

Year-end report

January 1 – December 31, 2022

The fourth quarter in figures

- Net sales were TSEK 4,962 (3,925), +26%.
- The loss after tax was TSEK 15,460 (13,852).
- The loss per share was SEK 0.23 (0.20).
- The cash flow from current operations was negative in the amount of TSEK 14,593 (11,709).
- The gross margin was 61.4% (52.8%).
- Electrode sales volume increased by 43% and was 11,444 (8,024) units. Repeat sales of electrodes to existing customers increased by 30%.

January - December in figures

- Net sales were TSEK 17,890 (11,727), +53%.
- The loss after tax was TSEK 43,174 (41,778).
- The loss per share was SEK 0.63 (0.67).
- The cash flow from current operations was negative in the amount of TSEK 44,466 (39,501).
- The gross margin was 62.8% (56.1%).
- Electrode sales volume increased by 40% and was 41,712 (29,792) units. Repeat sales of electrodes to existing customers increased by 39%.

Important events during the quarter

- Overall sales increased by 26% (+15%, before currency effects). Sales in the US skin cancer market were 70% lower than Q4 2021 due to a large initial 20 system sale to US partners. **Sales in Germany increased by 67%** (51% in local currency). Sales within the skin barrier segment increased by 135%.
- **Collaboration agreement signed with Johnson & Johnson Consumer Health to develop a screening product for infants based on skin barrier.**
- SciBase's products for skin barrier included in large Australian birth cohort study.
- New US 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.

Important events after the end of the period

No significant events have occurred since the end of the period.

Financial overview

THE GROUP	Oct 1 - Dec 31		Jan 1 - Dec 31	
	2022	2021	2022	2021
Net sales, SEK ths	4 962	3 925	17 890	11 727
Gross margin, %	61,4%	52,8%	62,8%	56,1%
Equity/Asset ratio, %	56,2%	82,8%	56,2%	82,8%
Net indebtness, multiple	0,78	0,21	0,78	0,21
Cash equivalents, SEK ths	18 832	65 607	18 832	65 607
Cashflow from operating activities, SEK ths	-14 593	-11 709	-44 466	-39 501
Earnings per share (before and after dilution), SEK	-0,23	-0,20	-0,63	-0,67
Shareholder's equity per share, SEK	0,37	1,03	0,37	1,16
Average number of shares, 000'	68 475	68 475	68 475	62 739
Number of shares at closing of period, 000'	68 475	68 475	68 475	68 475
Share price at end of period, SEK	3,82	5,52	3,82	5,52
Number of sold electrodes, pieces	11 444	8 024	41 712	29 792
Average number of employees	21	18	20	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

“ Record sales quarter and partnership with J&J announced ”

Q4 Highlights

- Sales in Q4 increased by 26% (+15% before currency) reaching MSEK 5.0 (3.9).
- Collaboration agreement signed with Johnson & Johnson Consumer Health to develop a skin barrier based screening product for infants.
- Medicare Administrative Contractors currently assigning payment to the Nevisense test are evaluating the current fee schedule and are expected to publish an update.
- Continued sales growth in Germany, +67% in the quarter.
- SciBase’s products for skin barrier included in large Australian birth cohort study.

Sales momentum driven by Germany and the barrier segment

Continued good sales growth in Germany (+67% vs Q4-21) and sales within the skin barrier segment (+135% vs Q4 2021) were the drivers for growth in the quarter. We saw an influx of new customers in Germany and almost doubled our sales of devices in the quarter compared to Q4 last year. Electrode sales continue to develop well due to the new customers and increased test usage within both the melanoma and non-melanoma skin cancer indications. Electrode sales volumes grew by 37% in Germany in Q4 and with 45% in 2022 overall. Worth noting is that the sales within the barrier segment were driven by sales to two large clinical trials due to start early 2023. Although a record quarter overall, the Q4 growth is lower due to the 4th quarter in 2021 including initial start-up sales of 20 Nevisense systems to SciBase partners in the US.

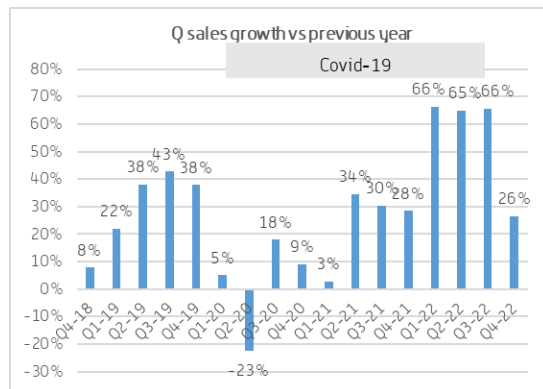
Total sales for the quarter were MSEK 5.0 (3.9) – our best quarter to date. We grew 26% in the quarter compared to Q4 2021 (15% before currency effects) and have now seen **ten consecutive quarters of growth** since the start of the pandemic.

