

Interim report

January 1 – September 30, 2022

The third quarter in figures

- Net sales amounted to TSEK 4,941 [2,982], +66%.
- The loss after tax amounted to TSEK 8,765 [8,622].
- The loss per share amounted to SEK 0.13 [0.13].
- The cash flow from current operations was negative in the amount of TSEK 9,718 [9,156].
- The gross margin reached 58,4% [63.3%].
- Electrode sales volume increased by 28% and reached 10,592 [8,304] units. Repeat sales of electrodes to existing customers increased by 34%.

January - September in figures

- Net sales amounted to TSEK 12,927 [7,802], +66%.
- The loss after tax amounted to TSEK 27,713 [27,926].
- The loss per share amounted to SEK 0.40 [0.46].
- The cash flow from current operations was negative in the amount of TSEK 29,783 [27,792].
- The gross margin reached 63.3% [57.8%].
- Electrode sales volume increased by 39% and reached 30,172 [21,768] units. Repeat sales of electrodes to existing customers increased by 45%.

Important events during the quarter

- Overall sales increased by 66% [+55%, before currency effects]. The sales in the important US market increased within the area of skin cancer by 279% [in local currency by 209%]. Sales in Germany increased by 58% [50% in local currency].

- FDA expert panel in line with SciBase position to keep stringent approval level for all new skin lesion analyzers in the US.
- Top line results presented that demonstrated the detrimental effects of common detergents on the health of the skin barrier in mice were presented at the World Immune Regulation Meeting (WIRM) in Davos, Switzerland. The study, which is not yet published, was performed by SIAF (CH), CK-CARE (CH), SciBase (SE) and the Sean N. Parker Allergy and Asthma research institute at Stanford (US). The study demonstrates that household laundry detergents disrupt the skin barrier integrity in mice.

Important events after the end of the period

- **Collaboration agreement signed with Johnson & Johnson Consumer Health to develop a skin barrier screening product for infants.**
- New study shows Nevisense significantly improves US clinician's pigmented skin lesion decision-making beyond dermoscopy.
- New article published at nature.com that discusses EIS as a potential clinical measure of skin barrier integrity.
- A nominating committee for the Annual General Meeting in 2023 was appointed.

Financial overview

THE GROUP	July 1 - Sep 30		Jan 1 - Sep 30		Oct 1, 2021 -	
	2022	2021	2022	2021	Sep 30, 2022	Jan 1 - Dec 31
					Rolling-12	2021
Net sales, SEK ths	4 941	2 982	12 927	7 802	16 852	11 727
Gross margin, %	58,4%	63,3%	63,3%	57,8%	60,9%	56,1%
Equity/Asset ratio, %	72,5%	86,8%	72,5%	86,8%	81,8%	82,8%
Net indebtness, multiple	0,38	0,15	0,38	0,15	0,22	0,21
Cash equivalents, SEK ths	34 014	78 270	34 014	78 270	34 014	65 607
Cashflow from operating activities, SEK ths	-9 718	-9 156	-29 873	-27 792	-41 583	-39 501
Earnings per share (before and after dilution), SEK	-0,13	-0,13	-0,40	-0,46	-0,61	-0,67
Shareholder's equity per share, SEK	0,57	1,24	0,57	1,40	0,90	1,13
Average number of shares, 000'	68 475	68 475	68 475	60 827	68 465	62 739
Number of shares at closing of period, 000'	68 475	68 475	68 475	68 475	68 475	68 475
Share price at end of period, SEK	3,70	4,88	3,70	4,88	3,70	5,52
Number of sold electrodes, pieces	10 592	8 304	30 172	21 768	38 196	29 792
Average number of employees	20	17	19	17	19	17

Definitions and a glossary are provided on page 20



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 on and develop applications for. 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 Nevisense Go version is released for research in skin barrier assessment and is targeted at researchers and Industry partners.



Comment by CEO Simon Grant

" Landmark partnership with Johnson & Johnson Consumer and 66% sales growth"

Q3 Highlights

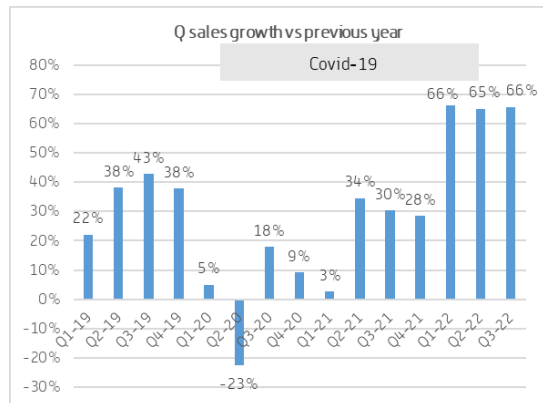
- Sales in Q3 increased by 66% (+55% before currency) reaching MSEK 4.9 (3.0).
- Collaboration agreement signed with Johnson & Johnson Consumer Health to develop a skin barrier screening product for infants
- New study shows Nevisense significantly improves US clinician's pigmented skin lesion decision-making beyond dermoscopy.
- SciBase launches US marketing strategy based on 'Clinical Confidence Beyond Dermoscopy'.
- Top line results within detergents and skin barrier presented at the World Immune Regulation Meeting (WIRM) in Davos, Switzerland.
- New article published at nature.com that discusses EIS as a potential clinical measure of skin barrier integrity
- Continued electrode sales growth in Germany, +38% in the quarter.

Sales momentum driven by Germany and the US
Continued good sales growth in Germany (+58% vs Q3-21) and device sales to our US partner in FL were the drivers for growth in the quarter. Congresses that were rescheduled due to Covid-19 finally took place during Q3 and this drove German device sales. Electrode sales continue to grow as a result of both new customers and increased test usage within both the melanoma and non-melanoma skin cancer indications. Electrode sales volumes grew by 38% in Germany in Q3 and with 48% for the first nine months.

In total sales reached MSEK 4.9 (3.0) for the quarter, an increase of 66%, (55% before currency effects) – our best quarter to date. We have now seen nine consecutive quarters of growth following the first quarter of the pandemic and consider that the market has now 'normalized'.

The quarter was relatively quiet when it came to sales within the barrier segment, but we are very positive towards the segment and have several strategic collaborations and sales pending. Sales within this application will continue to vary between quarters because of the nature of research and Industry purchases.

With our German sales growth, US reimbursement progress and level of interest in skin barrier we believe we have the drivers for continued positive sales momentum.



Percentage quarterly sales growth compared to the same quarter in the previous year.

