Year-end report

January 1 – December 31, 2020

The fourth quarter in figures

- Net sales amounted to TSEK 3,055 (2,800).
- The loss after tax amounted to TSEK 9,839 (10,207).
- The loss per share amounted to SEK 0.20 (0.61).
- The cash flow from current operations was negative in the amount of TSEK 10,290 (8,842).
- The gross margin reached 49.4% (58.0%).
- Electrode sales volume increased by 4% and reached 7,492 (7,180) units. Repeat sales of electrodes to existing customers increased by 6%.

The full year in figures

- Net sales amounted to TSEK 9,521 (9,276).
- The loss after tax amounted to TSEK 34,989 (39,594).
- The loss per share amounted to SEK 1.12 (2.38).
- The cash flow from current operations was negative in the amount of TSEK 33,861 (37,956).
- The gross margin reached 52.5% (54.5%).
- Electrode sales volume increased by 8% and reached 25,686 (23,724) units. Repeat sales of electrodes to existing customers increased by 9%.

Important events during the quarter

- The negative impact of Covid-19 seen in the first half of the year lessened in Q3 and in Q4 sales reached a new quarterly high. Sales in the company's key market Germany increased by 15% while overall sales increased by 9%. The market situation however remains difficult to predict going forward, due to ongoing lockdowns and reduced marketing activities.
- SciBase announced the outcome of the exercise of warrants of series TO1. In total 91.4% of the warrants were subscribed for at a price of SEK 1.75, raising MSEK 30 net.
- Nevisense Go, SciBase's next generation handheld platform, was released at the end of October. The first version of Nevisense Go will be used by researchers and industrial partners to assess skin barrier function.
- SciBase was granted a Category III CPT® code for the Nevisense melanoma detection test in the US
- Two US studies showing improved detection of melanoma by clinicians with Nevisense were published in leading US journals. The studies compared the evaluation of atypical, pigmented skin lesions using visual evaluation alone to visual evaluation plus Nevisense.
- The first study validating the use of Nevisense in Non-melanoma skin cancer was published.
- Nevisense was included in infant study at Mount Sinai Hospital in New York. Nevisense will be used to measure skin properties including barrier function and evaluate whether these measurements can help predict the development of allergies or monitor their progress.
- Linn Olsen, SciBase's head of production and supply chain, has been appointed as a member of the management team.

Important events after the end of the period

- A further German study evaluating the value of using Nevisense on suspected Non-melanoma skin cancer (NMSC, also known as Keratinocyte cancer) in normal clinical practice was published.
- A nominating committee was appointed.

Financial overview

	July 1 - Sep 30		Jan 1 - Sep 30	
THE GROUP	2020	2019	2020	2019
Net sales, SEK ths	3 055	2 800	9 521	9 276
Gross margin, %	49,4%	58,0%	52,5%	54,5%
Equity/Asset ratio, %	79,1%	69,4%	79,1%	69,4%
Net indebtness, multiple	0,26	0,44	0,26	0,44
Cash equivalents, SEK ths	41 427	26 456	41 427	26 456
Cashflow from operating activities, SEK ths	-10 290	-8 842	-33 861	-37 956
Earnings per share (before and after dilution), SEK	-0,20	-0,61	-1,12	-2,38
Shareholder's equity per share, SEK	0,96	1,93	1,50	1,93
Average number of shares, 000'	48 707	16 618	31 287	16 618
Number of shares at closing of period, 000'	54 780	16 618	54 780	16 618
Share price at end of period, SEK	4,62	4,36	4,62	4,36
Number of sold electrodes, pieces	7 492	7 180	25 686	23 724
Average number of employees	17	18	16	18

Definitions and a glossary are provided on page 20.

Comment by CEO Simon Grant

"Challenging start, strong ending to the year"

Q4 Highlights

- Despite ongoing effects of the pandemic, sales in Q4 increased by 9% (+13% when cleared for currency effects) driven by German system sales. Electrode sales increased by 4%.
- Germany was profitable on a local basis in the quarter and overall for the year.
- After delays due to Covid-19, all planned installations for the pilot phase with US' largest dermatology practice group, Advanced Dermatology and Cosmetic Surgery (ADCS) were completed.
- A CPT III procedure code was granted for the Nevisense procedure in the US.
- SciBase's new platform Nevisense Go was released for research use within skin barrier.
- Two new clinical studies for the new NMSC application were published showing positive results for Nevisense.

Strategy recap - growth areas

Sales growth is key for SciBase and there are three growth areas that are the focus of the SciBase strategy. As background, here is a recap of those areas:

1. **Sales growth in Germany** – continued profitable sales growth based on increased penetration and usage with Nevisense 3.0 and new clinical applications, especially non-melanoma skin cancer (NMSC).
2. **Reimbursement in US** – focus is on gaining traction with Dermatology practice groups such as our partner Advanced Dermatology and Cosmetic Surgery Group (ADCS), and securing insurance coverage for the new Category III CPT®(CPT III) code which will be live from July 1st 2021
3. **New applications, markets and potential** - Leverage Nevisense and the new Nevisense Go technology platform to launch additional clinical applications, starting with NMSC and skin barrier assessment. The initial focus for Nevisense Go will be the research and Industry market for barrier, but over time it will drive use in broader, non-specialist customer groups and even potentially in the home.

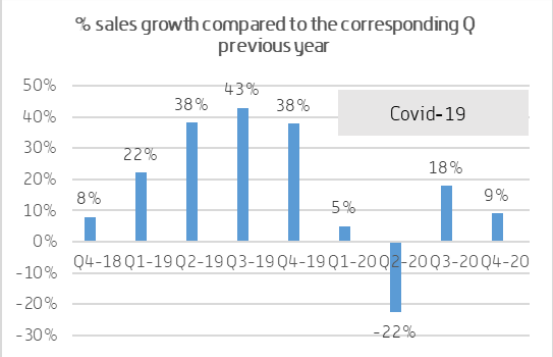
Record sales quarter despite Covid-19

Achieving a quarterly sales record of MSEK 3.1 (+9%, 13% cleared for currency effects) in these trying times is something we are proud of.

The pandemic affected the market significantly in the first half of the year. There was an improvement in sales activity in Q3 and that improvement continued in Q4. Our sales team, and especially Germany, delivered a good fourth quarter, even with extended Covid lockdowns. We pushed hard with the tools available such as virtual meetings and an end of year campaign. We saw improved new system sales in Germany and sales of electrodes overall grew by 4%.

In the medium term we believe that our previous significant sales growth will return, as we get through the restrictions Covid-19 imposes on us right now.

For the full year we reached an overall sales growth of 3% (+4% cleared for currency effects) which we consider to be an acceptable outcome given the pandemic. However, sales continue to be hampered by Covid restrictions in Germany and the US, and we continue to have difficulties meeting new potential customers as congresses have either been cancelled or moved into a virtual setting.



Quarterly sales growth compared to the previous corresponding period.

In the quarter we invoiced ADCS in the US for the first electrodes as that relationship continues to develop. We also saw research sales within our new barrier indication to key industrial players and this included the first sale of our new device Nevisense Go.

The new application areas have also been impacted by Covid-19. Several research projects and clinical studies for both Non-Melanoma Skin Cancer (NMSC) and the barrier application have been slowed or delayed, and our MDR approval, though progressing, has taken much longer than expected. Although 2020 sales ended on a positive note, it is difficult to predict how the pandemic will affect research projects and sales in general going forward, especially as several countries and regions have entered new lock-down phases.

Non-melanoma Skin Cancer application

One of the growth drivers for 2021 will be our new Non-melanoma Skin Cancer (NMSC) application. Our customers see about ten times as many NMSC cases as melanoma cases and we believe this will both drive usage and help attract new customers, especially in Germany. The NMSC regulatory approval process is delayed but progressing, and we expect approval around the end of Q1. Two German studies have been published recently showing the utility of Nevisense within NMSC. The first study validating the use of Nevisense for the evaluation of lesions where there is a suspicion of non-melanoma skin cancer (NMSC) was in December published in "Acta Dermato-Venereologica and the

second was a retrospective study looking at nearly 1,000 patients published in January 2021 in "Skin Research &Technology".

US progress – CPT code and ADCS pilot installations finalized

A milestone for SciBase was that the Nevisense melanoma procedure was granted a Category III CPT® code at the American Medical Association (AMA) meeting in October. The code was published internally on January 1st, 2021 and will be accessible to providers and payers across the US from July 1st, 2021.