Looking at the full year one of the most pleasing aspects has been the considerable increase in the usage of our test by clinicians. We are averaging around 10,000 tests per quarter (with over 11,000 in Q4), which is more than 40% up on 2021. There have been several factors contributing to the growth:

1. **New customer growth – especially in Germany.** We saw a 50+% increase in the number of new customers compared to 2021, and a resurgence in the number of customers purchasing additional units.
2. Our new **NMSC application** is now installed in more than 50% of our German sites. The availability of NMSC has helped both drive new system sales and test usage.
3. **Increased market presence.** Our German and US sales teams both did a fantastic job in 2022 supporting customers, Marketing-wise we saw a successful return to in-person congresses, we

4. **Continued high level of interest in the barrier application** - with sales of devices and electrodes to researchers and industry.
5. **Eight percent price increase from Q2 on the electrode in Germany.**

With our German sales growth, US reimbursement progress and the 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

Perhaps the key highlight of the fourth quarter was the announcement of our **strategic partnership with Johnson & Johnson Consumer Health**. The goal of the partnership is to develop a screening product to identify infants that are at increased risk for developing atopic dermatitis in the first year of life. Central to this project is a clinical trial due to start in Q1 of 2023 led by Dr Caroline Roduit and Professor Roger Lauener of the Children’s Hospital of Eastern Switzerland. During Q4 we shipped most of the products needed for the study, which will be based on Nevisense Go measurements performed in the home.

The project announcement is 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.

Progress with the Barrier applications

A further factor in the good Barrier sales in Q4 was the inclusion of both Nevisense and Nevisense Go in a very interesting study in Australia. The ORIGINS Project is a collaboration between Joondalup Health Campus and Telethon Kids Institute and is one of the world’s largest cohort studies. The study will use SciBase products to

follow up to 1,000 of the 10,000 children included in the project with the aim to follow the progression of atopic dermatitis by assessing skin integrity through measurements of the skin barrier in children. The measurements will also help SciBase develop and improve the AI algorithms even further with the goal of delivering better, personalized treatments. Nevisense Go inclusion in the study is planned to start in Q1 of 2023.

The skin barrier area is a strategic focus for SciBase, especially within atopic dermatitis (AD) or eczema. As with NMSC (Non-Melanoma Skin Cancer), the skin barrier products are based on our core EIS technology and electrode but utilize 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 and 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 flare prediction study involves **Nevisense Go being used by adult atopic dermatitis sufferers in their own homes**. The goal is to predict the onset of eczema flares and thus help patients better manage their disease. The initial feedback from patients is that they find Nevisense Go very easy to use.

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.

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 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

To achieve broad usage in the US, our customers need to be reimbursed by 'Payers' (Medicare and private insurance companies) for their costs when providing the Nevisense test. Securing reimbursement coverage is therefore our number one priority. This is a stepwise process, where we, supported by our customers, work to get the Nevisense test covered by both regional Medicare Administrative Contractors or 'MACs' and private payers.

SciBase has initially focused on Medicare, who manage seniors aged 65 or older, but from Q3 have

also started to work actively with private insurance companies. Our test is today being consistently reimbursed by two of the eight regional MACs via a 'fee schedule'. Both First Coast (FL) and Novitas (mid-Atlantic and the central US) are assigning payment for the test but currently at a level significantly below what our users deem as appropriate. We are therefore working together with our customers to convince the MACs to increase their fee schedule level. The two MACs covering the test are currently reviewing the fee schedule level and we look forward to receiving further information soon.

Overall, US sales have grown over the year although Q4 was lower than 2021 because the initial sales of 20 systems to our partners in Q4 of last year. We are working in a focused manner in our partners' networks and working to sign on new partner groups.

In 2023 we look forward to a broader collaboration with our key US partner ADCS, while expanding geographically through further agreements with large dermatology practice groups. We remain the only product approved for point-of-care melanoma detection in the US and believe that the regulatory and clinical evidence requirements continue to provide an important barrier to any competitors wishing to enter this market.

In March 2023 one of the key US congresses, AAD (American Academy of Dermatology), takes place in New Orleans and this provides one of the best opportunities to meet potential customers.

Germany continues to deliver strong growth

Germany continued to deliver strong profitable growth in the quarter (+67%) and for the year as a whole (59%). Electrode sales grew 51% in local currency for the full year 2022 (45% in volume) driven by both a Q2 price increase, the new non-melanoma skin cancer (NMSC) indication and increased test usage. More than 50% of all German clinics with Nevisense now have access to the NMSC module. New device sales in volume also increased by 83% in the quarter and by 70% for the year.

With currently around 350 devices installed at over 300 clinics there is still a lot of potential for growth in Germany. There are around 2,500 dermatology clinics of which around 800 are seen as our target group.