Johnson & Johnson partnership within skin barrier

This week we announced our **strategic partnership with J&J Consumer Health to develop a screening product for infants**. The goal of the collaboration, is to develop and validate an AI-based solution that detects skin barrier dysfunction and so predict an infant's risk of developing atopic dermatitis. The product will be based on SciBase's Electrical Impedance Spectroscopy (EIS) technology and developed specifically for the portable Nevisense Go device. Development and validation will be based on clinical data collected in Switzerland by a group of hospitals led by Dr Caroline Roduit and Professor Roger Lauener at the Children's Hospital of Eastern Switzerland.

We see the project as a milestone for SciBase and it is our vision that Nevisense Go will become the standard of care for this indication. Twenty percent of children develop atopic dermatitis and the ability to predict which children are at high risk could significantly expand the development and use of prophylactic treatments.

The promise of the test is that it is non-invasive and can be used widely – in this study the test will be performed using Nevisense Go in the home of the infant. If successful, the combination of ease and unique predictive information of the test could translate into broad adoption and open a significant consumer market for SciBase.

We see the collaboration as an important step in shaping a future where medical technology is accessible, non-invasive, and personalized.

The skin barrier area is a strategic focus for SciBase, especially within atopic dermatitis (AD) or eczema. As with NMSC (Non-Melanoma Skin Cancer), Skin Barrier is based on our core EIS technology and electrode but utilizes barrier-specific AI algorithms. Because it is a relatively new method and application, we have targeted the research market and Industry collaborations



first. The J&J collaboration is our first such Industry partnership.

There are many studies underway or due to start with this exciting technology. We have named our product for this application Nevisense AD (for atopic dermatitis), based on our Nevisense Go platform. We are focusing on three specific clinical applications where we see a clear path to market and where there is interest from both researchers and industry:

1. Infant AD prediction– strategic collaboration with J&J Consumer Health
2. Objective AD Assessment and management - imminent study start, US
3. In-home AD flare prediction and management – study ongoing in Germany

The **study ongoing in Germany involves Nevisense Go being used by adult patients** in their homes and aims to help predict the development of flares and thus help patients better manage their disease.

Our long-term goal within barrier is to develop multiple clinical applications that can be used by non-specialists and even eventually by patients in their homes.

An article published recently in the journal “Molecular Psychiatry”, a part of nature.com, further strengthens our belief that measuring the skin barrier integrity with EIS and Nevisense has the potential to provide unique clinical insights. The article states that EIS may represent an alternate clinical measure of skin barrier integrity that may function as a surrogate for neurodevelopmental divergence.

All of this and a vibrant therapy landscape for atopic diseases illustrate why the skin barrier is a ‘hot’ research area today and we see continually increasing interest in our technology.. Nevisense and EIS provide a unique and accessible assessment of skin barrier that has the potential to become a standard of care in in this space. This is a key reason as to why we believe **Barrier has become a very significant opportunity for SciBase.**

US progress and moving forward

Sales in the US grew with another five units invoiced to our partner ADCS in Florida. Reimbursement coverage is our focus in the US and while we have started with Medicare, we have expanded our focus to include insurance companies or ‘private payers’ during the third quarter. Reimbursement is a stepwise process, where we, supported by our customers, work to get the test covered by either regional Medicare Administrative Contractors or ‘MACs’ and private payers. The process is moving more slowly than we would like but we are making steady progress with two of the eight MAC’s currently assigning payment. We continue to work with our customers to raise the payment amount to a level that we and our customers see as appropriate for the test.

After the quarter-end a new study showing that Nevisense significantly improves US clinician’s decision-making beyond dermoscopy was published. The

article named *“Electrical impedance spectroscopy significantly enhances correct biopsy choice for pigmented skin lesions beyond clinical evaluation and dermoscopy”* was published in the journal “Melanoma Research”. The study included 231 US Dermatologists making a nearly 34,000 biopsy decisions.

The study participants showed a statistically significant improvement in correct biopsy decisions beyond their naked eye and dermoscopic evaluations when integrating the Nevisense result. With Nevisense, Dermatologists identified more melanomas for biopsy; their sensitivity increasing from 85.2% to 91.1%. This and other studies like it are important to drive awareness and clinical acceptance in the US as well as supporting our reimbursement process.

In conjunction with the publication of this study, SciBase launched a new messaging strategy in the US based upon the concept of ‘Clinical Confidence Beyond Dermoscopy’. The new messaging encapsulates the challenge faced by clinicians (that visual evaluation and dermoscopy can be difficult) and the value that Nevisense provides in addressing this challenge. The new messaging was launched at the Fall Clinical meeting held in Las Vegas in October.

Germany continues to deliver strong growth

Germany continued to deliver strong growth in the quarter and for the year as a whole. Electrode sales grew 52% in local currency for the first nine months of 2022 (48% in volume) driven by both a Q1 price increase, the new non-melanoma skin cancer (NMSC) indication and clinicians increased test usage. Nearly 50% of all German clinics with Nevisense now have access to the NMSC module. New device sales also increased by 82% in the quarter and by 37% for the year to date.

Johnson & Johnson Collaboration a milestone for the company

Our base business within skin cancer continues to develop well, but the highlight of this quarter’s report is clearly the Johnson & Johnson announcement. We have been building the scientific and clinical base for the barrier applications for some years and to collaborate with a partner such as Johnson & Johnson Consumer is indeed a milestone for SciBase. I would like to take a moment to acknowledge the great team at SciBase and their excellent work as we enter this new phase of the company’s development.



Simon Grant, CEO
Sundbyberg November 10th, 2022



SciBase in brief

About SciBase

SciBase, a medical technology company, is a leading developer of augmented intelligence-based solutions for skin disorders. SciBase develops instruments for the detection of skin cancer and other skin conditions such as atopic dermatitis. Nevisense can detect 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 within Electrical Impedance Spectroscopy (EIS), and SciBase has conducted the largest study to date on the detection of melanoma, in which Nevisense achieved excellent results. The study was published in the prestigious British Journal of Dermatology. Nevisense is approved for sale in the United States (PMA), Europe (CE mark, under MDR) and Australia (TGA).

Besides melanoma, SciBase is developing further research and clinical applications for Nevisense. Using Nevisense as a platform, the Company has added applications based on the same EIS method to assess non-melanoma skin cancer, skin barrier and atopic dermatitis. SciBase sold the first Nevisense systems for the evaluation of the skin barrier function to leading researchers in 2019.

SciBase has also miniaturized the Nevisense hardware platform through the development of an Application Specific Integrated Circuit (ASIC). The new product platform, Nevisense Go, was released at the end of 2020 for research use.

SciBase was founded in 1998 by Associate Professor Stig Ollmar, a researcher at The Karolinska Institute. The Company is headquartered in Sundbyberg, Stockholm and is listed on the Nasdaq First North Growth Market.