As of yet, the code does not have a payment attached to it, and the company will now focus on securing a suitable payment level and coverage with selected payors. Importantly, when the code is "effective" customers will be able to easily submit claims for reimbursement through existing billing systems. This will help track utilization which will support our efforts to achieve coverage, and our first objective is to achieve local Medicare coverage by CMS (Center for Medicare and Medicaid services) in selected states in 2021.

Key to the reimbursement effort is our collaboration with ADCS. During the fourth quarter all 21 systems at 18 sites planned for the ADCS pilot phase were installed. ADCS is important both from a potential future sales perspective but also crucial for our reimbursement strategy. ADCS is now in the evaluation phase which means making Nevisense and the method a part of their clinical workflow as well as submitting reimbursement claims. It is necessary to show insurance organisations that there is a demand for the procedure before applying for procedure coverage.

The US is a core market and a key part of our growth strategy. Reimbursement and practice groups such as ADCS are both central to our strategy as we generate traction and grow in the US. Covid-19 has affected the market and the ADCS rollout somewhat but we are hopeful that going forward this effect will lessen.

Germany achieves local profitability

One of our key goals for 2020 was that the German market be profitable on a local (consolidated) basis so we could focus investment on our new products and developing the US market. We achieved this in the third and fourth quarters and Germany was profitable overall for 2020. This is an important milestone and achievement for the Company and our German team given the initial and ongoing impact of Covid-19. Our German sales within skin cancer increased by 15% in value and with 5% in electrode volumes during the quarter. We continue to work to develop the German market, where there still remains significant penetration and revenue potential.

Barrier progress

Interest in this area continues to be high and in the fourth quarter we sold both Nevisense and Nevisense Go to major industrial players for use within the Barrier application. Both are now in the process of applying the method and testing the devices within different pediatric and adult applications. There are a number of clinical trials ongoing and we await the publication of some very interesting results.

Nevisense Go released and next steps

I was very pleased to announce the release of Nevisense Go on October 30th. Nevisense Go is a handheld version of Nevisense that is the first product based on our next generation platform. Central to the platform is a custom integrated circuit to perform our Electrical Impedance Spectroscopy (EIS) measurements, and a new AI platform embedded in the device to interpret those measurements. The plan is that the platform will eventually support both current and future clinical indications. It will also enable us to address broader 'non-specialist' markets, and even has potential for use in the home.

The first release of Nevisense Go will be for the assessment of the skin barrier, initially aimed at Industry partners and researchers. It was pleasing to sell Nevisense and Nevisense Go systems to the first of these industrial partners during Q4. The product is not yet linked to clinical indications (such as eczema or melanoma). Our activities so far lead us to believe that the market potential for research and Industry partners is significant and is a good first step for the product.

Nevisense Go is the culmination of a five-year collaboration with KTH (the Royal Institute of Technology) and our clinical partners SIAF in Davos - but on the other hand is just the very first step for the platform. Our focus is now to continue to develop the platform and to collect clinical data so that we can perform the regulatory work needed to release clinical indications.

MDR update

As we have received a number of questions from shareholders around the Medical Device Regulation (MDR) process, I thought I would update you on our status in some detail. MDR is a broad new framework of regulations for medical device manufacturers that is mandatory from May 2021. SciBase will be one of the first companies to achieve certification in Europe and it has been a priority for us because MDR is needed to release new indications such as our NMSC software application. So MDR certification will mean we can release the NMSC product in the EU.

We have developed, updated and submitted many hundreds of documents and gone through off-site and on-site audits. As with everything else MDR has been impacted by Covid-19 by travel restrictions and a shortage of resources at our approving authority ('notified body'), TÜV SÜD. Things have gone well, but more slowly than we had hoped. Still, we remain confident that we will receive our MDR certification around the end of the quarter. This is now in the hands of the internal processes of TÜV SÜD, and we hope that the remainder of the process can move quickly.

It is difficult to predict exactly what will happen in May when MDR becomes mandatory, but it is clear it will have significant consequences for the industry. SciBase is in a good position as this new framework is introduced and we believe MDR approval will provide us with a competitive advantage going forward.

Financing/Shareholders

In October we closed the second tranche of the March 2020 rights issue based on conversion of warrants. This resulted in an additional MSEK 30 (approximately) after issue costs. Given our current strategy the proceeds are sufficient to fund the company through to the fourth quarter 2021.

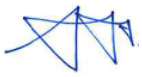
It has been very pleasing to see the continued increasing interest in SciBase. Our shareholder base continues to grow and is now over 3,700 shareholders. In the fourth quarter, two of our largest shareholders SEB Venture Capital and SEB pension fund, divested their holdings. Their intention to exit was communicated in 2017 as a result of SEB's decision to change investment strategy away from healthcare.

What a year…

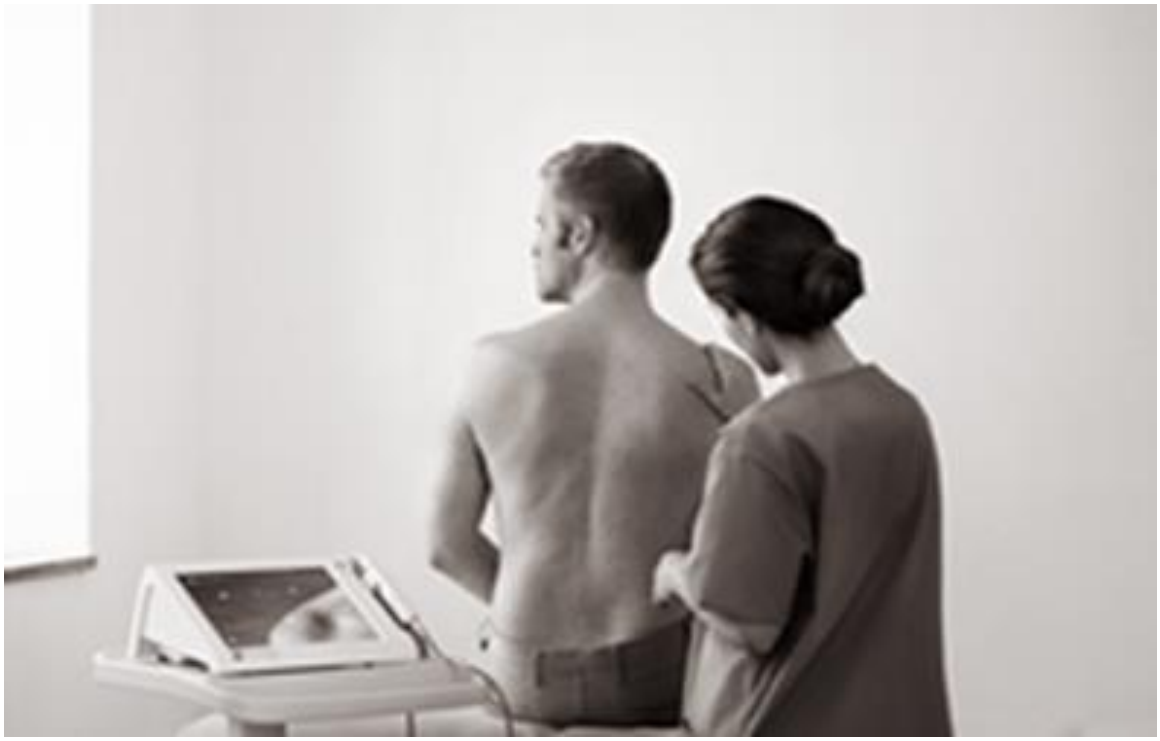
Covid-19 impact, lockdowns, new sales records, the release of Nevisense Go, a US CPT III code, MDR, new applications and two financing rounds. We have been busy. I'm really pleased we have managed all this given the restrictions and the team mostly working from home. For a small group I am proud that we continue to deliver so much.

Looking forward, I will be very happy to finalise MDR so we can release the NMSC application. I am also looking forward to the application development and rollout of Nevisense Go. Nevisense Go is truly a world first combining EIS and AI in a handheld platform, and it is exciting to start to work with that platform after five years of development. 2021 will be a very exiting year but it remains difficult to predict the ongoing impact of Covid.

The team and I thank you for your continued interest in SciBase and hope that you stay safe in these trying times.



Simon Grant, CEO
Sundbyberg February 19th, 2021



SciBase in brief

About SciBase

SciBase is a medical technology company that develops instruments for detection of skin cancer and other skin conditions. The Nevisense product can detect malignant melanoma, the most dangerous form of skin cancer, directly on the skin without needing to cut away suspected moles. The product is based on comprehensive research on Electrical Impedance Spectroscopy (EIS), and SciBase has conducted the largest study to date on the detection of malignant melanoma, in which Nevisense achieved excellent results. Nevisense is approved for sale in the United States (PMA), Europe (CE mark) and Australia (TGA).

