

## Interim report

January 1 – June 30, 2023

### The second quarter in figures

- Net sales were TSEK 5,085 (3,726), +36%.
- The loss after tax was TSEK 11,352 (9,212).
- The loss per share was SEK 0.16 (0.13).
- The cash flow from current operations was negative in the amount of TSEK 13,054 (9,643).
- The gross margin was 65.3% (70.6%).
- Electrode sales volume increased by 19% and was 11,330 (9,550) units. Repeat sales of electrodes to existing customers increased by 23%.

### The half year in figures

- Net sales were TSEK 10,234 (7,987), +28%.
- The loss after tax was TSEK 22,258 (18,948).
- The loss per share was SEK 0.31 (0.28).
- The cash flow from current operations was negative in the amount of TSEK 16,805 (20,155).
- The gross margin was 67.0% (66.4%).
- Electrode sales volume increased by 17% and was 22,944 (19,580) units. Repeat sales of electrodes to existing customers increased by 1%.

### Important events during the quarter

- Overall sales increased by 36% (+24, before currency effects). **Sales in Germany increased by 62%** (48% in local currency). Sales in the US skin cancer market were 74% lower than Q2 2022. Sales within the skin barrier segment decreased by 18%.
- Two Medicare Administrative Contractors (MACs): First Coast Service Options (First Coast) and Novitas Solutions (Novitas) released updated fee schedules for SciBase's early detection test for melanoma. First Coast covers the state of Florida and Novitas covers the central and mid-Atlantic US and together they cover about one-third of the US Medicare population. **The fee schedules have been increased to levels seen as more appropriate by clinicians.**
- The current CEO Simon Grant announced he will leave his position as CEO for personal reasons.
- The AGM 2023 was held on May 17<sup>th</sup>.
- The annual report for 2022 was published.

### Important events after the end of the period

- No events of significant nature have occurred after the end of the period.

## Financial overview

THE GROUP	Apr 1 - June 30		Jan 1 - June 30		July 1, 2022 -	
	2023	2022	2023	2022	June 30, 2023	Jan 1 - Dec 31
					Rolling-12	2022
Net sales, SEK ths	5 085	3 726	10 234	7 987	20 137	17 890
Gross margin, %	65,3%	70,6%	67,0%	66,4%	63,5%	62,8%
Equity/Asset ratio, %	73,7%	76,6%	73,7%	76,6%	74,9%	50,6%
Net indebttness, multiple	0,36	0,30	0,36	0,30	0,34	0,98
Cash equivalents, SEK ths	70 874	44 577	70 874	44 577	70 874	18 832
Cashflow from operating activities, SEK ths	-13 054	-9 643	-16 805	-20 155	-41 116	-44 466
Earnings per share (before and after dilution), SEK	-0,16	-0,13	-0,31	-0,28	-0,67	-0,63
Shareholder's equity per share, SEK	0,60	0,72	0,75	0,72	0,74	0,37
Average number of shares, 000'	119 831	68 475	96 129	68 475	82 302	68 475
Number of shares at closing of period, 000*'	119 831	68 475	119 831	68 475	119 831	68 475
Share price at end of period, SEK	1,19	3,41	1,19	3,41	1,19	3,82
Number of sold electrodes, pieces	11 330	9 550	22 944	19 580	45 076	41 712
Average number of employees	22	19	21	19	21	20

*Definitions and a glossary are provided on page 19*



### 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 chairman of the Board Tord Lendau

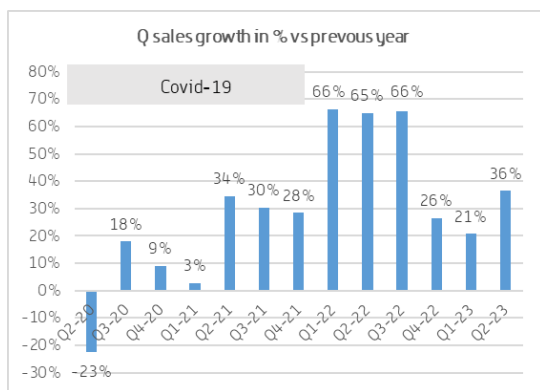
### “ Continued sales growth in Germany”