Gross margin

SciBase's goal is to reach an overall gross margin of 70% for systems and consumables (our electrode) combined. Although the margin will vary going forward it was very pleasing to see that we achieved the 70% goal for the first time in the second quarter of 2022. We as a Company have focused on improving the margin for our electrode and we have seen a continuous improvement so that during 2022 electrode margin exceeded 70%. This is primarily driven by improvements in our production process. We now have sufficient capacity for our medium-term expansion needs and we now know that our goal of an overall gross margin of at least 70% is achievable.

In Q4 we reached a gross margin of 61.4 (52.8)%, accumulated 62.8 (56.1)%. We had hoped for an even better result for the year but there have been many



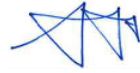
supply chain challenges and raw materials and component price increases. We have managed however to balance those effects by improving efficiency and yield in our production and we expect to continue to improve our margin going forward.

2022 – a breakthrough year

2022 has clearly been a breakthrough year for SciBase. We have seen impressive sales growth in our key markets, important progress in the US and the establishment of our third application segment skin barrier in a year capped off by the signing of our agreement with J&J Consumer.

For 2023 our goal is to deliver 'more of the same' after a breakthrough 2022. Continued growth in Germany is important. We will add resources to build the US

market and within skin barrier we will focus on developing our three applications. We look forward to 2023 and thank you, our shareholders, for your continued support.



Simon Grant, CEO
Sundbyberg February 13th, 2023



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.

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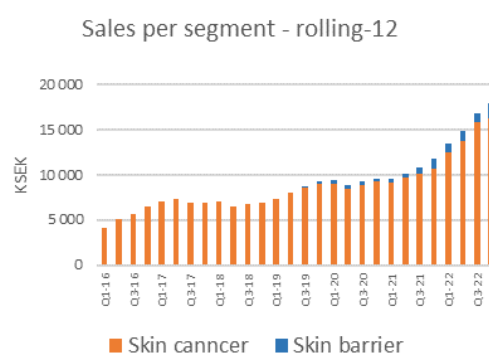
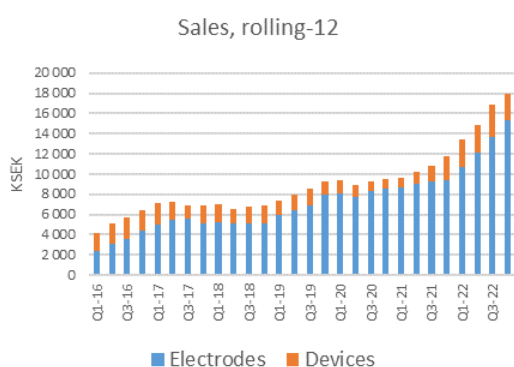
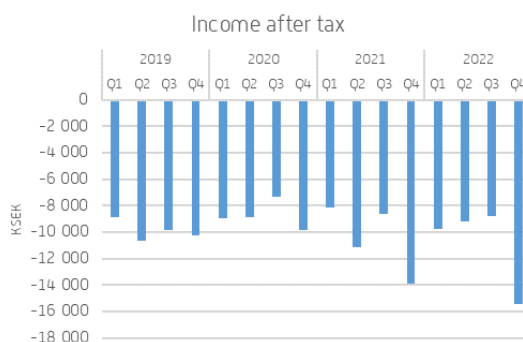
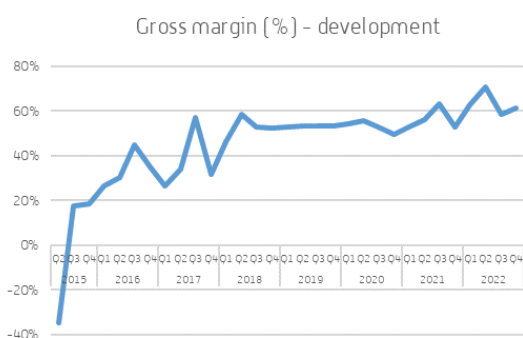
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"I work every day with the management of different allergic diseases in children, and it is a growing problem. Allergic diseases have a natural progression with atopic dermatitis being the first to manifest, often already in infancy, followed by other 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



Fourth quarter

Net Sales

Net sales for the fourth quarter of 2022 were TSEK 4,962 (3,925), an increase of 26%. Cleared for currency effects the sales increased by 15%. The increased sales are mainly due to continued good sales of electrodes in Germany, sales of both devices and electrodes to larger clinical studies within the skin barrier application and currency effects. The growth in percent compared to the previous quarters in 2022 is lower as the 4th quarter in 2021 included the initial start-up sales of 20 Nevisense systems to SciBase partners in the US. Germany continues to show a good growth in the quarter [+67%] through both sales of electrodes and sales of devices to new customers. One of the drivers for this growth is the new NMSC (non-melanoma skin cancer) indication.