In addition to detecting malignant melanoma, SciBase is working to add further clinical applications to Nevisense. By using Nevisense as a platform, the Company is integrating functionality that uses the EIS method in assessing other skin diseases, such as non-melanoma skin cancer and atopic dermatitis. SciBase is both conducting clinical trials with leading academic and clinical centers and working to commercialize the new applications.

SciBase was founded in 1998 by Stig Ollmar, a researcher at The Karolinska Institute, and has its headquarters in Stockholm. The company has been listed on Nasdaq First North Growth market since June 2, 2015.

Business model

The company's business model is based on customers initially purchasing a Nevisense or Nevisense Go instrument then buying consumables (electrodes) on an on-going basis. Each electrode can only be used on one patient but can test multiple moles or skin areas.

Short facts

- Skin cancer is the most common and fastest-growing form of cancer in the world.
- Malignant melanoma is the most dangerous form of skin cancer with a high mortality rate if not detected early.
- In the United States, expenditure for the treatment of malignant melanoma is approximately USD 3.3 billion annually, equivalent to 41% of expenditure for skin cancer. In a recent 5 year period, melanoma expenditure increased four-fold.
- Today, some 50-60 million annual examinations for malignant melanoma are performed, of which 5-6 million lead to excisions. Of these, some 86-97% are shown to be benign.
- With SciBase's Nevisense® the number of unnecessary interventions can be reduced by up to 50%, representing a reduction of over two million interventions annually and thus leading to significant cost savings.
- The number of patients affected by non-melanoma skin cancer (NMSC) is over ten times the number affected by melanoma. In the US there are approximately 2.8M cases of basal cell carcinoma (a common type of NMSC) each year
- Nevisense® provides physicians with an objective instrument to support better diagnoses.
- Management of atopic dermatitis (eczema) represents the greatest burden globally of all skin diseases. As many as 20 percent of all children and between 1 and 10 percent of all adults are afflicted by atopic dermatitis.

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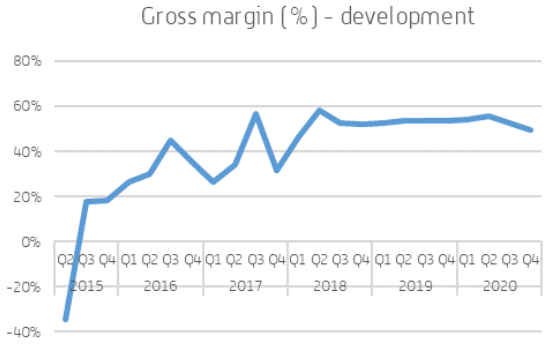
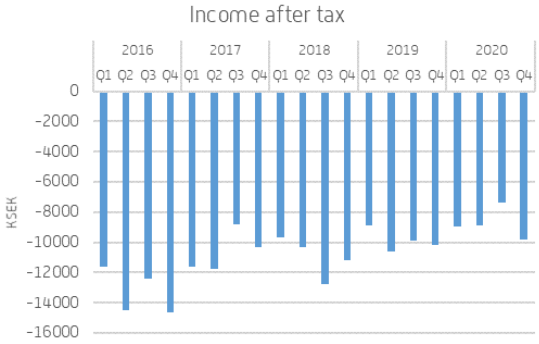
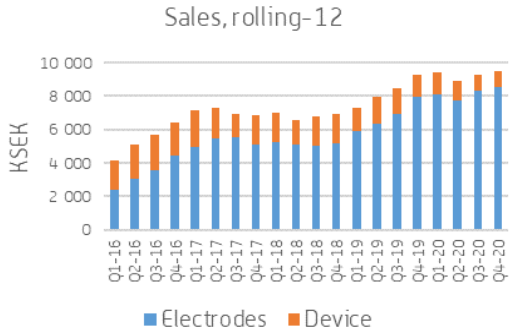
"We take pride in providing our patients with access to the most advanced technology for the earliest detection of melanoma,when the disease is at its most curable stage. Technological advances like Nevisense will not only improve outcomes for our patients, but also change the landscape for the future of skin cancer detection and we are thrilled to be a part of this advancement" Dr. Matt Leavitt, CEO and Founder of Advanced Dermatology and Cosmetic Surgery

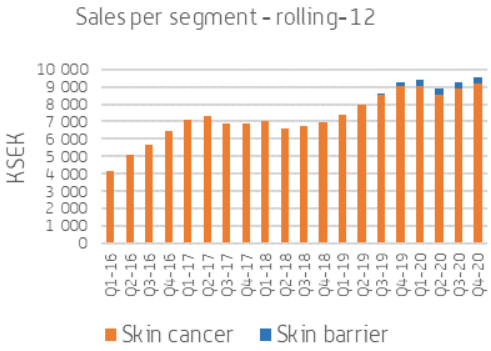
US facts

- In 2020 there are expected to be around 101,350 cases and 6,250 deaths from melanoma in the US
- There are more cases of skin cancer than all other cancers combined – though only 3% of these cases are melanoma
- Melanoma is the fifth most common cancer among men and the sixth most common for women
- The lifetime risk for melanoma in the US is 1 in 24









Fourth quarter

Net Sales

Net sales for the fourth quarter of 2020 amounted to TSEK 3,055 (2,800), an increase of 9%. Cleared for currency effects the sales increased by 13%. The strengthening SEK is now starting to affect the sales vs last year negatively. Sales of instruments amounted to TSEK 515 (471) and sales of electrodes to TSEK 2,540 (2,329). At the end of the quarter, a number of Nevisense were sold to new and existing customers partly as a result of a campaign offer and partly because Germany planned to increase its VAT from first of January 2021. During the quarter, the first Nevisense Go was sold to a major industrial player.

The Covid-19 pandemic affected the Group's sales negatively from mid-March and even though we have seen some kind of return to normal from the third quarter, the pandemic has continued to have a negative effect through lockdowns and reduced patient flow. The effect is most prominent as sales to new customers until the end of 2020 were limited.

In the German market, many customers temporarily closed their clinics, but almost all had reopened in Q3. However, during the fourth quarter, Germany once again entered a lockdown phase that is still ongoing. Many clinics are operating with a limited or reduced patient capacity. Physical customer visits have been reduced significantly and meetings are held virtually as far as possible.

In the United States, where the Company's focus is in the New York/tri-state area and Florida, activities were much reduced by Covid-19, and are returning to near pre-Covid levels. The cooperation with ADCS, the US's leading dermatology network, was initially slowed by the pandemic, but is now moving forward. In summary the Company saw positive signs from the end of June and these have continued through Q3 and Q4 and things are slowly returning to normal in both Germany and the US. However, it is clear that there remains a negative impact which is difficult to quantify and predict going forward.

Sales in Germany in the skin cancer area accounted for 88 (83%) of the sales in the period and increased by 15% compared to Q4 2019. In local currency the sales in Germany increased by 19%.

The total sales of electrodes in the quarter reached 7,492 (7,180), an increase of 4%. In Germany, the total sales of electrodes within skin cancer in volume increased by 5%. Total repeat sales of electrodes increased by 6%.

Operating profit/loss

The operating loss for the period October - December 2020 amounted to TSEK 9,792 (10,133), a decreased loss of TSEK 341. This is mainly due to reduced external activities such as meetings and travel. Due to the Covid-19 pandemic the Groups sales and marketing activities decreased following postponed congresses and a reduction of other marketing activities in general. In total the operating expenses decreased by 4% in Q4 compared to Q4 2019. The operating income was marginally negatively affected by currency effects.

Germany continues to be profitable locally on a consolidated level in both the quarter and for the year overall.

The gross margin in the period was 49.4 (58.0 %). This is below previous quarters due to negative currency effects and lower system pricing in a German sales campaign. When cleared for currency effects the gross margin would have been just over 51%. The overall margin

remains very dependent on electrode production and sales volumes and will vary between quarters.

Sales and marketing expenses decreased by TSEK 362 and amounted to TSEK 5,666 (6,028). The expenses decreased due to a general reduction of marketing activities.

Administration expenses for the period amounted to TSEK 2,639 (1,908), an increase of TSEK 731. The increase is mainly due to the new MDR-process (the new European framework - Medical Device Regulations), increased patent expenses, retroactive salary adjustments and in Q4 2019 a dissolving of over accrued board fees.

Development expenses for the period amounted to TSEK 2,099 (2,773), a decrease of TSEK 674. The costs have decreased as a result of lower costs for clinical studies as these are difficult to carry out/start during the ongoing pandemic and due to lower project expenses. License fee payments for the ASIC (Application Specific Integrated Circuit) used in Nevisense Go were planned for the quarter but will instead be paid in the first half of 2021.