#### Q2 Highlights

- Sales in Q2 increased by 36% to MSEK 5.1 (3.7).
- The Medicare Administrative Contractors (MACs): First Coast and Novitas released positive fee schedule updates for Nevisense.
- A fully underwritten rights offering in April raised MSEK 70 after issue costs.
- Current CEO Simon Grant announced he will leave his position for personal reasons.
- Continued strong sales growth in Germany, +62% in the quarter.

#### Strong continued German sales growth

Second quarter sales were MSEK 5.1, continuing our streak of twelve consecutive quarters of y-o-y quarterly growth for SciBase. This represented a growth rate of 36% (+24% before currency effects). Germany continues to deliver excellent growth, driven by both increased electrode usage rates and strong device sales. The German team delivered 62% growth (48% in local currency) in the quarter. We continue to see strong organic growth in test usage complemented by a near 90% increase in the number of new devices sold.



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

US sales are very dependent upon reimbursement, and this is our key focus in the US. A Medicare fee schedule review planned for the beginning of the year was delayed until April and this contributed to a 74% reduction in US sales in Q2. Two Medicare regions, First Coast Service Options (First Coast or FCSO) and Novitas Solutions (Novitas) have now updated their fee schedules to levels seen as more appropriate by our customers. This is an important first step in building the US market and sales. Medicare however represents only a part of our customers’ patient population, and we continue to work for broader reimbursement coverage, especially from commercial payers.

Interest in the barrier application continues to grow and we have made progress when it comes to sales to industry and researchers. The collaboration with

Johnson & Johnson Consumer has spurred interest from both these groups and we expect to see sales, studies and partnerships continue to develop. Barrier sales accounted for 5 (9)% of sales and will vary per quarter as this is the nature of research sales.

German growth continues to provide a good base for us, and we expect to maintain our positive sales momentum in 2023.

#### US – Significant progress with Medicare and sales force expansion

Our US strategy is based on a stepwise, regional approach, working in partnership with dermatology practice groups (our customers). We have initially focused on Medicare and during last year we started to also focus on commercial insurers.

In April we announced that two Medicare Administrative Contractors (MACs), First Coast (Florida) and Novitas (mid-Atlantic and the central US), positively updated their fee schedules for the Nevisense test. The new rates, which were applicable retroactively from 1 January 2023, have been increased to levels seen as more appropriate by clinicians.

This is an important step for SciBase for several reasons. Firstly, it means that the Nevisense test can now be reimbursed for Medicare patients in Florida, Texas, Colorado, Louisiana, Arkansas, Mississippi, New Mexico, Oklahoma, New Jersey, District of Columbia, Delaware, Pennsylvania, Maryland, and parts of Virginia. In total that means approximately 11M seniors from 37M in the US overall have gained access to the test, paid by Medicare. This is important given that seniors have the highest rates of skin cancer.

Secondly, this decision will help us in our efforts to secure coverage in other Medicare regions and with private insurers. Establishing a Medicare fee schedule in the western US is our next focus region for Medicare. The number of discussions with commercial payers continues to grow.

Finally, the decision means there is a foundation for SciBase to expand sales efforts. At the beginning of Q3 we employed two additional sales and support personnel - one based in Texas, and one based in California.

Our strategy is to collaborate with large practice groups, and we recently announced the third large group to implement Nevisense – The Schweiger Dermatology Group, based in the North-East US. Schweiger have started by installing systems with two clinics in New Jersey and we expect to have both operational by the end of the quarter. There are also advanced discussions underway with an additional group. As we secure broader insurance coverage, it will gradually become easier to get these practice groups up and running. Currently more than 10% of the target population have paid access to our test, for a broader acceptance and higher sales growth we expect that a level of 50% is needed.

