

Letter from the CEO

I hope you are all enjoying the summer weather. For the team at SciBase, it has been an exceptionally interesting and busy half year, and we are looking forward to a similarly busy second half of 2021. Three highlights:

First, SciBase welcomes new institutional shareholders such as Van Herk, specialists within life science and melanoma, and ÖstVäst.

Second, as an important commercial leap, we have filed our first application for reimbursement coverage with CMS in Florida. Reimbursement is a catalyst for broad adoption of our test. This is the first of many such applications and is important because when approved, it means that Florida clinicians will be reimbursed financially for their time and materials when they utilize Nevisense on Medicare patients.

Third, we have received our MDR certification and have launched our Non-Melanoma Skin Cancer (NMSC) indication in Europe.

With the recent successful directed share issue of SEK 71 million, SciBase is now well-financed to further accelerate our market penetration in the US. More reimbursement applications for additional regions will follow. This funding will also support the further development of the Barrier applications where there is a lot already happening and we expect to be able to announce further updates in Q3 and Q4 of this year.

New Shareholders, and the capital increase

Last month's directed share issue successfully strengthened our investor base and provided us with funding for our US initiatives. SciBase's aim has been, and still is, to continue building a strong institutional and long-term investor base. Two of our new largest investors – Van Herk Investments from the Netherlands and ÖstVäst Capital Management, are seasoned in life science investments. We look forward to working with the team at Van Herk over the summer and believe that their knowledge within skin cancer and their clinical and commercial network can contribute significantly to SciBase's development.

US Market – Important milestone reached

This year much of our focus has been on the US market, where our priorities are insurance coverage/reimbursement for our test and working with large practice groups. It was an important milestone for us to submit our first reimbursement application in Florida for Medicare patients in May. We are already underway with the process for the next application, covering New York and the North-East area. Securing coverage takes time and involves separate processes by region and insurance type. With the funds secured in the directed share issue, we are expanding our resources to handle these processes. Sales and Marketing resources will also be expanded following positive insurance decisions.

Over the last 12 months we have worked closely with the Advanced Dermatology and Cosmetic Surgery (ADCS) practice group. With over 20 systems now placed in Florida at ADCS sites, we have gained a good understanding of US market needs, and we will leverage this knowledge as we work

our way across the US. It is really an honor to have Dr Matt Leavitt, the founder of ADCS join the Board of SciBase and become an investor. Matt has a unique and deep knowledge of the US Dermatology space both clinically and commercially, and we look forward to working closely with him as we penetrate the US market.

In summary, the next steps for SciBase in the US are a strengthening of the team and an acceleration of further reimbursement submissions.

Progress in other strategic growth areas

Our team in Germany led by Emanuel Von Kienlin, has been waiting patiently for the completion of our MDR certification process. We recently successfully completed our first audit under MDR and it feels very positive to have this major certification in place, when most all other companies within Dermatology are still working on this.

MDR was needed so that we can begin to sell and install our new Non-Melanoma Skin Cancer (NMSC) software module for Nevisense. This module uses the same Nevisense hardware and electrodes as the melanoma module, and as such is a reasonably simple addition for existing users. We have to date completed nearly 50 installations of this module with existing customers and have added a number of new customers. We look forward to reporting on the progress with this new indication, and we will continue to develop this module and add further functionality based on both clinical studies and development.

We continue to have new product and clinical application development as a strategic priority. The release of a research version of Nevisense Go and the NMSC indication for Nevisense were the first product milestones in this journey. Yet another milestone was the recent publication of two articles supporting the new Skin Barrier application. A groundbreaking article presenting the “epithelial barrier hypothesis” was published in Nature Reviews Immunology. The article was written by Professor Cezmi Akdis at the Swiss institute of Allergy and Asthma Research (SIAF). Prof. Akdis is the key research collaborator in SciBase’s product development for skin barrier assessment. The article presents the background for the steep increase in allergic diseases over the last decades, and how this increase is connected to industrialization and modern lifestyle. This article really spurred interest among researchers within the area of the barrier function.

Another key study from the Swiss institute of Allergy and Asthma Research (SIAF) was published in the European Journal of Allergy and Clinical Immunology (Allergy). In the study Nevisense was used to assess the skin barrier of patients with atopic dermatitis (AD) and could accurately detect signs of atopic dermatitis even on unaffected skin. The Nevisense measurement also correlated with relevant biomarkers for atopic dermatitis. We are now working on fine-tuning the algorithm for the barrier application and in advanced discussions with potential industry partners to further develop this area through the initiation of clinical studies.

Short term our aim is to target researchers and industry groups interested in skin barrier to sell Nevisense and Nevisense Go and collaborate to further develop the scientific evidence supporting clinical applications. We see broad potential within this space for future growth and have a number of collaborations ongoing. We strongly believe that over time the barrier applications have the potential to become a real success story for SciBase.

July 2, 2021

We expect to maintain a high pace of activities over summer. We will continue to increase the level of activities in the US as we prepare for a first positive reimbursement decision. We hope to soon be able to communicate more regarding the research and industry collaborations within the barrier indication, and we look forward to returning to the levels of growth that we have previously had, as the effects from Covid subside.

Happy summer!

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About SciBase and Nevisense

SciBase AB is a global medical technology company based in Stockholm, Sweden that develops unique point-of-care devices for the evaluation of skin disorders such as skin cancer and atopic dermatitis. SciBase's first product, Nevisense, helps clinicians detect melanoma, the most dangerous type of skin cancer. Further development has led to Nevisense also being used as a tool to assess the skin barrier and non-melanoma skin cancer. Nevisense is based on substantial research and has achieved excellent results in the largest clinical study ever conducted on the detection of malignant melanoma. Nevisense is CE marked in Europe, has TGA approval in Australia and an FDA approval (PMA) in the United States. SciBase technology is based Electrical Impedance Spectroscopy (EIS) combined with Artificial Intelligence (AI) algorithms that interpret the varying electrical properties of human tissue to detect malignancies and abnormalities. SciBase Holding AB is listed on First North Growth Market ("SCIB"). Further information is available at www.scibase.com.