Cash flow, investments and financial position

At the beginning of the period, cash and cash equivalents amounted to TSEK 21,724 and, at the end of the period, to TSEK 41,427. In the period the Group raised net, after issue costs, approximately MSEK 30.4 through a conversion of warrants.

Cash flow from current operations for the period was negative to the amount of TSEK 10,290 (8,842), of which changes in working capital amounted to a negative TSEK 1,381 (negative 595) which is mainly attributable to the build-up of inventory. The negative operating cash flow deteriorated mainly due to changes in working capital and that the operating loss in 2019 included a number of non-cashflow items. Total cash flow for the period was positive to the amount of TSEK 19,704 (negative 9,483). The total cashflow was positive thanks to the above mentioned capital raise.

Net investments in tangible assets for the period amounted to TSEK 0 (189). Investments in intangible assets for the period amounted to TSEK 0 (0).

Depreciation of tangible assets was charged against earnings for the period to the value of TSEK 680 (746) of which TSEK 436 (453) are due to leased assets.

Full Year

Net Sales

Net sales for the full year 2020 amounted to TSEK 9,521 (9,276) which, in-spite of Covid-19, is an increase of 3% compared to 2019. Cleared for currency effects the sales increase would have been 4%. Sales of instruments accounted for TSEK 947 (1,285) and sales of electrodes for TSEK 8,573 (7,991). The Covid-19 pandemic had the largest negative effect on the Group's sales from mid-March and up to the end of the second quarter but has also continued to affect sales negatively. During this period, in both Germany and the US, many customers temporarily closed their clinics which led to decreased sales and no possibility for physical customer meetings. Postponed or cancelled congresses have impacted the sales negatively as there were limited opportunities to meet new customers. Recurring lockdowns such as in Germany, for example, have also had a negative impact on sales. During the third quarter a recovery in electrode sales to existing customers was seen which has continued during Q4, when we also saw an improvement in system sales in Germany.

Sales for the skin cancer application in Germany accounted for 91 (95%) of the sales in the year and reached the same level of sales as in 2019. In local currency the sales in Germany increased by 1%.

The total sales of electrodes in the period reached 25,686 (23,724), an increase of 8%. In Germany, the total sales of electrodes in volume increased by 5%. Total repeat sales of electrodes increased by 9%.

Operating profit/loss

The operating loss for the full year 2020 amounted to TSEK 34,770 (39,405), a decreased loss of TSEK 4,634. The recovery of sales during the second half of 2020 to existing customers and reduced external expenses due to Covid-19 are the main reasons for the decreased loss. The group's sales and marketing expenses decreased as a result of cancelled congresses, reduced work hours for the German sales force in the second quarter and an overall decrease of marketing activities due to Covid-19. In total the operating expenses decreased by 11% compared to 2019. The operating income has only been marginally negatively impacted by currency effects.

The gross margin in the period was 52.5 (54.5 %) and continues to be stable at a level above 50%. When cleared for currency effects the gross margin would have been around 53.0%. Apart from currency effects the margin compared to 2019 was negatively impacted by market mix (initially lower margin in the US) and an end of the year campaign in Germany. The overall margin remains very dependent on electrode production and sales volumes and will vary between quarters.

Sales and marketing expenses decreased by TSEK 2,972 and amounted to TSEK 20,295 (23,268). The expenses decreased mainly because of a lower activity level due to Covid-19 with cancelled congresses, overall reduction of marketing activities, reduced work hours for the German sales staff during the second quarter and reduced travel. The company received Covid-19 support from German authorities of approximately KSEK 40 to cover extra costs related to the reduced work hours.

Administration expenses for the period amounted to TSEK 9,670 (8,264), an increase of TSEK 1,406. The increase is mainly attributable to the ongoing MDR process, financing costs not taken against equity, increased patent expenses and salary adjustments.

Development expenses for the period amounted to TSEK 8,942 (11,288), a decrease of TSEK 2,346. The reduction is mainly a result of lower costs for clinical studies as these are difficult to implement / start during the ongoing pandemic.

Cash flow, investments and financial position

At the beginning of the year, cash and cash equivalents amounted to TSEK 26,456 and, at the end of the year, to TSEK 41,427.

Cash flow from current operations for the period was negative to the amount of TSEK 33,861 (37,956), of which changes in working capital amounted to a negative TSEK 1,688 (negative 2,259). The negative operating cash flow mainly improved due to the improved loss following reduced activity levels due to Covid-19 and to changes in working capital. Total cash flow for the period was positive to the amount of TSEK 14,895 (negative 41,006). During 2020 a new share issue was performed in two steps raising net MSEK 49.6 after issue costs. The total issue costs amounted to MSEK 7.2.

Net investments in tangible assets for the period amounted to TSEK 299 (1,347) and mainly involved investments in production tools and leasing cars were the leasing period ended. Investments in intangible assets for the period amounted to TSEK 0 (0). In the second quarter, a financial asset of KSEK 1,157 was sold.

Depreciation of tangible assets was charged against earnings for the period to the value of TSEK 2,606(2,852) of which TSEK 1,742 (1,781) are due to leased assets.

At the Extraordinary General Meeting held on April 29, 2020 it was decided to reduce the share capital through a reduction of the quota value per share from SEK 3.70 to SEK 0.05. This reduction was registered on August 18, 2020 by Bolagsverket.

Other disclosures

Shareholders

At the end of the year, SciBase Holding AB had approximately 3,700 shareholders, of whom the five largest represented approximately 40.6% of the capital and votes. The total number of shares amounts to 54,780,086. The largest shareholders as per December 31, 2020 were Fouriertransform AB (11%), Nordnet pensionsförsäkring (9%), Futur Pension (9%), Avanza pension (9%) samt SEB Life Intl Assurance, IE (3%).

In May 2020, a rights offering was performed, were 19,941,721 new shares were subscribed at a subscription price of SEK 1.25. In connection to the rights offering 19,941,721 warrants (TO 1) were issued with the right to during the period October 5 – October 16, 2020 subscribe 1 new share per warrant. In October, the subscription price was set at the maximum of SEK 1.75 per share and in Q4, 18,220,264 (approximately 91.4% of the total number) warrants were exercised to subscribe for 18,220,264 shares. After conversion, the number of shares in SciBase Holding AB amounts to 54,780,086.

The incentive program that was resolved at an extraordinary shareholders meeting held on April 28, 2015 expired in June 2020 without any options being exercised.

Market overview

SciBase is active in skin cancer detection as well as examination of the skin barrier function.

Skin cancer is believed to be the most common form of cancer in the world. More than 3.5 million cases of skin cancer are reported every year in the US alone, which is more than all other cancers combined. Currently around 50 million formal skin cancer screenings are estimated to be performed annually in SciBase's target geographies. The cost for these 50 million screenings is estimated to be around USD 2 billion. Around 10-15% of patients exhibit lesions that are atypical and can be difficult to judge. Though there is considerable variation, approximately 10% or 5 million lesions are suspicious enough to be excised. These 5 million annual excisions represent SciBase's initial target market where Nevisense could help to improve the quality of the diagnosis.

Of the five million estimated annual excisions performed in SciBase's target markets around 86-97% are later found to be benign. Uncertainty in the detection of malignant melanoma due to inexperience and limitations of visual screening methods leads physicians to excise many lesions 'just in case', as physicians do not want to risk missing a melanoma. Despite this over-excision as many as 13% of all melanomas are missed. The excision and biopsy of benign (harmless, i.e. not skin cancers) lesions due to uncertainty of visual screening methods is estimated to cost payers around USD 1.5 billion annually. SciBase estimates that Nevisense could reduce the number of benign lesion excisions by 34-50%.

Non-melanoma skin cancer is the most common form of skin cancer but is in general less dangerous than melanoma but it is much more common and still requires detection and treatment. The number of patients affected by NMSC is more than ten times the number affected by melanoma. As an example, in Sweden there are fewer than 4,000 melanoma cases per year and more than 47,000 bases of Basal Cell Carcinoma (BCC) per year. In the US there more than 87,000 cases of melanoma and approximately 2.8 million of cases of BCC every year.

An exciting new application area is skin barrier assessment. The skin barrier stops irritants and allergens entering and water from leaving the body. An impaired skin barrier at birth can for instance be a predictor of the development of Atopic Dermatitis (AD) or eczema. The development of AD often precedes the development of other atopic diseases such as food allergies, allergic rhinitis and asthma. The ability to easily detect an impaired skin barrier can help detect, manage and treat atopic diseases before the development of AD. There is a high interest from the research community and this group will be the short-term sales target within the barrier area.