It is important to understand that for most clinics the Medicare patient population represents only a part of their patient population, and it is therefore key to broaden reimbursement coverage to drive sales growth. We believe that the US continues to represent our most important immediate opportunity, and broad market acceptance will take some time and is dependent upon the availability of reimbursement for our customers.

### Progress with the barrier applications

The skin barrier area is also 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 collaboration with Johnson & Johnson was our first such Industry partnership. There are a number of studies underway, and we are awaiting publication of some very interesting data in the near future.

Companies working within this space have expressed a need for an objective tool in their research and in their clinical studies. There is also a need from clinical researchers for a better tool to measure skin barrier. This leads us to believe that there is a significant opportunity within research sales.

### Germany profitable and continues to deliver strong sales growth

Germany continues to deliver good growth (62%) and it is our proof-of-business which strengthens our belief that we also have a significant opportunity in the US. The sales growth is driven by both increased usage (as demonstrated by a 38% growth in electrode volumes), as well as an 89% increase in device sales. In total we continue to see in excess of 10,000 tests sold per quarter. The increased usage is partly driven by the new Non-Melanoma Skin Cancer (NMSC) indication where more than 50% of all German clinics with Nevisense now have access to the NMSC module. The fact that we now have multiple applications on the same device increases the number of patients that dermatologist can perform a Nevisense test on and makes the Nevisense purchase decision a lot easier for our customers.

Due to continued increases in supply chain costs, we have announced a price increase for the electrode from August 1, 2023.

### Company financing

During the first quarter we finalized a fully underwritten rights offering that raised around MSEK 70 after issue costs. We were pleased with the subscription outcome, given the challenging market environment. It was especially pleasing to see that our major shareholders increased their ownership level. We are at an important phase in our development, with positive things happening. This funding will enable us to accelerate our activities, especially when it comes to our US sales and marketing and our barrier product development.

### CEO transition

SciBase has, under Simons leadership, built a foundation for growth by developing two dermatology products with great potential. Many important advancements have been made within the research, development, quality, regulatory, initial sales, and the reimbursement sides of the business. We now have a foundation to stand on and, as Simon will remain with the company until October, it will help to give a smooth transition to the next phase of the company's future. The work to recruit a new CEO is ongoing.

### Operations

Given the excellent performance of the manufacturing and operations team, we have decided to move the production of Nevisense in-house to our facility in Uppsala. This will result in better control of our production, more flexibility and importantly better control of manufacturing costs for Nevisense going forward. We have several ongoing projects to improve margins and especially streamlining the production of our disposable electrode.

### Opportunities ahead in 2023

The positive news from First Coast and Novitas was the signal we were waiting for, and it encouraged us to increase our sales resources in the US and strengthen our efforts to grow. We will continue to see US sales fluctuating until we achieve better and broader reimbursement coverage. Then over time we will see a more stable growth rate. In the meantime, our sales in the German market continue to drive our growth.

*Tord Lendau, chairman of the Board  
Sundbyberg August 18<sup>th</sup>, 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.

### Certified Advisor (CA)

Vator Securities

Email: [ca@vatorsec.se](mailto:ca@vatorsec.se)

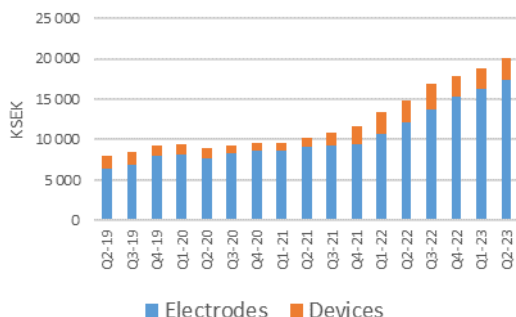
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*"I work every day with the management of different allergic diseases in children, and it is a growing problem. Allergic diseases have a natural progression with atopic dermatitis being the first to manifest, often already in infancy, followed by other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