Sales of devices were TSEK 694 (1,311) and sales of electrodes to TSEK 4,268 (2,614). The sales within the new skin barrier application were TSEK 889 (377) in the period. These sales are for research purposes and to industrial partners. Given the nature of research projects, sales will vary between the quarters.

Sales in Germany in the skin cancer area accounted for 74 (56%) of the sales in the period and increased by 67% compared to Q4 2021. In local currency the sales in Germany increased by 51%. An 8% electrode price increase from the 1st of April affected sales positively in Germany from the middle of the second quarter.

The sales in the US in the skin cancer segment accounted for 8 (34)% of the sales in the period. Sales of electrodes continue to develop well but compared to the 4th quarter of 2021 no devices were invoiced compared to the initial start-up sales of 20 Nevisense to SciBase partners in 2021 leading to lower Q4 sales.

The total sales of electrodes in the quarter reached 11,444 (8,024), an increase of 43%. In Germany, the total sales of electrodes within skin cancer in volume increased by 37% while it decreased by 24% in the US. Total repeat sales of electrodes increased by 30%.

Operating profit/loss

The operating loss for the period October - December 2022 was TSEK 13,634 (13,807), a slightly improved loss of TSEK 173. The increased sales contributed to an improvement in earnings, which was to some extent 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 807. The operating income was negatively affected by currency effects (excluding currency revaluation of receivables from subsidiaries) with around MSEK 0.2. The financial income consists mainly of currency effects regarding revaluation of receivables from subsidiaries which, through the strengthening of the SEK vs the USD, affected net earnings after tax negatively by MSEK 1,8.

The gross margin in the period was 61.4 (52.8%). The improved margin is mainly driven by an improved production cost per electrode and currency effects. SciBase is focusing on the margin and the production cost for the electrode and in the quarter the margin for the electrode exceeded 70%. When cleared for currency effects the overall gross margin would have been closer to 58%. The overall margin remains very dependent on electrode production and sales volumes and will vary between quarters.

Sales and marketing expenses increased by TSEK 1,259 and was TSEK 10,132 (8,873). 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 was TSEK 3,195 (3,020), an increase of TSEK 176. The increase was mainly due to patent expenses and the implementation of a new business system.

Development expenses for the period was TSEK 3,036 (4,721), a decrease of TSEK 1,685. The development expenses for Q4-21 included an accrual for IPO-rights related to the ASIC-chip included in Nevisense Go of around MSEK 1.5.

Cash flow, investments and financial position

At the beginning of the period, cash and cash equivalents was TSEK 34,014 and, at the end of the period, was TSEK 18,832.

Cash flow from current operations for the period was negative to the amount of TSEK 14,593 (11,709), of which changes in working capital amounted to negative TSEK 1,625 (positive 1,609) which was mainly attributable to increased inventory and other receivables. The negative operating cash flow deteriorated mainly due to changes in operating capital. Total cash flow for the period was negative to the amount of TSEK 15,439 (12,648).

Net investments in tangible assets for the period was TSEK 208 (349). Investments in intangible assets for the period was TSEK 0 (0).

Depreciation of tangible assets was charged against earnings for the period to the value of TSEK 958 (758) of which TSEK 724 (564) are due to leased assets.

In the period, the right of use assets and the long- and short-term liabilities increased after the extension of the current lease as a result of IFRS-16.

January - December

Net Sales

Net sales for the full year of 2022 were TSEK 17,890 (11,727), an increase of 53%. Cleared for currency effects the sales increased by 42%. The increased sales are mainly due to a continued increase in electrode sales in Germany driven by both an increased usage and new customers. Apart from Germany the US also contributed to the good sales increase with the continued sales of Nevisense systems 10 (20) as well as continued good electrode sales. The total sales of devices amounted to TSEK 2,571 (2,345) and sales of electrodes to TSEK 15,319 (9,383). The sales within the new skin barrier application for the full year of 2022 were TSEK 1,583 (1,033). These sales are for research purposes and to 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 the full year of 2022 for 76 (82%) of the sales and increased by 59% compared to 2021. In local currency the sales in Germany increased by 50%. The sales increase is, apart from currency effects, driven by a price increase of 8% from April 1st on the electrode and an increased usage per system following the launch of the new NMSC indication.

The sales in the US for the full year of 2022 in the skin cancer segment accounted for 15 (16)% of the sales. The Company's US practice group strategy continues to gain traction with sales of 10 (20) Nevisense units (for melanoma) as well as a continued increase in electrode sales.

The total sales of electrodes in volume for 2022 reached 41,712 (29,792), an increase of 40%. In Germany, the total sales of electrodes within skin cancer in volume increased by 45% and in the US by

17%. Total repeat sales of electrodes increased by 39%.