Business model

The company's business model is based on customers initially purchasing a Nevisense or Nevisense Go device then buying consumables (electrodes) on an on-going basis. Each electrode can only be used on one patient but can test up to 20 moles or skin areas.

Short facts

- Skin cancer is the most common and fastest-growing form of cancer in the world.
- 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 melanoma reached USD 3.3 billion in 2011, equivalent to 41% of expenditure for skin cancer. In the preceding 5 year period, melanoma management cost increased four-fold.
- Today, some 50-60 million annual examinations for 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.

Certified Advisor (CA)

Vator Securities

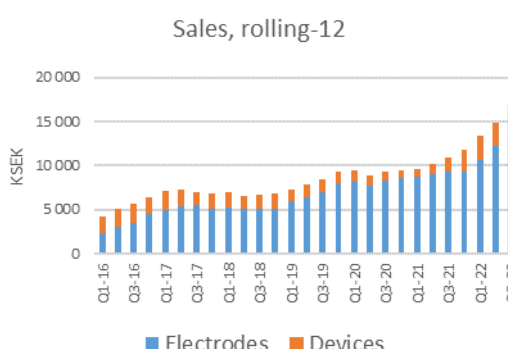
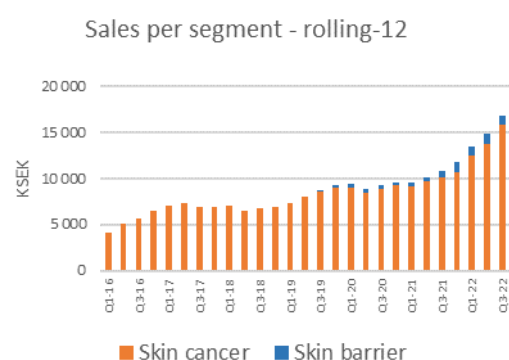
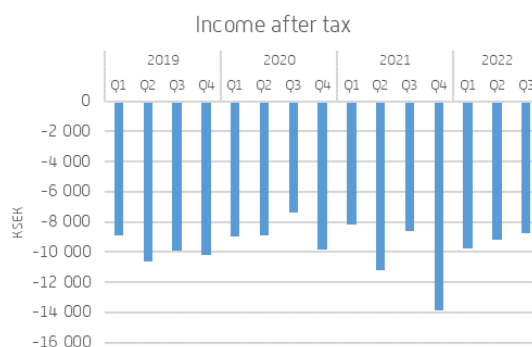
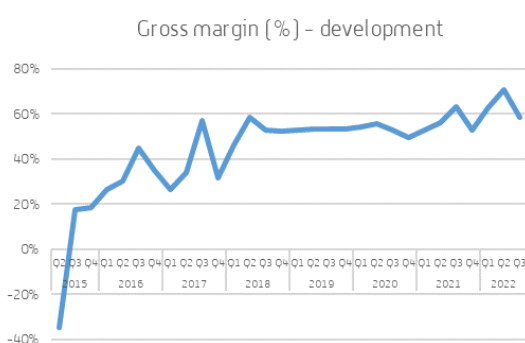
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"I work every day with the management of different allergic diseases in children, and it is a growing problem. Allergic diseases have a natural progression with atopic dermatitis being the first to manifest, often already in infancy, followed by other allergic diseases, such as food allergy and allergic asthma. The ability to identify these children early, will help to develop preventive strategies for allergic diseases, and Nevisense is an extremely promising method that has potential for early prediction of those children", says Dr. Caroline Reduit at the Children's Hospital of Eastern Switzerland.

Skin barrier – a hot topic

- Skin barrier related diseases such as food allergy and atopic dermatitis (eczema), are a growing problem and there is a large global unmet need for tools for prediction, measurement and management. The market for atopic dermatitis is expected to grow at ~10% annually until 2030.
- Atopic dermatitis (eczema) is the most common chronic disease worldwide and affects about 20% of infants and 7% of adults.
- Impaired skin barrier is growing with long-term trends such as climate change, increased air pollution, change and loss of biodiversity



Third quarter

Net Sales

Net sales for the third quarter of 2022 amounted to TSEK 4,941 (2,982), an increase of 66%. Cleared for currency effects the sales increased by 55%. The increased sales are mainly due to continued good sales of electrodes in Germany, currency effects and a price increase of 8% on the electrode in Germany from April 1st. After the record sales in Germany during Q1, following the price increase, there was a risk that the sales would have been lower in both Q2 and Q3 but this has not materialized. The electrode sales and sales of devices to new customers have continued and one of the reasons for this has been the launch of the new NMSC (non-melanoma skin cancer) indication during 2021. The sales in the US also continues to be positive with an additional 5 systems invoiced to SciBase partner in FL, ADCS. Sales of devices amounted to TSEK 920 (451) and sales of electrodes to TSEK 4,020 (2,530). The sales within the new skin barrier application were TSEK 261 (307) in the period. These sales are for research purposes and to potential industrial partners. Given the nature of research sales it will vary between the quarters.

Sales in Germany in the skin cancer area accounted for 77 (81%) of the sales in the period and increased by 58% compared to Q3 2021. In local currency the sales in Germany increased by 52%. From April 1st an announced price increase of 8% on the electrode was implemented in Germany which has affected the sales positively from the middle of the quarter.

The sales in the US in the skin cancer area accounted for 17 (8)% of the sales in the period. The Company's US practice group strategy continues to gain traction with continuous good electrode sales.

The total sales of electrodes in the quarter reached 10,592 (8,304), an increase of 28%. In Germany, the total sales of electrodes within skin cancer in volume increased by 38% and in the US by 15%. Total repeat sales of electrodes increased by 34%.

Operating profit/loss

The operating loss for the period July - September 2022 amounted to TSEK 11,375 (8,583), an increased loss of TSEK 2,792. The increased sales contributed to an improvement in earnings, which was, however, balanced by increased sales and marketing expenses through increased investments in the US, a return to a more normal market activity level in general and currency effects. The total operating expenses increased in the period by TSEK 3,789. The operating income was negatively affected by currency effects (excluding currency revaluation of receivables from subsidiaries) with around MSEK 0.6. The financial income consists mainly of currency effects regarding revaluation of receivables from subsidiaries which affected net earnings after tax positively by MSEK 2.7.

The gross margin in the period was 58,4 (63.3%). When cleared for currency effects the gross margin would have been closer to 56%. The slightly lower margin is to some extent a consequence of high electrode sales in the first quarter where some customers also received systems for free which have now been delivered. The overall margin remains very dependent on electrode production and sales volumes and will vary between quarters.