Employees

At the end of the period, the number of employees amounted to 18 (19), of whom 22 (32)% were women. This includes the production employees at our Uppsala

electrode production facility and salespeople in Germany.

Financing

The Board of Directors regularly reviews the company's existing and forecast cash flows to ensure that the company has the funds and resources necessary to pursue operations and strategic focus adopted by the Board. The company's long-term cash requirements are determined by how successful the Company will be able to commercialize its product Nevisense. Commercialization is, in turn, dependent on a variety of factors that will affect the need, including costs related to being included in insurance systems, granted compensation levels therein, marketing costs and obtaining and enforcing regulatory requirements.

As of December 31, 2020, the Group's cash and cash equivalents amounted to SEK 41.4 million. Based on the positive sales trend in Germany, the positive signals from the US market and the promising new application areas, (excluding Covid-19 effects) the Board believes that the Company is on the right track. Given the capital raises in May and October of this year, which in total raised net MSEK 49.2, it is the Board's opinion that the company has sufficient working capital until the beginning of Q4 2021. Given the current strategic plan, these funds are not considered sufficient to finance operations until a positive cash flow is achieved. The Board of Directors is with confidence evaluating various financing options for the Company.

The during 2020 raised capital will enable the Company to take further steps in the US market and achieve certain key milestones.

Transactions with related parties

During the period, the parent Company SciBase Holding AB has invoiced TSEK 4,306 (4,306) to the fully owned subsidiary SciBase AB, which corresponds to a 100% of the parent Company's turnover in the period. During the reporting period there were no other transactions with related parties that had any material impact on the Group or Parent Company's position and earnings.

Risks and uncertainty

The principal risks and sources of uncertainty for SciBase include, albeit not exclusively, financial risks, such as the future earnings trend, financing, and currency and credit risks. In addition to market risks, there are also risks associated with SciBase's operations, such as obtaining necessary approval from authorities, product development, patents and intellectual property rights, product responsibility and forward-looking information. Nor are there any guarantees that the Company will be able to secure the financial resources necessary to conduct its operations. Further information on the Company's risk exposure can be found on pages 13-17 of SciBase's 2019 Annual Report.

Parent Company

SciBase Holding AB (publ), corporate identity number 556773-4768, is the Parent Company of the Group. The company was formed in 2009 following a restructuring of the Group. The actual operations are conducted by the fully owned subsidiary SciBase AB.

As per December 30, 2020, there were three employees, the CEO and the Groups finance department. The operations consist of consulting activities for the rest of the Group. The company's main task is of a financial nature – to fund the Group's operational activities.

Net sales for the period reached TSEK 4,306 (4,306). The loss for the period amounted to TSEK 32,160 (36,564). The Company's net sales consist of invoiced consultancy fees to the fully owned subsidiary SciBase AB.

The shareholders' contributions to the fully owned subsidiary SciBase AB from 2016 and is charged to earnings and not booked as a financial tangible asset. The shareholders contribution expensed in the period was MSEK 26,8 (32,3).

Significant events during the quarter

The board of directors of SciBase resolved, on 26 March 2020, to carry out a fully guaranteed rights issue of up to 19,941,721 units at a subscription price of SEK 1.25 per unit. Each unit consisted of one (1) share and one (1) warrant free of charge, and every warrant entitled the holder to subscribe for one (1) new share in the Company. The subscription price for a new share converting a warrant of series TO1 was set to the maximum of SEK 1,75 per share. In total, 18,220,264 warrants of series TO1 was used for subscription of 18,220,264 shares, meaning that approximately 91.4 percent of the total number of warrants issued in series TO1 were used for subscription of shares. SciBase was hereby provided with a total of approximately SEK 31.9 million before deduction of issue costs. The number of shares and votes in the Company hereby increased by 18,220,264, from 36,559,822 to 54,780,086 shares and votes. The dilution for shareholders' who did not exercise any warrants for subscription of new shares amounts to a total of approximately 33.3 percent based on the total number of shares in the Company following the completion of the rights issue and the exercise of the warrants.

SciBase announced the release of the first device based on their new platform, Nevisense Go. Nevisense Go is a handheld and fully portable device the size of a large Pen. It combines the company's core Electrical Impedance Spectroscopy (EIS) measurement technology with a new AI-based analysis platform embedded in the device. The result is a flexible platform that will be significantly easier to both collect data and develop applications on. It will also mean products that are easier for clinicians to use and to integrate into a clinic, and better acceptance by patients. The first version of Nevisense Go version is released for skin barrier assessment and is targeted at researchers and Industry Partners which means it does not include a clinical indication. One of the first sales of the product is to one of the largest global industrial players, and it is this type of customer that SciBase are initially focused on. There is significant potential within the research market, and we believe it will lead to many new applications for the technology.

SciBase announced that their category III CPT® code application for the Nevisense melanoma detection test was approved at the AMA's October meeting without

opposition, according to the CPT Editorial Summary of Panel Action October 2020 which was released on October 30th. The code will be published on the 1st January 2021 and be accessible to providers and payers across the US from the 1st July 2021. As yet, the code does not have a payment attached to it, and the company will now focus on securing a suitable payment level and coverage with selected payors.

In the period both the Journal of the American Academy of Dermatology (JAAD) and SKIN, The Journal of Cutaneous Medicine (SKIN), published studies assessing the clinical impact of Nevisense. The studies compared the results of US clinicians evaluating atypical, pigmented skin lesions (atypical moles) using visual evaluation only compared to visual evaluation and the Nevisense result combined.

The JAAD publication titled "*Impact of Electrical Impedance Spectroscopy on Dermatologists' Number-Needed-to-Biopsy Metric and Biopsy Decisions for Pigmented Skin Lesions*" sought to evaluate improvements in clinical accuracy in melanoma detection, while the SKIN publication titled "*Integrating Electrical Impedance Spectroscopy into Clinical Decisions for Pigmented Skin Lesions Improves Diagnostic Accuracy: A Multitiered Study*" sought to evaluate the differences between practicing dermatologists, physician's assistants, nurses and residents.

All clinician types (dermatologists, physician's assistants, nurses and residents) improved by similar amounts, and the clinicians with the lowest number of correct evaluations improved the most. The publications are based on clinical evaluations of lesions in reader studies. The JAAD publication included 267 dermatologists while the SKIN publication included 591 clinicians (dermatologists, physician's assistants, nurses and residents). All clinicians evaluated lesions using visual evaluation only, and then they added the Nevisense information in over 25,000 evaluations.

The key study takeaways were:

- The number of 'missed melanomas' fell from ~7% to < 1%
- Overall sensitivity (ability to correctly identify melanoma) increased on average across the groups by 14% and specificity (ability to accurately identify benign moles) by 10.2%
- In total, clinicians identified 1,343 more melanomas with Nevisense compared to visual evaluation alone.
- All clinician types (dermatologists, nurses and residents) improved a similar amount, and the clinicians with the lowest number of correct evaluations improved the most.
- In the JAAD study, dermatologists improved their sensitivity from 84 to 98%, their specificity from 34% to 44% and their NNB (Number Needed to Biopsy) from 6.3 to 5.3.

The first study supporting the use of Nevisense for the evaluation of lesions where there is a suspicion of non-melanoma skin cancer (NMSC) has been published in "Acta Dermato-Venereologica". The article is authored by Dr Esra Sarac, Prof Claus Garbe and others from Eberhard Karls University in Tübingen, Germany. NMSC represents a new indication that complements the current melanoma indication and greatly expands the utility of Nevisense for clinicians working with skin cancer. SciBase will participate in a clinical study to run parallel to the ACTIVATE study (sponsored by the Immune Tolerance Network and the NIAID/NIH), which is being conducted by the Department of Pediatric Allergy at Mount Sinai Hospital in New York. The goal of the ACTIVATE study is to explore how differences in the gut microbiome of an infant affect its susceptibility to allergies. The study will compare groups born vaginally with those born by Cesarean section with and without so-called "vaginal seeding" of the infant microbiome. The study will examine whether vaginal seeding lowers the risk that infants test positive for allergies at one year of age. ACTIVATE will enroll 120 pregnant women and their babies and will focus on those babies that are at higher risk for developing allergies. The infants will be followed for the first year of life, and SciBase's product Nevisense will be used to measure skin properties including barrier function and evaluate whether these measurements can help predict the development of allergies or monitor their progress.

Linn Olsen, SciBase's head of production and supply chain, has been appointed as a member of the management team.