Operating profit/loss

The operating loss for the full year of 2022 amounted to TSEK 46,419 (41,605), an increased loss of TSEK 4,813. 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 following the pandemic. The total operating expenses increased for the full year of 2022 by TSEK 9,469 of which currency effects accounts for approximately TSEK 2,518. The operating income (excluding currency effects on receivables from subsidiaries) was negatively affected by currency effects with around MSEK 1.3. The financial income consists mainly of currency effects regarding revaluation of receivables from subsidiaries which affected net earnings after tax positively by MSEK 3.4.

The gross margin in the period was 62.8 (56.1%). When cleared for currency effects the gross margin would have been just over 60%. 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. SciBase's long-term goal is to reach an overall gross margin of over 70% and the Company mainly focuses on improving the margin of the electrode which now is over 70%. The overall margin remains very dependent on electrode production and sales volumes and will vary between quarters.

Sales and marketing expenses increased by TSEK 8,356 and amounted to TSEK 35,623 (27,266). 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 11,183 (9,805), an increase of TSEK 1,378. 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 10,816 (11,764), a decrease of TSEK 948. Costs mainly decreased as a result of development expenses in 2021 being charged with approximately MSEK 2.4 for license fees regarding the development of the ASIC [Application Specific Integrated Circuit] used in Nevisense Go.

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 18,832.

Cash flow from current operations for the period was negative to the amount of TSEK 44,466 (39,501), of which changes in working capital amounted to a

negative TSEK 1,951 (positive 342) which was mainly attributable to increased inventory and receivables. The negative operating cash flow deteriorated mainly due to the increased loss (excluding net earnings improvements from revaluation of receivables from subsidiaries) and changes in operating capital. Total cash flow for the period was negative to the amount of TSEK 47,327 (positive 24,191). 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 381 (621). 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 3,651 (2,952) of which TSEK 2,896 (2,198) are due to leased assets.

Other disclosures

Shareholders

At the end of the period, SciBase Holding AB had approximately 3,516 shareholders, of whom the five largest represented approximately 35.7% of the capital and votes. The total number of shares per December 30, 2022 was 68,475,107. The largest shareholders as per December 30, 2022 were Avanza pension (14%), Futur Pension (6%), SIX SIS AG (6%) Stockholms Elbolag (6%) 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 23 [18], of whom 30 [28]% 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 products. 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 30, 2022, the Group's cash and cash equivalents amounted to SEK 18.8 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 4,744 [4,306] 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 300 [230] 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 December 31, 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 4,744 [4,306]. The loss for the period amounted to TSEK 30,344 [38,653]. 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 24.0 [32.5].



Significant events during the quarter

SciBase 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 improvement 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%.

SciBase received an order for skin barrier assessment products to be included in one of the world's largest cohort studies – The ORIGINS Project, which is a collaboration between Joondalup Health Campus and Telethon Kids Institute. SciBase will supply Nevisense, Nevisense Go and electrodes to follow up to 1,000 of the 10,000 children included in the project. Of key interest is the development and progression of atopic dermatitis and the project is intending to utilise the Nevisense system to assess skin integrity in this context. The ORIGINS Project follows the progress of pregnant women, their partners and babies for the first five years of the baby's life, and beyond, based on an increasing understanding that an individual's lifetime health and disease may be programmed at a very early stage – even while a child is still in the womb. The project is collecting detailed information on how a child's early environment and parents' physical health and genetics influence the risk of a wide range of diseases and conditions such as asthma, eczema, food allergies, hay fever, diabetes, obesity and neuro-developmental challenges.

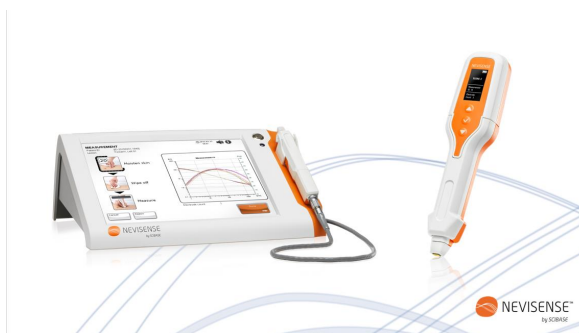
A recently published article in the journal "Molecular Psychiatry", a part of Nature, named *"Ectodermal origins of the skin-brain axis: a novel model for the developing brain, inflammation, and neurodevelopmental conditions"* discusses that EIS may represent an alternate clinical measure of skin barrier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

Significant events after the period

No significant events have occurred since the end of the period.