Sales and marketing expenses increased by TSEK 3,248 and amounted to TSEK 9,192 (5,944). The expense increase was primarily due to increased US resources and marketing activities, a general return to a

more normal marketing activity level and currency effects.

Administration expenses for the period amounted to TSEK 2,714 (2,087), an increase of TSEK 626. The increase was mainly due to increased quality activities related to MDR and staff expenses.

Development expenses for the period amounted to TSEK 2,245 (2,071), an increase of TSEK 174.

Cash flow, investments and financial position

At the beginning of the period, cash and cash equivalents amounted to TSEK 44,577 and, at the end of the period, to TSEK 34,014.

Cash flow from current operations for the period was negative to the amount of TSEK 9,718 (9,156), of which

changes in working capital amounted to a negative TSEK 10 (negative 896) which was mainly attributable to decreased inventory balanced by increased receivables. The negative operating cash flow deteriorated mainly due to the increased loss excluding net earnings improvements from revaluation of receivables from subsidiaries. Total cash flow for the period was negative to the amount of TSEK 10,511 (9,867).

Net investments in tangible assets for the period amounted to TSEK 173 (129). 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 886 (759) of which TSEK 724 (564) are due to leased assets.

January - June

Net Sales

Net sales for January - September 2022 amounted to TSEK 12,927 (7,802), an increase of 66%. Cleared for currency effects the sales increased by 56%. The increased sales are mainly due to record sales of electrodes in Germany partly due to an announced price increase on the electrode of 8% from April 1st but also increased usage. Apart from Germany the US also contributed to the good sales increase with the continued sales of Nevisense systems (10) as well as continued good electrode sales. Sales of devices amounted to TSEK 1,875 (1,034) and sales of electrodes to TSEK 11,052 (6,768). The sales within the new skin barrier application were TSEK 693 (656) in the period. These sales are for research purposes and to potential industrial partners. Given the nature of research sales it will vary between the quarters.

Sales during the first half of 2022 was to some extent still affected by Covid-19, primarily through the delay or cancelled meetings. As an example, one of the Company's key meetings in Germany was moved from March to July.

Sales in Germany within the skin cancer segment accounted for 77 (82%) of the sales in the period and increased by 56% compared to the same period 2021. In local currency the sales in Germany increased by 50%. The sales increase is, apart from currency effects, driven by an announced price increase of 8% from April 1st on the electrode and an increased usage per system following the launch of the new NMSC indication during 2021.

The sales in the US in the skin cancer segment accounted for 17 (7)% of the sales in the period. The Company's US practice group strategy continues to gain traction with in total 10 Nevisense units (for melanoma) sold as well as a continued increase in electrode sales.

The total sales of electrodes in volume in the period reached 30,172 (21,768), an increase of 39%. In Germany, the total sales of electrodes within skin cancer in volume increased by 48% and in the US by 31%. Total repeat sales of electrodes increased by 45%.

Operating profit/loss

The operating loss for the period January - September 2022 amounted to TSEK 32,785 (27,798), an increased loss of TSEK 4,986. The increased sales and the improved gross margin contributed to an improvement in earnings, which was, however, balanced by increased sales and marketing expenses through increased investments in the US and a return to a more normal market activity level in general. The total operating expenses increased in the period by TSEK 8,667 of which currency effects accounts for approximately TSEK 1,815. The operating income (excluding currency effects on receivables from subsidiaries) was negatively affected by currency effects with around MSEK 1.1. The financial income consists mainly of currency effects regarding revaluation of receivables from subsidiaries which affected net earnings after tax positively by MSEK 5.2.

The gross margin in the period was 63,3 (57.8%). When cleared for currency effects the gross margin would have been just over 61%. In addition to currency effects the improved margin is the result of improvements in the production process, a price increase on the electrode in Germany and increased US sales. The overall margin remains very dependent on electrode production and sales volumes and will vary between quarters.

Sales and marketing expenses increased by TSEK 7,097 and amounted to TSEK 25,491 (18,394). The expense increase was primarily due to increased US resources and marketing activities, currency effects as well as a general return to a more normal marketing activity level.

Administration expenses for the period amounted to TSEK 7,987 (6,785), an increase of TSEK 1,202. The increase was mainly due to increased travel, increased quality activities related to MDR and staff expenses.

Development expenses for the period amounted to TSEK 7,780 (7,043), an increase of TSEK 737. Costs increased as a result of projects related to production process improvements, clinical trials, product development projects and staff expenses.

Cash flow, investments and financial position

At the beginning of the period, cash and cash equivalents amounted to TSEK 65,607 and, at the end of the period, to TSEK 34,014.

Cash flow from current operations for the period was negative to the amount of TSEK 29,873 [27,792], of which changes in working capital amounted to a negative TSEK 327 [negative 1,257] which was mainly attributable to a decreased inventory and increased receivables. The negative operating cash flow deteriorated mainly due to the increased loss (excluding net earnings improvements from revaluation of receivables from subsidiaries). Total cash flow for the period was negative to the amount of TSEK 31,887 [positive

36,839]. During the second quarter 2021, two directed new issues were carried out, which net, after issue costs, raised approximately MSEK 66.5 to the company.

Net investments in tangible assets for the period amounted to TSEK 173 [268]. 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 2,693 [2,194] of which TSEK 2,172 [1,634] are due to leased assets.

Other disclosures

Shareholders

At the end of the period, SciBase Holding AB had approximately 3,574 shareholders, of whom the five largest represented approximately 34.5% of the capital and votes. The total number of shares per September 30, 2022 amounts to 68,475,107. The largest shareholders as per September 30, 2022 were Avanza pension [13%], Futur Pension [6%], SIX SIS AG [6%] Stockholms Elbolag [5%] and Pbravo Holding AB [4%].

Market overview

SciBase is active within both skin cancer detection and skin barrier assessment. SciBase's Nevisense platform addresses multiple sizeable clinical application areas.

Skin cancer

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. SciBase estimates that at least 10-15 percent of patients or more than 7 million lesions are suspicious enough to be excised and examined for melanoma. SciBase estimates that in addition to the 7 million lesions currently excised or biopsied in the company's addressable geographies, there are an additional 1-2 million lesions that are not suspicious enough to excise or biopsy but are still of some concern. Together with the 7 million lesions currently excised SciBase estimate the total addressable market potential for SciBase to be around 400 million USD per year or approximately BSEK 3.7.

Of the seven million estimated annual excisions performed in SciBase's target markets around 86-97% are later found to be benign. Uncertainty in the detection of 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%.

