substantially all risks and rewards incident to ownership to the Company (finance leases) are recognized in the balance sheet at the lower of fair value and the net present value of future lease payments. When the net present value is calculated, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor. Assets held under finance leases are subsequently depreciated as the Company's other fixed assets.

Accounting policies

Leases, continued

The capitalized lease obligation is recognized in the balance sheet as a liability at amortized cost, allowing the interest element of the lease payment to be recognized in the income statement over the lease term. All other leases are operating leases. Payments relating to operating and other leases are recognized in the income statement over the lease term. The Company's total obligation relating to operating and other leases is disclosed as contractual obligations, contingencies, etc. Sale-and-finance-leaseback transactions are recognized as financing transactions with security in the underlying asset, which is not derecognized. The finance lease liability is recognized at the received net proceeds and measured at amortized cost. For leasing contracts for rental assets with the Company as a lessor, it is determined at initial recognition whether the contract is a finance or an operating lease. Finance leases are recognized as a sale of the underlying asset. For operating leases, the underlying asset is presented as rental assets, and rental income is recognized straight-line over the rental period.

Financial assets

Lease deposits are measured at amortized cost price. Equity investments in subsidiaries are measured at the proportionate share of the entities' net asset value calculated in accordance with the Parent Company's accounting policies plus or minus unrealized intra-group gains or losses and plus or minus the residual value of positive and negative goodwill calculated in accordance with the acquisition method. Equity investments in subsidiaries with negative net asset values are measured at DKK 0, and any receivables from these entities are written down to the extent that the receivables are deemed irrecoverable. To the extent that the Parent Company has a legal or constructive obligation to cover a negative balance exceeding the receivable, the residual amount is recognized as provisions. Part of the receivable from the subsidiary is long term and therefore presented as non-current financial asset in addition to investment.

Impairment of fixed assets

The carrying amount of property, plant and equipment as well as equity investments in subsidiaries and other financial assets is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation. Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount. The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life. Previously recognized write-downs are reversed when the basis for the write-down no longer exists.

Inventory

Inventory and prepayments for goods are measured at cost price or net realizable value if this is lower. The cost price includes the acquisition price with the addition of purchase costs, helium, delivery costs, and packaging materials. The net realizable value of inventories is calculated as the sales amount minus costs of completion and costs necessary to make the sale. It is determined considering marketability, obsolescence, and development in expected selling price.

Receivables

Receivables are measured at amortized cost price, which usually corresponds to nominal value, with a deduction of write-downs to cover expected losses.

Deferred tax

Deferred tax is measured according to the liability method. Provision has been made for deferred tax by statutory rate on all temporary differences between the carrying amount and tax-based value of assets and liabilities. Deferred tax is also measured for the planned use of the asset and the settlement of the liability.

Accounting policies

Prepayments

Prepayments comprise prepayments of costs incurred relating to subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents include cash deposits.

Equity

Net revaluation reserve according to the equity method comprises net revaluation of equity investments in subsidiaries and participating interests (including associates) in proportion to cost. Dividends that are expected to be received before the balance sheet date are not tied to the reserve. The reserve can be eliminated in case of loss, realization of equity investments or changes to accounting estimates. The reserve cannot be recognized at a negative amount.

The translation reserve comprises the share of foreign exchange differences arising on translation of financial statements of entities that have a functional currency other than DKK, foreign exchange adjustments of assets and liabilities considered part of the Company's net investments in such entities and foreign exchange adjustments regarding hedging transactions that hedge the Company's net investments in such entities. The reserve is dissolved on the sale of foreign entities or if the conditions for effective hedging no longer exist. When equity investments in group entities and participating interests in the parent company financial statements are subject to the limitation requirement in the net revaluation reserve according to the equity method, foreign exchange adjustments will be included in this equity reserve instead.

Prepayments from customers

Prepayments received from customers include amounts received from customers prior to the time of delivery.