Significant events after the period

A new clinical study evaluating the value of using Nevisense on suspected Non-melanoma skin cancer (also known as Keratinocyte cancer) in normal clinical practice was published. The article named *"Retrospective evaluation of the performance of the electrical impedance spectroscopy system Nevisense in detecting keratinocyte cancer"* reviewed clinical results when Nevisense was used on lesions with a suspicion of skin cancer. The study included a total of 1,712 lesions and 951 patients, collected at a private clinic in Germany over a period of 4 years. The study confirmed the ability of Nevisense to accurately identify non-melanoma skin cancers with a sensitivity of 98,4%. In addition, the study showed that when using Nevisense almost half of the lesions examined did not require a biopsy. The article concludes that Nevisense is a valuable adjunct support tool in clinical decisions for cases with suspicion of non-melanoma skin cancer. The article is available through the following link:
http://dx.doi.org/10.1111/srt.13007.

A nominating committee has been appointed:

Christer Jönsson (Fouriertransform),
Iraj Arastoupour (Futur pension),
Peter Elmvik,
Tord Lendau (Chairman of the Board).

The appointments have been made in accordance with the instructions regarding principles for the appointment of the company nominating committee which were determined at the Annual General Meeting of SciBase Holding on June 17, 2020. The appointments have taken into account changes in ownership that took place during the end of 2020.

Consolidated summary Income Statement

	Oct 1 - Dec 31		Jan 1 -Dec 31	
SEK 000'	**2020**	**2019**	**2020**	**2019**
Net sales	3 055	2 800	9 521	9 276
Cost of goods sold	-1 546	-1 177	-4 521	-4 216
Gross Profit/Loss	**1 509**	**1 623**	**5 000**	**5 060**
Sales and marketing expenses	-5 666	-6 028	-20 295	-23 268
Administration expenses	-2 639	-1 908	-9 670	-8 264
Development expenses	-2 099	-2 773	-8 942	-11 288
Other operating income	0	0	0	-20
Other operating expenses	-897	-1 048	-864	-1 625
Operating Income	**-9 792**	**-10 133**	**-34 770**	**-39 405**
Financial income	0	-3	1	95
Financial expenses	-47	-71	-239	-285
Profit/Loss before taxes	**-9 839**	**-10 207**	**-35 009**	**-39 594**
Income tax	-	-	20	0
Profit/Loss for the period	**-9 839**	**-10 207**	**-34 989**	**-39 594**
Net Profit/Loss attributable to:				
Parent company shareholders	**-9 839**	**-10 207**	**-34 989**	**-39 594**
Earnings per share based on Net Profit/loss attributable to parent company shareholders (in SEK/share)				
Profit/loss per share (before and after dilution)*	-0,20	-0,61	-1,12	-2,38
Average number of shares outstanding	48 707	16 618	31 287	16 618

**Profit/loss per share after dilution is not reported, since this would imply improved earnings per share*

Consolidated summary statement of comprehensive income

	Oct 1 - Dec 31		Jan 1 -Dec 31	
SEK 000'	**2020**	**2019**	**2020**	**2019**
Profit/loss for the period	**-9 839**	**-10 207**	**-34 989**	**-39 594**
Other comprehensive income for the period:				
Items that have or may be reclassified to profit or loss:				
Changes in fair value on financial assets that can be sold	0	-4	0	-4
Tax effect attributable to changes in fair value on financial assets that can be sold	0	1	0	4
Translation differences on foreign operations	198	189	222	131
Sum other comprehensive income	**198**	**186**	**222**	**130**
Total comprehensive income for the period	**-9 641**	**-10 021**	**-34 767**	**-39 464**
Total comprehensive income attributable to:				
Parent company shareholders	**-9 641**	**-10 021**	**-34 767**	**-39 464**

Consolidated summary statement of financial position

	Dec 31	
SEK 000'	2020	2019
ASSETS		
Fixed Assets		
Tangible fixed assets	6 336	8 791
Financial fixed assets	50	1 207
Total Tangible Assets	**6 386**	**9 998**
Current Assets		
Inventory	6 912	5 003
Current tax receivable	548	548
Receivables	2 023	2 153
Other current receivables	1 955	2 004
Cash equivalents	41 427	26 456
Total Current Assets	**52 865**	**36 163**
Total Assets	**59 251**	**46 161**
Shareholders' Equity and Liabilities		
Shareholders' equity attributable to parent company shareholders	**46 860**	**32 014**
Longterm Liabilities		
Deferred tax liability	0	20
Other longterm liabilities	1 722	3 501
Total Longterm Liabilities	**1 722**	**3 521**
Current Liabilities		
Accounts payable	2 103	2 760
Other current liabilities	8 565	7 866
Total Current Liabilities	**10 668**	**10 626**
Total Liabilites	**12 390**	**14 147**
Total shareolders' equity and liabilities	**59 251**	**46 161**

Consolidated change in shareholders' equity

SEK 000'	Share Capital	Other Capital Contributions	Reserves	Accumulated Loss	Total shareholders' Equity attributable to parent company shareholdlers
Opening balance Jan 1, 2019	**61 487**	**463 393**	**-151**	**-453 251**	**71 478**
Profit/loss for the period				-39 595	**-39 595**
Other comprehensive income			130		**130**
Total comprehensive income	**0**	**0**	**130**	**-39 595**	**-39 464**
Transactions with shareholders:					
Total transactions with shareholders	**0**	**0**	**0**	**0**	**0**
Closing balance Dec 31, 2019	**61 487**	**463 393**	**-20**	**-492 846**	**32 014**
Opening balance Jan 1, 2020	**61 487**	**463 393**	**-21**	**-492 846**	**32 014**
Profit/loss for the period				-34 989	**-34 989**
Other comprehensive income			-248	469	**222**
Total comprehensive income	**0**	**0**	**-248**	**-34 519**	**-34 767**
Transactions with shareholders:					
Reduction of share capital*	-61 653	61 653			**0**
New share issue	2 905	53 907			**56 813**
Issue expenses		-7 198	0		**-7 198**
Total transactions with shareholders	**-58 748**	**108 362**	**0**	**0**	**49 614**
Closing balanceDec 31, 2020	**2 739**	**571 755**	**-269**	**-527 365**	**46 860**

*Reduction of share capital decided at the extraordinary shareholders meeting on April 29, 2020 and registered by Bolagsverket on Asugust 18, 2020.

Consolidated summary statement of cash flows

	Oct 1 - Dec 31		Jan 1 -Dec 31	
SEK 000'	**2020**	**2019**	**2020**	**2019**
Cashflow from operating activities before change in working capital	**-8 909**	**-8 248**	**-32 173**	**-35 697**
Cashflows from changes in working capital				
Change in Inventory	-841	631	-1 909	-1 125
Change in Receivables	-405	-612	179	-76
Change in Liabilities	-135	-614	42	-1 057
Total change in working capital	*-1 381*	*-595*	*-1 688*	*-2 259*
Cashflow from operating activities	**-10 290**	**-8 842**	**-33 861**	**-37 956**
Investment activities				
Acquisitions of Fixed Assets	0	-189	-299	-1 347
Divestment of fixed assets	0	0	0	78
Divestment of financial assets	0	-	1 157	-
Cashflow from investment activities	**0**	**-189**	**858**	**-1 269**
Financing activities				
New share issues	31 885	-	56 813	0
Expenses related to new share issues	-1 455	-	-7 198	-
Amortization leasing contracts	-436	-452	-1 717	-1 781
Cashflow from financing activities	**29 994**	**-452**	**47 898**	**-1 781**
Cashflow for the period	**19 704**	**-9 483**	**14 895**	**-41 006**
Cash equivalents at start of the year	21 723	35 917	26 456	67 514
Exchange rate differences in cash equivalents	0	22	77	-52
Cash equivalents at end of the period	**41 427**	**26 456**	**41 427**	**26 456**

Income statement, Parent Company

	Oct 1 - Dec 31		Jan 1 - Dec 31	
SEK 000'	**2020**	**2019**	**2020**	**2019**
Net Sales	1 077	1 077	4 306	4 306
Gross profit	**1 077**	**1 077**	**4 306**	**4 306**
Administration expenses	-2 468	-1 615	-9 651	-8 604
Other expenses	0	-	-1	-
Operating Profit/loss	**-1 392**	**-538**	**-5 345**	**-4 297**
Earnings from financial items:				
Profit/Loss from shares in group companies	-6 834	-8 293	-26 814	-32 256
Financial income	0	0	0	0
Financial expenses	0	0	0	-11
Profit/loss after financial items	**-8 225**	**-8 831**	**-32 159**	**-36 564**
Taxes	-	-	-	-
Profit/loss for the period	**-8 225**	**-8 831**	**-32 159**	**-36 564**