The population of non-melanoma skin cancer patients includes more than ten times the number of patients compared to the melanoma patient population though the need for testing is not so acute. SciBase estimates that the potential for the use of Nevisense amounts to at least 4 million examinations or tests annually. Given this, non-melanoma skin cancer is estimated to have a total market potential of approximately SEK 1.4 billion annually. Although non-melanoma skin cancer is less harmful than melanoma, SciBase sees the addition of the indication as important for users and necessary to increase market penetration, especially in Germany. Dermatologists see many times more patients with suspected non-melanoma skin cancer than with suspected melanoma, which means that the potential for performing tests with Nevisense is significantly increased.

Skin barrier

An exciting new application area is skin barrier assessment. The skin barrier stops irritants, allergens etc. entering, and water from leaving the body. An impaired skin barrier at birth can 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 allergic 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 is the short-term sales target within the barrier area.

In the application area of the skin's barrier assessment, prediction of disease onset and improving the management of atopic dermatitis are considered to be the largest potential markets. The application area includes disease development prediction in infants, diagnostic and therapy selection tests in a clinical setting, and regular tests in the home in order to monitor and manage the disease. Furthermore, there are many areas within research where the ability to evaluate the skin barrier in a clinical environment or at home has significant value and potential. Given this, the total number of

measurements for all patients with atopic dermatitis could potentially exceed the tens of million per year. In the market estimates for skin barrier assessments, the Company expects lower electrode prices. Even so, and only based on two sub-groups (patients with chronic severe recurring eczema episodes and prediction of AD in infants) the total addressable market for the application area skin barrier function is estimated at approximately SEK 3 billion annually.

Initially SciBase targets three areas:

1. Infant AD prediction (clinical and in-home)
2. Objective AD Assessment and management
3. In-home AD flare prediction and management

Employees

At the end of the period, the number of employees amounted to 21 (17), of whom 29 (29)% were women. This includes the production employees at our Uppsala electrode production facility and salespeople in Germany and the US.

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 September 30, 2022, the Group's cash and cash equivalents amounted to SEK 34.0 million. Based on the current strategic plan, the board assesses that the group needs additional capital during the next 12-month period. Against the background of the financing need, the board is currently evaluating various financing alternatives. Based on the positive sales development in both the US and Germany as well as the recently announced collaboration with Johnson & Johnson, the board states that the group has achieved important operational and strategic milestones in 2022. Against this background, the board assesses that the company has good conditions to finance the capital requirement that the decided plan requires.

Transactions with related parties

During the period, the parent Company SciBase Holding AB has invoiced TSEK 3,558 (3,230) to the fully owned subsidiary SciBase AB, which corresponds to a 100% of the parent Company's turnover in the year. In addition, the company has a separate consulting agreement in place with the board member Matt Leavitt (appointed in 2021) The agreement was entered into prior to him being appointed as a board member and relates to consultancy support for the regional reimbursement processes and US market introduction as well as Nevisense rollout guidance following positive reimbursement decisions. The agreement has a one-year duration with the option to extend. In the period he was remunerated KUSD 225 (155) for services under this agreement.

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 30-34 of SciBase's 2021 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 September 30, 2022, there were two 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 3,558 (3,230). The loss for the period amounted to TSEK 17,412 (24,920). 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 during the period was MSEK 12.7 (21.0).

Significant events during the quarter

The FDA (US Food and Drug Administration) held a meeting with the Medical Devices Advisory Committee on July 28th and 29th to gather expert advice on the regulation of AI driven, skin lesion analyzers (SLAs) and Apps for skin cancer detection. The panel's recommendation was in-line with SciBase position to keep stringent approval levels for all new skin lesion analyzers. The panel also considered the FDA's proposal to change the classification status of Nevisense and any new products that assist dermatologists in melanoma detection from the most stringent regulatory category, class III, to the less restrictive class II. The Panel underscored the potential risks of reclassifying these technologies and strongly recommended keeping them in the class III category. SciBase shared the same opinion as panel experts through written submissions and oral presentations. SciBase believes the current process where FDA sets very high standards and is closely involved in clinical validation study design is the most appropriate



The top line results that demonstrate the detrimental effects that common detergents can have on the health of the skin barrier were presented at the World Immune Regulation Meeting (WIRM) in Davos, Switzerland. The study, which is not yet published, was performed by SIAF (CH), CK-CARE (CH), SciBase (SE) and the Sean N. Parker Allergy and Asthma research institute at Stanford (US). The study demonstrates that household laundry detergents disrupt the skin barrier integrity in mice. The use of professional and household cleaning agents is associated with an increased risk of developing allergic disorders. In line with this, impairment of the epithelial barrier is also associated with the development of allergic disorders. The aim of the study was to utilize Nevisense and Electrical Impedance Spectroscopy (EIS) to assess the effect of commercially available detergents on the skin barrier of mice. The top line results of the study indicated that:

- Even at very low concentrations household detergents can impact the epidermis integrity, leading to an impaired skin barrier.
- Prolonged exposure to detergent residue in clothes could progressively impair the barrier, leading to a higher risk of allergen sensitization.
- Detergents could also aggravate already existing allergic disorders such as atopic dermatitis, increasing disease severity.
- EIS is a fast and reliable tool for in vivo detection of barrier function with possible applications in dermatological and cosmetic studies.

Significant events after the period

SciBase has signed an agreement with Johnson & Johnson Consumer Inc. to collaborate on the development of a unique AI-based screening tool to predict the development of a common type of eczema called atopic dermatitis in infants. The goal of the collaboration is to develop and validate an AI-based solution that detects skin barrier dysfunction and may be able to predict an infant's risk of developing atopic dermatitis. The method will be based on SciBase's Electrical Impedance Spectroscopy (EIS) technology and specifically for the portable Nevisense Go device.

A new US clinical study was published presenting the improvement that the Nevisense test provides over standard of care visual and dermoscopic evaluation. The article named *"Electrical impedance spectroscopy significantly enhances correct biopsy choice for pigmented skin lesions beyond clinical evaluation and dermoscopy"* was published in the journal *"Melanoma Research"*. The study included 231 US Dermatologists making a total of 33.957 biopsy decisions. The study participants showed a statistically significant improve-

ment in correct biopsy decisions beyond their dermoscopic evaluation when integrating the Nevisense result. With Nevisense, Dermatologists identified more melanomas for biopsy; their sensitivity increasing from 85.2% to 91.1%.

A recently published article in the journal *"Molecular Psychiatry"*, a part of Nature, named *"Ectodermal origins of the skin-brain axis: a novel model for the developing brain, inflammation, and neurodevelopmental conditions"* discusses that EIS may represent an alternate clinical measure of skin barrier integrity that may function as a surrogate for neurodevelopmental divergence.