Consolidated summary Income Statement

SEK 000'	Oct 1 - Dec 31		Jan 1 - Dec 31	
	2022	2021	2022	2021
Net sales	4 962	3 925	17 890	11 727
Cost of goods sold	-1 917	-1 854	-6 655	-5 148
Gross Profit/Loss	3 046	2 070	11 235	6 579
Sales and marketing expenses	-10 132	-8 873	-35 623	-27 266
Administration expenses	-3 195	-3 020	-11 183	-9 805
Development expenses	-3 036	-4 721	-10 816	-11 764
Other operating income	0	0	0	91
Other operating expenses	-317	735	-32	560
Operating Income	-13 634	-13 807	-46 419	-41 605
Financial income	-1 802	0	3 440	1
Financial expenses	-25	-45	-194	-173
Profit/Loss before taxes	-15 460	-13 852	-43 174	-41 778
Income tax	-	-	0	0
Profit/Loss for the period	-15 460	-13 852	-43 174	-41 778
Net Profit/Loss attributable to:				
Parent company shareholders	-15 460	-13 852	-43 174	-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)*	-0,23	-0,20	-0,63	-0,67
Average number of shares outstanding	68 475	68 475	68 475	62 739

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

Consolidated summary statement of comprehensive income

SEK 000'	Oct 1 - Dec 31		Jan 1 - Dec 31	
	2022	2021	2022	2021
Profit/loss for the period	-15 460	-13 852	-43 174	-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
Tax effect attributable to changes in fair value on financial assets that can be sold	0	0	0	0
Translation differences on foreign operations	1 971	-275	-2 385	-773
Sum other comprehensive income	1 971	-275	-2 385	-773
Total comprehensive income for the period	-13 489	-14 127	-45 559	-42 551
Total comprehensive income attributable to:				
Parent company shareholders	-13 489	-14 127	-45 559	-42 551



Consolidated summary statement of financial position

SEK 000'	Dec 31	
	2022	2021
ASSETS		
<i>Fixed Assets</i>		
Tangible fixed assets	1 955	2 321
Right of use assets	7 282	2 796
Financial fixed assets	0	0
Total Tangible Assets	9 237	5 117
<i>Current Assets</i>		
Inventory	7 292	6 800
Current tax receivable	596	548
Receivables	9 740	3 469
Other current receivables	4 157	3 916
Cash equivalents	18 832	65 607
Total Current Assets	40 617	80 340
Total Assets	49 854	85 456
Shareholders' Equity and Liabilities		
Shareholders' equity attributable to parent company shareholders	25 237	70 796
<i>Longterm Liabilities</i>		
Other longterm liabilities	5 212	356
Total Longterm Liabilities	5 212	356
<i>Current Liabilities</i>		
Accounts payable	1 422	2 740
Other current liabilities	17 984	11 565
Total Current Liabilities	19 406	14 305
Total Liabilities	24 617	14 661
Total shareholders' equity and liabilities	49 854	85 456



Consolidated change in shareholders' equity

SEK 000'	Share Capital	Other Capital Contributions	Accumulated Loss	Total shareholders' Equity attributable to parent company shareholders
Opening balance Jan 1, 2021	2 739	571 925	-527 804	46 861
Profit/loss for the period			-41 778	-41 778
Other comprehensive income			-773	-773
Total comprehensive income	0	0	-42 551	-42 551
<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	66 487
Closing balance Dec 31, 2021	3 424	637 727	-570 354	70 797
Opening balance Jan 1, 2022	3 424	637 727	-570 354	70 796
Profit/loss for the period			-43 174	-43 174
Other comprehensive income		0	-2 385	-2 385
Total comprehensive income	0	0	-45 559	-45 559
Total transactions with shareholders	0	0	0	0
Closing balance Dec 31, 2022	3 424	637 727	-615 913	25 237

Consolidated summary statement of cash flows

SEK 000'	Oct 1 - Dec 31		Jan 1 - Dec 31	
	2022	2021	2022	2021
Cashflow from operating activities before change in working capital	-12 968	-13 318	-42 515	-39 843
<i>Cashflows from changes in working capital</i>				
Change in Inventory	-1 312	1 120	-492	112
Change in Receivables	-5 663	-1 901	-6 560	-3 407
Change in Liabilities	5 351	2 390	5 101	3 637
<i>Total change in working capital</i>	-1 625	1 609	-1 951	342
Cashflow from operating activities	-14 593	-11 709	-44 466	-39 501
<i>Investment activities</i>				
Acquisitions of Fixed Assets	-208	-349	-381	-617
Divestment of fixed assets	0	0	0	91
Divestment of financial assets	0	0	0	0
Cashflow from investment activities	-208	-349	-381	-526
<i>Financing activities</i>				
New share issues	0	0	0	71 214
Expenses related to new share issues	0	0	0	-4 728
Repayment of lease liabilities	-638	-590	-2 479	-2 269
Cashflow from financing activities	-638	-590	-2 479	64 217
Cashflow for the period	-15 439	-12 648	-47 327	24 191
Cash equivalents at start of the year	34 014	78 270	65 607	41 427
Exchange rate differences in cash equivalents	258	-14	552	-11
Cash equivalents at end of the period	18 832	65 607	18 832	65 607