Statement of other comprehensive income, Parent Company

	Oct 1 - Dec 31		Jan 1 - Dec 31	
SEK 000'	**2020**	**2019**	**2020**	**2019**
Profit/loss for the period	**-8 225**	**-8 831**	**-32 159**	**-36 564**
Other comprehensive income	-	-	-	-
Total other comprehensive income	-	-	-	-
Total comprehensive income	**-8 225**	**-8 831**	**-32 159**	**-36 564**

Summary Balance Sheet, Parent Company

	Dec 31	
SEK 000'	2020	2019
ASSETS		
Fixed Assets		
Shares in Group Companies	137 647	137 647
Total Fixed Assets	**137 647**	**137 647**
Current Assets		
Current receivables and prepaids	24 979	22 342
Cash equivalents	17 624	2 615
Total Current Assets	**42 604**	**24 956**
TOTAL ASSETS	**180 250**	**162 603**
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholder's equity		
Restricted equity		
Share capital	2 739	61 487
Non-restricted equity		
Other capital contributions	571 808	463 446
Retained earnings	-364 567	-328 003
Profit/Loss for the period	-32 160	-36 564
Shareholders equity	**177 820**	**160 366**
Current Liabilities		
Current liabilities	2 430	2 237
Total liabilities	**2 430**	**2 237**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**180 250**	**162 603**

Notes

Note 1 Accounting principles

The Group's interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Annual Accounts Act. For the Parent Company, the interim report has been prepared in accordance with the Annual Accounts Act and the Swedish Securities Market Act in accordance with the provisions of RFR 2. For both the Group and the Parent Company the same accounting principles and bases for calculation have been applied as in its most recent Annual Report with the exception of what is stated below. Significant accounting and valuation principles are detailed on pages 27-33 of the consolidated annual report for 2019.

Note 2 Fair value of financial instruments

Current receivables and liabilities

For current receivables and liabilities, such as accounts receivable and accounts payable with a maturity of less than six months, the carrying amount is considered to reflect fair value.

Financial fixed assets

The Groups financial fixed assets, which consisted of cash funds, were divested during Q2 2020.

Note 3 Contingent Liabilities

The Parent Company issued a capital adequacy guarantee to its wholly owned subsidiary SciBase AB to secure that the equity at minimum corresponds to the share capital that is valid until the end of 2020. A corresponding agreement was in-place in 2019, 2018, 2017, 2016, 2015 and 2014 as well.

Note 4 Seasonal effects

To a certain extent, SciBase's sales and operating profit are expected to be dependent on seasonal variation that the company cannot influence. In the third quarter, due to the vacation period, the number of tests performed is expected to decrease and consequently the company's sales are also expected to dip.

Note 5 Information regarding operating segments

The Group has today two operating segments, skin cancer and skin barrier assessment. Follow-ups are in addition done on the geographical areas, Europe/Rest of the World, US/North America and Asia/Oceania.

Fourth quarter

Skin cancer

Europe/Rest of the World

Net sales during the period amounted to TSEK 2,680 (2,345) of which Germany accounted for 100 (99)%.. In the period the focus for the sales and marketing effort has continued to be Germany with the Company's own sales organization. Gross profit amounted to a profit of TSEK 1,341(1,448).

Other geographical areas

Net sales during the period amounted to TSEK 269 (268). Gross profit amounted to TSEK 105 (88). The sales were additional electrode sales to a large US dermatology group as well as the first invoicing of electrodes to ADCS.

The Group has chosen to merge the areas US/North America and Asia/Oceania into Other geographical areas since they presently do not amount to a substantial portion of the total.

Skin barrier assessment

Europe/Rest of the World

Net sales during the period amounted to TSEK 106 (187). Gross profit amounted to a profit of TSEK 64 (86).

Other geographical areas

Net sales during the period amounted to TSEK 0 (0). Gross profit amounted to TSEK 0 (0). The sales were to researchers within the skin barrier field.

The Group has chosen to merge the areas US/North America and Asia/Oceania into Other geographical areas since they presently do not amount to a substantial portion of the total.

Full Year

Skin cancer

Europe/Rest of the World

Net sales during the period amounted to TSEK 8,658 (8,784) of which Germany accounted for 100 (99)%. In the period the focus for the sales and marketing effort has continued to be Germany with the Company's own sales organization. Gross profit amounted to a profit of TSEK 4,644 (5,034).

Other geographical areas

Net sales during the period amounted to TSEK 563 (279). Gross profit amounted to TSEK 258 (18). The sales were additional electrode sales to a large US dermatology group and the first electrode sales to ADCS

The Group has chosen to merge the areas US/North America and Asia/Oceania into Other geographical areas since they presently do not amount to a substantial portion of the total.

Skin barrier assessment

Europe/Rest of the World

Net sales during the period amounted to TSEK 106 (187). Gross profit amounted to a profit of TSEK 63 (86).

Other geographical areas

Net sales during the period amounted to TSEK 193 (26). Gross profit amounted to TSEK 98 (8). The sales were to researchers within the skin barrier field.

The Group has chosen to merge the areas US/North America and Asia/Oceania into Other geographical areas since they presently do not amount to a substantial portion of the total.

	Oct 1 - Dec 31, 2020			Oct 1 - Dec 30, 2019		
SEK 000'	Europe/ Rest of the World	Other Segments	Total	Europe/ Rest of the World	Other Segments	Total
Skincancer - Net sales	2 680	269	**2 948**	2 345	268	**2 613**
The skin barrier function - Net Sales	106	0	**106**	187	-	**187**
Sales between segments	-	-	-	-	-	-
Net sales from external customers	**2 786**	**269**	**3 055**	**2 532**	**268**	**2 800**
Cost of goods - Skincancer	-1 396	-107	**-1 503**	-896	-180	**-1 076**
Cost of goods - Barrier function	-43	0	**-43**	-101	-	**-101**
Cost of goods - total	**-1 439**	**-107**	**-1 546**	**-997**	**-180**	**-1 177**
Gross Profit - Skincancer	1 284	162	**1 446**	1 448	88	**1 537**
Gross Profit - Barrier function	64	0	**64**	86	-	**86**
Gross Profit - total	**1 348**	**162**	**1 509**	**1 535**	**88**	**1 623**
Operating expenses			**-11 301**			**-11 757**
Operating profit/Loss			**-9 792**			**-10 133**
Financial Income			**0**			**-3**
Financial Expenses			**-47**			**-71**
Group earnings - before tax			**-9 839**			**-10 207**

	Jan 1 - Dec 31, 2020			Jan 1 - Dec 31, 2019		
SEK 000'	Europe/ Rest of the World	Other Segments	Total	Europe/ Rest of the World	Other Segments	Total
Skincancer - Net sales	8 658	563	**9 221**	8 784	279	**9 063**
The skin barrier function - Net Sales	106	193	**300**	187	26	**213**
Net sales from external customers	**8 764**	**756**	**9 521**	**8 971**	**305**	**9 276**
Cost of goods - Skincancer	-4 052	-331	**-4 383**	-3 837	-261	**-4 098**
Cost of goods - Barrier function	-43	-95	**-138**	-101	-18	**-118**
Cost of goods - total	**-4 095**	**-426**	**-4 521**	**-3 937**	**-279**	**-4 216**
Gross Profit - Skincancer	4 606	232	**4 838**	4 947	18	**4 965**
Gross Profit - Barrier function	63	98	**162**	86	8	**95**
Gross Profit - total	**4 669**	**330**	**5 000**	**5 033**	**26**	**5 060**
Operating expenses			**-39 771**			**-44 464**
Operating profit/Loss			**-34 771**			**-39 405**
Financial Income			**1**			**95**
Financial Expenses			**-239**			**-285**
Group earnings - before tax			**-35 009**			**-39 594**

Net sales per category and segment

Amounts in KSEK	Oct 1 - Dec 31 2020		Oct 1 - Dec 31 2019		Jan 1 - Dec 31 2020		Jan 1 - Dec 31 2019	
	Europe/ Rest of the World	Other segments	Europe/ Rest of the World	Other segments	Europe/ Rest of the World	Other segments	Europe/ Rest of the World	Other segments
Skin cancer								
Electrodes	2 221	272	2 152	87	7 918	467	7 777	98
Instruments	459	-3	193	181	740	96	1 007	181
Total Skin Cancer	**2 680**	**269**	**2 345**	**268**	**8 658**	**563**	**8 784**	**279**
Skin barrier function								
Electrodes	47	0	90	0	47	141	90	26
Instruments	60	0	97	0	60	52	97	0
Total skin barrier function	**106**	**0**	**187**	**0**	**106**	**193**	**187**	**26**
Total								
Electrodes	2 268	272	2 241	87	7 965	609	7 866	124
Instruments	519	-3	290	181	800	148	1 104	181
Total	**2 786**	**269**	**2 532**	**268**	**8 764**	**756**	**8 971**	**305**

Signatures

The Board of Directors and the President provide their assurance that this interim report provides an accurate view of the operations, position and earnings of the Group and the Parent Company, and that it also describes the principal risks and uncertainties faced by the Parent Company and the companies included within the Group.