Other liabilities

Other liabilities are measured at amortized cost, which typically corresponds to nominal value.

Cash flow statement

The cash flow statement shows cash flows relating to operations, investments, and financing, as well as cash and cash equivalents at the beginning and end of the year. Cash flows relating to operating activities are presented using the indirect method.

They are calculated as the operating result adjusted for non-cash operating items, change in working capital, paid financial income, financial expenses, and corporation tax. Cash flows relating to investment activities include payments concerning the purchase and sale of non-current assets. Cash flows relating to financing activities include changes in the size or composition of the company's capital and the costs associated with this, as well as the taking out of loans, repayment of interest-bearing debt, leasing debt, purchase of treasury shares, and payment of dividends. Cash and cash equivalents include cash holdings, less overdraft facilities when they are repayable on demand, form an integral part of the Company's cash management, and frequently fluctuate from positive to overdrawn.

Company information

Parent company

Scandinavian Medical Solutions A/S
Gasværksvej 48, 1.tv.
9000 Aalborg, Denmark
CVR no. 39901749
Registered office: Aalborg

Financial year
1 October 2025 to 30 September 2026

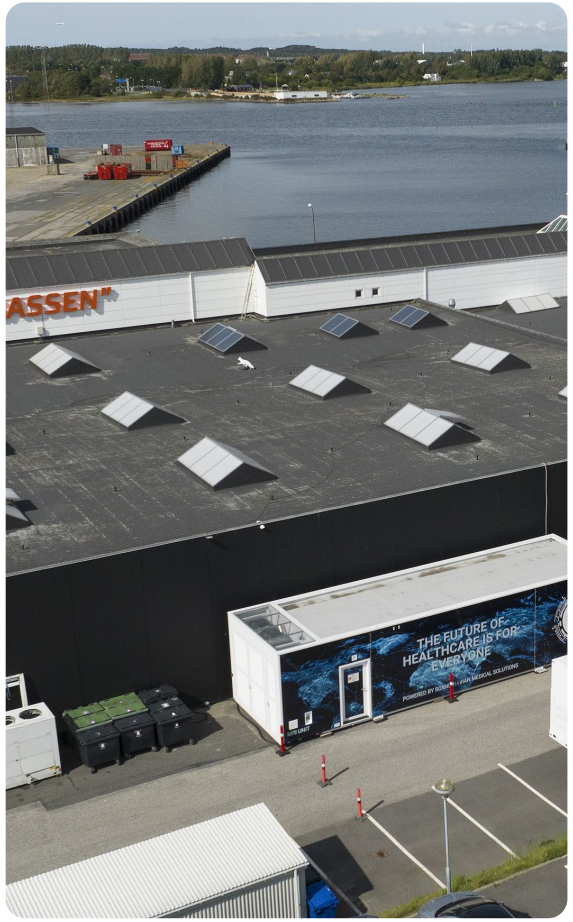
Subsidiaries

Scandinavian Medical Solutions Inc.
221 W Dyer Road, Santa Ana
CA 92707, United States

Scandinavian Medical Solutions Sarl
23/25 Avenue Mac-Mahon
75017 Paris, France

Executive Board

Henrik Ostenfeld Larsen
Interim CEO
Jens Krohn
CEO US
Patrick Remon Gammelholm
Chief Commercial Officer



Board of Directors

Jonas Wulff Møller
Chair
Lene Gram Skjoldager
Deputy chair
Morten Rasmussen
Board member
Henrik Ostenfeld Larsen
Board member

Auditor and Certified Adviser

KPMG
Statsautoriseret Revisionspartnerselskab

HC Andersen Capital
Bredgade 23B, 2. sal
1260 København K

Financial calendar

9 December 2026
Annual general meeting
19 May 2027
Half-year report 2026/27
17 November 2027
Annual report 2026/27

Names and roles as announced on 16 September 2026. Photo: SMS's warehouse and offices by the harbor in Aalborg.

The future of healthcare is for everyone

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