Income statement, Parent Company

SEK 000'	Oct 1 - Dec 31		Jan 1 - Dec 31	
	2022	2021	2021	2020
Net Sales	1 186	1 077	4 744	4 306
Gross profit	1 186	1 077	4 744	4 306
Administration expenses	-2 892	-3 300	-11 210	-10 466
Other expenses	0	-	-10	-
Operating Profit/loss	-1 706	-2 223	-6 477	-6 160
<i>Earnings from financial items:</i>				
Profit/Loss from shares in group companies	-11 270	-11 510	-23 952	-32 493
Financial income	44	0	85	0
Financial expenses	0	0	0	0
Profit/loss after financial items	-12 932	-13 733	-30 429	-38 653
Taxes	-	-	-	-
Profit/loss for the period	-12 932	-13 733	-30 429	-38 653

Statement of other comprehensive income, Parent Company

SEK 000'	Oct 1 - Dec 31		Jan 1 - Dec 31	
	2021	2020	2021	2020
Profit/loss for the period	-12 932	-13 733	-30 429	-38 653
<i>Other comprehensive income</i>	-	-	-	-
Total other comprehensive income	-	-	-	-
Total comprehensive income	-12 932	-13 733	-30 429	-38 653



Summary Balance Sheet, Parent Company

SEK 000'	Dec 31	
	2022	2021
ASSETS		
<i>Fixed Assets</i>		
Shares in Group Companies	137 647	137 647
Total Fixed Assets	137 647	137 647
<i>Current Assets</i>		
Current receivables and prepaids	30 397	51 986
Cash equivalents	10 794	19 424
Total Current Assets	41 190	71 410
TOTAL ASSETS	178 837	209 057
SHAREHOLDERS' EQUITY AND LIABILITIES		
<i>Shareholder's equity</i>		
Restricted equity		
Share capital	3 424	3 424
Non-restricted equity		
Other capital contributions	637 610	637 610
Retained earnings	-435 380	-396 727
Profit/Loss for the period	-30 344	-38 653
Shareholders equity	175 309	205 653
<i>Current Liabilities</i>		
Current liabilities	3 527	3 403
Total liabilities	3 527	3 403
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	178 837	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.

Fourth quarter

Skin cancer

Europe/Rest of the World

Net sales during the period amounted to TSEK 3,674(2,208) of which Germany accounted for 100 (100)%. 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 2,106 (1,124).

Other geographical areas

Net sales during the period amounted to TSEK 399 (1,340). Gross profit amounted to TSEK 340 (757). The sales consisted mainly of electrode sales to larger dermatology groups. Q4-21 included the sales of 20 Nevisense to the Company's partners in the US.

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 32 (37). Gross profit amounted to a profit of TSEK 15 (93). The sales were to researchers within the skin barrier field.

Other geographical areas

Net sales during the period amounted to TSEK 857 (189). Gross profit amounted to TSEK 584 (97). 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 - December

Skin cancer

Europe/Rest of the World

Net sales during the period amounted to TSEK 13,699 (8,787) 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 8.153 (4,883).

Other geographical areas

Net sales during the period amounted to TSEK 2,608 (1,906). Gross profit amounted to TSEK 1,987 (1,089). The sales consisted mainly of the sale of 10 (20) Nevisense systems to the Company's partners in the US (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 389 (308). Gross profit amounted to a profit of TSEK 215 (155). The sales were to researchers within the skin barrier field.

Other geographical areas

Net sales during the period amounted to TSEK 1,194 (726). Gross profit amounted to TSEK 879 (452). 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 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. For 2022, an accrual of MSEK 0.9 for the corresponding program has been made. The outcome of the program is dependent upon reaching the set targets.

Operating segments

SEK 000'	Oct 1 - Dec 31, 2022			Oct 1 - Dec 31, 2021		
	Europe/ Rest of the World	Other Segments	Total	Europe/ Rest of the World	Other Segments	Total
Skincancer - Net sales	3 674	399	4 073	2 207	1 340	3 547
The skin barrier function - Net Sales	32	857	889	188	189	377
Sales between segments	-	-	-	-	-	-
Net sales from external customers	3 706	1 256	4 962	2 395	1 529	3 925
Cost of goods - Skincancer	-1 568	-59	-1 627	-1 084	-584	-1 667
Cost of goods - Barrier function	-17	-273	-290	-96	-91	-187
Cost of goods - total	-1 585	-332	-1 917	-1 179	-675	-1 854
Gross Profit - Skincancer	2 106	340	2 446	1 123	757	1 880
Gross Profit - Barrier function	15	584	599	93	97	190
Gross Profit - total	2 121	924	3 046	1 216	854	2 070
Operating expenses			-16 680			-15 877
Operating profit/Loss			-13 634			-13 807
Financial Income			-1 802			0
Financial Expenses			-25			-45
Group earnings - before tax			-15 460			-13 852