The following people have been appointed as members of SciBase Holding's nominating committee for the Annual General Meeting in 2023:

- Dharminder Chahal (VanHerK Group)
- Peter Elmvik (Stockholms Elbolag),
- Iraj Arastoupour,
- 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 May 18, 2022. The Annual General Meeting of SciBase Holding AB (publ) will be held on May 18, 2023 in Stockholm.



Consolidated summary Income Statement

SEK 000'	July 1 - Sep 30		Jan 1 - Sep 30		Oct 1, 2021 -	
	2022	2021	2022	2021	Sep 30, 2022 Rolling-12	Jan 1 - Dec 31 2021
Net sales	4 941	2 982	12 927	7 802	16 852	11 727
Cost of goods sold	-2 056	-1 094	-4 738	-3 294	-6 592	-5 148
Gross Profit/Loss	2 885	1 888	8 189	4 508	10 259	6 579
Sales and marketing expenses	-9 192	-5 944	-25 491	-18 394	-34 363	-27 266
Administration expenses	-2 714	-2 087	-7 987	-6 785	-11 007	-9 805
Development expenses	-2 245	-2 071	-7 780	-7 043	-12 501	-11 764
Other operating income	-629	0	0	91	0	91
Other operating expenses	521	-368	284	-176	1 020	560
Operating Income	-11 375	-8 583	-32 785	-27 798	-46 592	-41 605
Financial income	2 753	0	5 241	1	5 241	1
Financial expenses	-144	-40	-170	-128	-215	-173
Profit/Loss before taxes	-8 765	-8 622	-27 713	-27 926	-41 565	-41 778
Income tax	-	-	0	0	0	0
Profit/Loss for the period	-8 765	-8 622	-27 713	-27 926	-41 565	-41 778
Net Profit/Loss attributable to:						
Parent company shareholders	-8 765	-8 622	-27 713	-27 926	-41 565	-41 778
Earnings per share based on Net Profit/loss attributable to parent company shareholders (in SEK/share)						
Profit/loss per share (before and after dilution)*	-0,13	-0,13	-0,40	-0,46	-0,61	-0,67
Average number of shares outstanding	68 475	68 475	68 475	60 827	68 475	62 739

Consolidated summary statement of comprehensive income

SEK 000'	July 1 - Sep 30		Jan 1 - Sep 30		Oct 1, 2021 -	
	2022	2021	2022	2021	Sep 30, 2022 Rolling-12	Jan 1 - Dec 31 2021
Profit/loss for the period	-8 765	-8 622	-27 713	-27 926	-41 565	-41 778
<i>Other comprehensive income for the period:</i>						
<i>Items that have or may be reclassified to profit or loss:</i>						
Changes in fair value on financial assets that can be sold	0	0	0	0	0	0
Tax effect attributable to changes in fair value on financial assets that can be sold	0	0	0	0	0	0
Translation differences on foreign operations	-1 823	-413	-4 356	-498	-4 631	-773
Sum other comprehensive income	-1 823	-413	-4 356	-498	-4 631	-773
Total comprehensive income for the period	-10 589	-9 036	-32 070	-28 425	-46 196	-42 551
Total comprehensive income attributable to:						
Parent company shareholders	-10 589	-9 036	-32 070	-28 425	-46 196	-42 551



Consolidated summary statement of financial position

SEK 000'	Sep 30		Dec 31
	2022	2021	2021
ASSETS			
<i>Fixed Assets</i>			
Tangible fixed assets	1 960	2 201	2 321
Right of use assets	2 648	3 360	2 796
Financial fixed assets	0	0	0
Total Tangible Assets	4 608	5 562	5 117
<i>Current Assets</i>			
Inventory	5 979	7 920	6 800
Current tax receivable	1 031	996	548
Receivables	4 215	2 975	3 469
Other current receivables	3 584	2 061	3 916
Cash equivalents	34 014	78 270	65 607
Total Current Assets	48 823	92 221	80 340
Total Assets	53 431	97 783	85 456
Shareholders' Equity and Liabilities			
Shareholders' equity attributable to parent company shareholders	38 726	84 923	70 796
<i>Longterm Liabilities</i>			
Other longterm liabilities	650	946	356
Total Longterm Liabilities	650	946	356
<i>Current Liabilities</i>			
Accounts payable	1 811	2 415	2 740
Other current liabilities	12 243	9 500	11 565
Total Current Liabilities	14 055	11 915	14 305
Total Liabilities	14 704	12 861	14 661
Total shareholders' equity and liabilities	53 431	97 783	85 456

Consolidated change in shareholders' equity

SEK 000'	Share Capital	Other Capital Contributions	Reserves	Accumulated Loss	Total shareholders' Equity attributable to parent company shareholders
Opening balance Jan 1, 2021	2 739	571 925	-269	-527 535	46 861
Profit/loss for the period				-27 926	-27 926
Other comprehensive income			-498		-498
Total comprehensive income	0	0	-498	-27 926	-28 425
<i>Transactions with shareholders:</i>					
New share issue	685	70 529			71 214
Issue expenses		-4 728			-4 728
Total transactions with shareholders	685	65 802	0	0	66 487
Closing balance Sep 30, 2021	3 424	637 727	-767	-555 461	84 922
Opening balance Jan 1, 2022	3 424	637 727	-120	-570 235	70 796
Profit/loss for the period				-27 713	-27 713
Other comprehensive income		0	-839	-3 517	-4 356
Total comprehensive income	0	0	-839	-31 231	-32 070
Total transactions with shareholders	0	0	0	0	0
Closing balance Sep 30, 2022	3 424	637 727	-959	-601 466	38 727

Consolidated summary statement of cash flows

SEK 000'	July 1 - Sep 30		Jan 1 - Sep 30		Oct 1, 2021 -	
	2022	2021	2022	2021	Sep 30, 2022	Jan 1 - Dec 31
					Rolling-12	2021
Cashflow from operating activities before change in working capital	-9 708	-8 260	-29 547	-26 525	-42 865	-39 843
<i>Cashflows from changes in working capital</i>						
Change in Inventory	1 102	-376	820	-1 007	1 940	112
Change in Receivables	-1 390	-334	-897	-1 506	-2 798	-3 407
Change in Liabilities	277	-186	-250	1 247	2 140	3 637
<i>Total change in working capital</i>	-10	-896	-327	-1 267	1 282	342
Cashflow from operating activities	-9 718	-9 156	-29 873	-27 792	-41 583	-39 501
<i>Investment activities</i>						
Acquisitions of Fixed Assets	-173	-129	-173	-268	-522	-617
Divestment of fixed assets	0	0	0	91	0	91
Divestment of financial assets	0	0	0	0	0	0
Cashflow from investment activities	-173	-129	-173	-177	-522	-526
<i>Financing activities</i>						
New share issues	0	0	0	71 214	0	71 214
Expenses related to new share issues	0	0	0	-4 728	0	-4 728
Amortization leasing contracts	-620	-582	-1 841	-1 679	-2 431	-2 269
Cashflow from financing activities	-620	-582	-1 841	64 807	-2 431	64 217
Cashflow for the period	-10 511	-9 867	-31 887	36 839	-44 535	24 191
Cash equivalents at start of the year	44 577	88 192	65 607	41 427	78 270	41 427
Exchange rate differences in cash equivalents	-52	-55	294	4	280	-11
Cash equivalents at end of the period	34 014	78 270	34 014	78 270	34 014	65 607