(SciBase Holding AB)
Stockholm, February 19, 2021

Tord Lendau
Chairman of the Board

Diana Ferro
Board member

Thomas Taapken
Board member

Barbro Fridén
Board member

Simon Grant
CEO

This information is information that SciBase Holding AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out below, at 08.00 CET on February 19, 2021.

This year-end report has not been subject to review by the Company's auditors.

Contact person:
Michael Colérus, CFO, +46 70 341 34 72

Quarterly overview

	2020				2019				2018
THE GROUP	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Net sales, SEK ths	3 055	2 287	1 683	2 496	2 800	1 940	2 168	2 368	2 030
Gross margin, %	49,4%	52,7%	55,7%	54,0%	58,0%	53,4%	53,3%	52,6%	52,1%
Equity/Asset ratio, %	79,1%	67,0%	69,2%	64,8%	69,4%	73,4%	74,5%	79,0%	88,1%
Net indebtness, multiple	0,26	0,49	0,44	0,54	0,44	0,36	0,34	0,27	0,13
Cash equivalents, SEK ths	41 427	21 724	30 450	17 970	26 456	35 917	46 772	58 057	67 514
Cashflow from operating activities, SEK ths	-10 290	-6 974	-8 704	-7 893	-8 842	-10 264	-9 900	-8 950	-9 990
Earnings per share (before and after dilution), SEK	-0,20	-0,20	-0,38	-0,38	-0,61	-0,59	-0,64	-0,54	-0,69
Shareholder's equity per share, SEK	0,96	0,71	1,44	1,40	1,93	2,53	3,10	3,78	4,30
Average number of shares, 000'	48 707	36 560	23 265	16 618	16 618	16 618	16 618	16 618	16 618
Number of shares at closing of period, 000'	54 780	36 560	36 560	16 618	16 618	16 618	16 618	16 618	16 618
Share price at end of period, SEK	4,62	4,00	2,44	1,84	4,36	5,25	4,34	4,14	3,10
Number of sold electrodes, pieces	7 492	6 924	4 672	6 598	7 180	4 752	5 712	6 080	3 872
Average number of employees	17	16	16	16	18	18	18	19	19

Definitions

Financial key ratios

- **TSEK**: SEK 000'
- **Gross margin, %:** Gross profit divided by net sales.
- **Operating profit:** Operating income less operating expenses.
- **Operating margin, %:** Operating profit divided by income.
- **Equity/assets ratio:** Equity at the end of the period divided by total assets at the end of the period.
- **Debt/equity ratio:** Total liabilities in relation to equity.
- **Earnings per share for the period before dilution:** Profit for the period divided by average number of shares before dilution.
- **Earnings per share for the period after dilution:** Profit for the period divided by average number of shares after dilution. Earnings per share after dilution is the same as before dilution because potential ordinary shares do not cause to dilution.
- **Shareholders' equity per share:** Equity divided by average number of shares.
- **Dividend per Share:** Dividend for the period divided by average number of shares after dilution.
- **Number of shares before dilution at the end of the period:** Number of shares in issue before dilution at the end of the period.
- **Average number of shares before dilution:** Average number of shares during the period before dilution.
- **Average number of shares after dilution:** Average number of shares in issue after dilution is the same as before dilution because potential ordinary shares do not cause to dilution.
- **Number of employees (average):** Weighted average number of employees in the relevant period.
- **IFRS:** International Financial Reporting Standards

Industry specific glossary

- **CE labeling:** A mandatory conformity marking to show that products sold within the European Economic Area (EEA) since 2008 fulfills the requirements of the acquis. CE labeling is also included on products sold outside the EEA but that are produced in the EEA, or intended for sale there.
- **Dermatoscopy or Dermoscopy:** Examination of skin lesions with a dermatoscope, a strong magnifying glass with a built-in light source.
- **Electrical Impedance Spectroscopy (EIS):** A measure of the overall impedance occurring in tissue when alternating current is applied at a series of alternating frequencies. This is measured by transmitting an imperceptible alternating current between the bands on the electrode, which is mounted on the tip of the probe and measures the current.
- **FDA:** The US Food and Drug Administration is the US authority controlling all aspects of the development, manufacture and commercialization of pharmaceutical products and medical devices in the United States.
- **Malignant melanoma:** The most dangerous form of skin cancer, consisting of cancer in pigment-producing melanocytes.
- **Unnecessary excision:** The removal of benign skin lesions/birthmarks.
- **Nevi:** Lesion.

- **PMA:** Pre-Market Approval, a form of approval from the US FDA required for all new Class III devices

Alternative performance measures (APM)

This section contains a reconciliation of certain alternate performance measures (APM) against the most reconcilable items in the financial statements. The reporting of APMs has limitations as analytical tools, and should not be viewed without context or as compensation for financial measures prepared in accordance with IFRS. APMs are reported to improve investors' evaluation of ongoing operating profit, as a means of predicting future periods, and to simplify a meaningful comparison of results between periods. Management uses these APMs to evaluate, among other things, ongoing operations compared with previous results, for internal planning and forecasting, as well as for calculation of certain performance-related compensation. The APMs reported in this interim report may differ from measures with similar terms used by other companies.

APM for the period:

Gross Margin (%)

	2020	2019
Gross Profit	5 000	5 060
Net Sales	9 521	9 276
Gross Margin (%)	**52,5%**	**54,5%**

Definition: Gross Profit / Loss divided with Net Sales.

Cause of use:: The gross margin shows the difference betweend net sales and the cost of goods sold in % of net sales. The gross margin is affected by several factors such as productmix, price trends, exchange rate fluctuation, efficiency in manufactruing processess etc. This is an important measurement as it provides a better understanding of the Company's progress.

Shareholder Equity ratio (%)

	2020	2019
Total Shareholders' Equity	46 860	32 014
Total Assets	59 251	46 161
Shareholders' Equity ratio (%)	**79,1%**	**69,4%**

Definition: Total Shareholders' Equity at the end of the period divided with Total Assets at the end of the year.

Cause of use: Shareholders equity ratio shows the Group's financial sustainability and the portion that is financed by equity.

Debt ratio (times)

	2020	2019
Total Liabilities	12 390	14 147
Total Sharholders´Equity	46 860	32 014
Debt ratio (times)	**0,26**	**0,44**

Definition: Total debt in relation to Total Shareholders' Equity.

Cause of use: The debt ratio indicates how much debt the Company is using to finance its assets relative to the value of of shareholders' equity. It is closely connected to the Shareholder's equity ratio.

Earnings per share, after dilution (sek)

	2020	2019
Profit/Loss for the period	-34 989	-39 594
Average nu,ber of shares (thousand)	31 287	16 618
Earnings per share (sek)	**-1,12**	**-2,38**

Definition: Is the portion of a company's profit allocated allocated to each outstanding share of common stock after dilution. The result per share after the dilution is no different than before the dilution due to that potential common stock do not give rise to a dilution effect.

Cause of use: This shows the value per share.

Shareholders' equity per share (sek)

	2020	2019
Shareholders' Equity	46 860	32 014
Average nu,ber of shares (thousand)	31 287	16 618
Shareholders' equity per share	**1,50**	**1,93**

Definition: Shareholders' equity divided with the average number of shares after dilution

Cause of use: The shareholders' equity per share provides a measure of the net worth per share and can be set in relation to the actual stock price

Average number of shares (thousand)

	2020	2019
Opening balance - Jan 1	16 618	16 618
Closing balance - Sep 30	54 780	16 618
Avergae number of shares (thousand)	**31 287**	**16 618**

Definition: The aveage number of issued shares.

Cause of use: The average number of shares gives a more accurate picture of the result and shareholders' equity due to the fact that the number of shares can change.

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Read more about the company and its operations at our website >> www.scibase.com

Future reporting dates

Interim report, May 13, 2021

AGM 2021, May 18, 2021

Interim report, August 19, 2021

Interim report, November 11, 2021

Year-end report, February 2021