SEK 000'	Jan 1 - Dec 31, 2022			Jan 1 - Dec 31, 2021		
	Europe/ Rest of the World	Other Segments	Total	Europe/ Rest of the World	Other Segments	Total
Skincancer - Net sales	13 699	2 608	16 307	8 787	1 907	10 694
The skin barrier function - Net Sales	389	1 194	1 583	308	726	1 033
Net sales from external customers	14 088	3 802	17 890	9 095	2 632	11 727
Cost of goods - Skincancer	-5 493	-621	-6 113	-3 905	-817	-4 722
Cost of goods - Barrier function	-174	-368	-542	-152	-273	-426
Cost of goods - total	-5 666	-989	-6 655	-4 057	-1 091	-5 148
Gross Profit - Skincancer	8 207	1 987	10 194	4 883	1 089	5 972
Gross Profit - Barrier function	215	826	1 041	155	452	608
Gross Profit - total	8 422	2 813	11 235	5 038	1 541	6 580
Operating expenses			-57 653			-48 184
Operating profit/Loss			-46 418			-41 605
Financial Income			3 440			1
Financial Expenses			-194			-173
Group earnings - before tax			-43 173			-41 777



Net sales per category and segment

Amounts in KSEK	Oct 1 - Dec 31 2022		Oct 1 - Dec 31 2021		Jan 1 - Dec 31 2022		Jan 1 - Dec 31 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
<i>Skin cancer</i>								
Electrodes	3 340	387	2 090	375	12 402	2 038	7 930	941
Instruments	335	11	117	965	1 297	570	857	965
Total Skin Cancer	3 675	399	2 207	1 340	13 699	2 608	8 787	1 906
<i>Skin barrier function</i>								
Electrodes	32	509	139	10	275	604	192	320
Instruments	0	348	50	179	114	590	116	406
Total skin barrier function	32	857	188	189	389	1 194	308	726
<i>Total</i>								
Electrodes	3 372	897	2 229	385	12 677	2 642	8 122	1 261
Instruments	335	359	167	1 144	1 411	1 160	973	1 371
Total	3 707	1 256	2 395	1 529	14 088	3 802	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, February 13, 2023

Tord Lendau

Chairman of the Board

Diana Ferro

Board member

Matt Leavitt

Board member

Thomas Taapken

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 February 13, 2023.

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

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	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Net sales, SEK ths	4 962	4 941	3 726	4 260	3 925	2 982	2 258	2 562	3 055
Gross margin, %	61,4%	58,4%	70,6%	62,8%	52,8%	63,3%	56,3%	52,7%	49,4%
Equity/Asset ratio, %	56,2%	72,5%	76,6%	79,3%	82,8%	86,8%	87,3%	79,6%	79,1%
Net indebtedness, multiple	0,78	0,38	0,30	0,26	0,21	0,15	0,15	0,26	0,26
Cash equivalents, SEK ths	18 832	34 014	44 577	54 621	65 607	78 270	88 192	31 403	41 427
Cashflow from operating activities, SEK ths	-14 593	-9 718	-9 643	-10 512	-11 709	-9 156	-9 162	-9 473	-10 290
Earnings per share (before and after dilution), SEK	-0,23	-0,13	-0,13	-0,14	-0,20	-0,13	-0,19	-0,15	-0,20
Shareholder's equity per share, SEK	0,37	0,57	0,72	0,88	1,03	1,24	1,59	0,70	0,96
Average number of shares, 000'	68 475	68 475	68 475	68 475	68 475	68 475	59 265	54 780	48 707
Number of shares at closing of period, 000'	68 475	68 475	68 475	68 475	68 475	68 475	68 236	54 780	54 780
Share price at end of period, SEK	3,82	3,70	3,41	4,70	5,52	4,88	5,52	4,78	4,62
Number of sold electrodes, pieces	11 444	10 592	9 550	9 982	8 024	8 304	5 968	7 496	7 492
Average number of employees	21	20	19	18	18	17	17	18	17

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	11 235	6 579
Net Sales	17 890	11 727
Gross Margin (%)	62,8%	56,1%

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	25 237	70 796
Total Assets	44 910	85 456
Shareholders' Equity ratio (%)	56,2%	82,8%

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	19 673	14 661
Total Shareholders' Equity	25 237	70 796
Debt ratio (times)	0,78	0,21

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	-43 174	-41 778
Average number of shares (thousand)	68 475	62 739
Earnings per share (sek)	-0,63	-0,67

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	25 237	70 796
Average number of shares (thousand)	68 475	62 739
Shareholders' equity per share	0,37	1,13

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	62 739

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

- Interim report Q1, May 10 2023
- AGM 2023, May 17 2023
- Interim report Q2, August 18 2023
- Interim report Q3, November 10 2023