Income statement, Parent Company

SEK 000'	July 1 - Sep 30		Jan 1 - Sep 30		Oct 1, 2021 -	
	2022	2021	2021	2020	Sep 30, 2022	Jan 1 - Dec 31
					Rolling-12	2021
Net Sales	1 186	1 077	3 558	3 230	4 634	4 306
Gross profit	1 186	1 077	3 558	3 230	4 634	4 306
Administration expenses	-2 955	-2 469	-8 318	-7 167	-11 618	-10 466
Other expenses	-10	-	-10	-	0	0
Operating Profit/loss	-1 769	-1 393	-4 771	-3 937	-6 983	-6 160
<i>Earnings from financial items:</i>						
Profit/Loss from shares in group companies	-4 226	-6 762	-12 682	-20 983	-24 192	-32 493
Financial income	41	0	41	0	0	0
Financial expenses	0	0	0	0	0	0
Profit/loss after financial items	-5 954	-8 154	-17 453	-24 920	-31 176	-38 653
Taxes	-	-	-	-	-	-
Profit/loss for the period	-5 954	-8 154	-17 453	-24 920	-31 176	-38 653

Statement of other comprehensive income, Parent Company

SEK 000'	July 1 - Sep 30		Jan 1 - Sep 30		Oct 1, 2021 -	
	2021	2020	2021	2020	Sep 30, 2022	Jan 1 - Dec 31
					Rolling-12	2020
Profit/loss for the period	-5 954	-8 154	-17 453	-24 920	-31 176	-38 653
<i>Other comprehensive income</i>	-	-	-	-	-	-
Total other comprehensive income	-	-	-	-	-	-
Total comprehensive income	-5 954	-8 154	-17 453	-24 920	-31 176	-38 653



Summary Balance Sheet, Parent Company

SEK 000'	Sep 30		Dec 31
	2022	2021	2021
ASSETS			
<i>Fixed Assets</i>			
Shares in Group Companies	137 647	137 647	137 647
Total Fixed Assets	137 647	137 647	137 647
<i>Current Assets</i>			
Current receivables and prepaids	36 238	23 172	51 986
Cash equivalents	17 614	61 717	19 424
Total Current Assets	53 852	84 889	71 410
TOTAL ASSETS	191 499	222 536	209 057
SHAREHOLDERS' EQUITY AND LIABILITIES			
<i>Shareholder's equity</i>			
Restricted equity			
Share capital	3 424	3 424	3 424
Non-restricted equity			
Other capital contributions	637 610	637 610	637 610
Retained earnings	-435 380	-396 727	-396 727
Profit/Loss for the period	-17 412	-24 920	-38 653
Shareholders equity	188 241	219 387	205 653
<i>Current Liabilities</i>			
Current liabilities	3 257	3 148	3 403
Total liabilities	3 257	3 148	3 403
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	191 499	222 536	209 057



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 43-48 of the consolidated annual report for 2021.

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 2022. A corresponding agreement was in-place in 2021, 2020, 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.

Third quarter

Skin cancer

Europe/Rest of the World

Net sales during the period amounted to TSEK 3,839 (2,445) 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 2,122 (1,568).

Other geographical areas

Net sales during the period amounted to TSEK 840 (229). Gross profit amounted to TSEK 598 (130). The sales consisted mainly of electrode sales to larger dermatology groups.

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 125 (37). Gross profit amounted to a profit of TSEK 73 (25). The sales were to researchers within the skin barrier field.

Other geographical areas

Net sales during the period amounted to TSEK 136 (270). Gross profit amounted to TSEK 92 (164). The sales were to researchers and industry 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.

January - September

Skin cancer

Europe/Rest of the World

Net sales during the period amounted to TSEK 10,025 (6,580) of which Germany accounted for 100 (98)%. 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 6,101 (3,817).

Other geographical areas

Net sales during the period amounted to TSEK 2,209 (566). Gross profit amounted to TSEK 1,647 (332). The sales consisted mainly of the sale of 10 Nevisense systems to two larger dermatology group as well as additional sales of electrodes.

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 357 (119). Gross profit amounted to a profit of TSEK 200 (63). The sales were to researchers within the skin barrier field.

Other geographical areas

Net sales during the period amounted to TSEK 336 (537). Gross profit amounted to TSEK 241 (297). The sales were to researchers and industry 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.



Note 6 Incentive program

The Board considers it as important and positive if the employees' ownership in the company increases. The Board has evaluated different incentive programs and following this decided to implement a normal bonus program. However, the purpose is to increase the employees' ownership in the company. Thus, if the employee undertakes to buy shares over the market and enter into a lockup agreement (12-months), the bonus is increased

by 4 times the cash bonus. The program has a maximum ceiling (including social security fees etc) of SEK 3 million. For the full year 2021 the total cost was SEK 1.7 million.

Operating segments

SEK 000'	July 1 - Sep 30, 2022			July 1 - Sep 30, 2021		
	Europe/ Rest of the World	Other Segments	Total	Europe/ Rest of the World	Other Segments	Total
Skincancer - Net sales	3 839	840	4 680	2 445	229	2 674
The skin barrier function - Net Sales	125	136	261	37	270	307
Sales between segments	-	-	-	-	-	-
Net sales from external customers	3 964	976	4 941	2 483	499	2 982
Cost of goods - Skincancer	-1 718	-242	-1 960	-877	-99	-976
Cost of goods - Barrier function	-52	-44	-96	-12	-106	-118
Cost of goods - total	-1 770	-286	-2 056	-888	-205	-1 094
Gross Profit - Skincancer	2 122	598	2 720	1 568	130	1 698
Gross Profit - Barrier function	73	92	165	25	164	189
Gross Profit - total	2 195	690	2 885	1 594	294	1 888
Operating expenses			-14 260			-10 471
Operating profit/Loss			-11 375			-8 583
Financial Income			2 753			0
Financial Expenses			-144			-40
Group earnings - before tax			-8 766			-8 622

SEK 000'	Jan 1 - Sep 30, 2022			Jan 1 - Sep 30, 2021		
	Europe/ Rest of the World	Other Segments	Total	Europe/ Rest of the World	Other Segments	Total
Skincancer - Net sales	10 025	2 209	12 234	6 580	566	7 146
The skin barrier function - Net Sales	357	336	693	119	537	656
Net sales from external customers	10 382	2 544	12 927	6 699	1 103	7 802
Cost of goods - Skincancer	-3 924	-562	-4 487	-2 763	-234	-2 997
Cost of goods - Barrier function	-157	-95	-252	-57	-240	-297
Cost of goods - total	-4 081	-657	-4 738	-2 819	-474	-3 294
Gross Profit - Skincancer	6 101	1 647	7 747	3 817	332	4 149
Gross Profit - Barrier function	200	241	441	63	297	359
Gross Profit - total	6 301	1 888	8 189	3 880	629	4 508
Operating expenses			-40 973			-32 307
Operating profit/Loss			-32 785			-27 798
Financial Income			5 241			1
Financial Expenses			-170			-128
Group earnings - before tax			-27 713			-27 926



Net sales per category and segment

	July 1 - Sep 30 2022		July 1 - Sep 30 2021		Jan 1 - Sep 30 2022		Jan 1 - Sep 30 2021		Rolling-12		Full Year 2021	
	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	Europe/ Rest of the World	Other segments	Europe/ Rest of the World	Other segments
Amounts in KSEK												
<i>Skin cancer</i>												
Electrodes	3 298	642	2 159	228	9 063	1 651	5 839	566	11 154	2 026	7 930	941
Instruments	541	199	286	0	962	558	741	0	1 079	1 523	857	965
Total Skin Cancer	3 839	840	2 445	228	10 025	2 209	6 580	566	12 233	3 549	8 787	1 906
<i>Skin barrier function</i>												
Electrodes	54	27	21	122	243	95	53	310	382	106	192	320
Instruments	71	109	17	148	114	240	66	227	164	419	116	406
Total skin barrier function	125	136	37	270	357	336	119	537	546	524	308	726
<i>Total</i>												
Electrodes	3 352	669	2 179	350	9 306	1 746	5 892	876	11 535	2 132	8 122	1 261
Instruments	612	308	303	148	1 077	798	807	227	1 243	1 942	973	1 371
Total	3 964	976	2 482	499	10 382	2 544	6 699	1 103	12 778	4 074	9 095	2 632



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, November 10, 2022

Tord Lendau
Chairman of the Board

Diana Ferro
Board member

Thomas Taapken
Board member

Matt Leavitt
Board member

Jvalini Dwarkasing
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 November 10, 2022.

Review report

SciBase Holding AB, 556773-4768

Introduction

We have reviewed the condensed interim report for SciBase Holding AB as at September 30, 2022 and for the nine months period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

The focus and scope of the general review

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 *Review of Interim Financial Statements Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and

other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act regarding the Group, and in accordance with the Swedish Annual Accounts Act regarding the Parent Company.

Emphasis of matter

We would like to draw attention to the financing section on page 9, which describes the board's assessment of the financing for the business going forward. We have not modified our statement in this regard.

Stockholm, November 10, 2022
PricewaterhouseCoopers AB

Magnus Lagerberg
Authorized Public Accountant

This report, together with previously published interim reports, can be found in its entirety on the company's website: <http://investors.scibase.se/en/reports-and-presentations>

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

Quarterly overview

THE GROUP	2022				2021			2020	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Net sales, SEK ths	4 941	3 726	4 260	3 925	2 982	2 258	2 562	3 055	2 287
Gross margin, %	58,4%	70,6%	62,8%	52,8%	63,3%	56,3%	52,7%	49,4%	52,7%
Equity/Asset ratio, %	72,5%	76,6%	79,3%	82,8%	86,8%	87,3%	79,6%	79,1%	67,0%
Net indebtbn, multiple	0,38	0,30	0,26	0,21	0,15	0,15	0,26	0,26	0,49
Cash equivalents, SEK ths	34 014	44 577	54 621	65 607	78 270	88 192	31 403	41 427	21 724
Cashflow from operating activities, SEK ths	-9 718	-9 643	-10 512	-11 709	-9 156	-9 162	-9 473	-10 290	-6 974
Earnings per share (before and after dilution), SEK	-0,13	-0,13	-0,14	-0,20	-0,13	-0,19	-0,15	-0,20	-0,20
Shareholder's equity per share, SEK	0,57	0,72	0,88	1,03	1,24	1,59	0,70	0,96	0,71
Average number of shares, 000'	68 475	68 475	68 475	68 475	68 475	59 265	54 780	48 707	36 560
Number of shares at closing of period, 000'	68 475	68 475	68 475	68 475	68 475	68 236	54 780	54 780	36 560
Share price at end of period, SEK	3,70	3,41	4,70	5,52	4,88	5,52	4,78	4,62	4,00
Number of sold electrodes, pieces	10 592	9 550	9 982	8 024	8 304	5 968	7 496	7 492	6 924
Average number of employees	20	19	18	18	17	17	18	17	16

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.
- **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:** Lesions.
- **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 (%)

	2022	2021
Gross Profit	8 189	4 508
Net Sales	12 927	7 802
Gross Margin (%)	63,3%	57,8%

Definition:

Gross Profit / Loss divided with Net Sales.

Cause of use:

The gross margin shows the difference between net sales and the cost of goods sold in % of net sales. The gross margin is affected by several factors such as product mix, price trends, exchange rate fluctuation, efficiency in manufacturing processes etc. This is an important measurement as it provides a better understanding of the Company's progress.

Shareholder Equity ratio (%)

	2022	2021
Total Shareholders' Equity	38 726	84 923
Total Assets	53 431	97 783
Shareholders' Equity ratio (%)	72,5%	86,8%

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)

	2022	2021
Total Liabilities	14 704	12 861
Total Shareholders' Equity	38 726	84 923
Debt ratio (times)	0,38	0,15

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 shareholders' equity. It is closely connected to the Shareholder's equity ratio.

Earnings per share, after dilution (sek)

	2022	2021
Profit/Loss for the period	-27 713	-27 926
Average number of shares (thousand)	68 475	60 827
Earnings per share (sek)	-0,40	-0,46

Definition:

Is the portion of a company's profit 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)

	2022	2021
Shareholders' Equity	38 726	84 923
Average number of shares (thousand)	68 475	60 827
Shareholders' equity per share	0,57	1,40

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)

	2022	2021
Opening balance - Jan 1	68 475	54 780
Closing balance - Dec 30	68 475	68 475
Average number of shares (thousand)	68 475	60 827

Definition:

The average 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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Future reporting dates

Year-end report, February 23, 2023