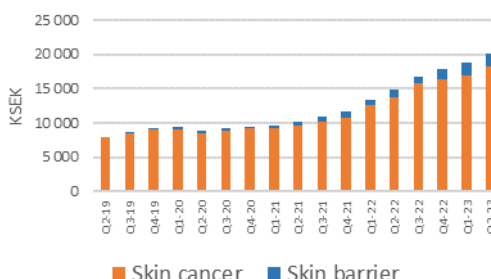
### Skin barrier – a hot topic

- 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

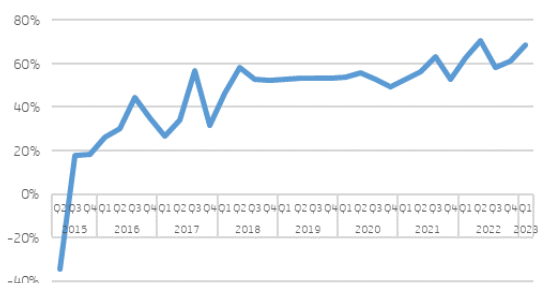
Sales, rolling-12



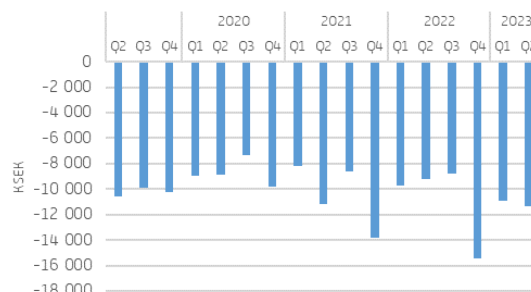
Sales per segment - rolling-12



Gross margin (%) - development



Income after tax



## The Second quarter

### Net Sales

Net sales for the second quarter of 2023 were TSEK 5,085 [3,726], an increase of 36%. Cleared for currency effects the sales increased by 24%. The increased sales are mainly due to continued good sales of electrodes and devices in Germany and currency effects. Germany showed a very good growth in the quarter (+62%) through increased sales of electrodes and instruments to new customers. One of the driving forces behind the growth is the new indication NMSC (non-melanoma skin cancer). US sales however decreased by 74% compared to Q2-22 as a result of some customers having received reimbursement denials from certain commercial insurance companies and thus reducing their usage while waiting for improved reimbursement.

Sales of devices were TSEK 496 [258] and sales of electrodes to TSEK 4,589 [3,468] which is the best electrode sales Q to date. The sales within the new skin barrier application were TSEK 272 [328] in the period. These sales are for research purposes. Given the nature of research projects, sales will vary between the quarters.

Sales in Germany in the skin cancer area accounted for 92 (85%) of the sales in the period and increased by 62% compared to Q2 2022. In local currency the sales in Germany increased by 48%.

Sales in the US in the skin cancer segment accounted for 3 (13)% of the sales in the period. Sales in the US are dependent on reimbursement and a first positive reimbursement decision was obtained in April 2023 when two Medicare regions updated the level of reimbursement through their fee-schedule. This enables us to initiate expansion and drive sales within the regions and for the patient group where reimbursement is now in place.

The total sales of electrodes in the quarter reached 11,330 (9,550), an increase of 19%. In Germany, the total sales of electrodes within skin cancer in volume increased by 38% while it decreased by 74% in the US. Total repeat sales of electrodes increased by 23%.

### Operating profit/loss

The operating loss for the period April - June 2023 was TSEK 13,824 (11,713), a slightly increased loss of TSEK 2,111. The increased sales contributed to an improvement in earnings, which was balanced by increased sales and marketing expenses through increased investments in the US and currency effects. The total operating expenses increased in the period by TSEK 2,804. The operating income was negatively affected by currency effects with around MSEK 0.0.

The gross margin in the period was 65.3 (70.6%). The decreased margin is mainly due to lower sales in the US and increased device sales with a lower margin. SciBase is focusing on the margin and the production cost for the electrode and in the quarter the margin for the electrode was close to 72%. When cleared for currency effects the overall gross margin would have been closer to 62%. The overall margin remains very dependent on electrode production and sales volumes and will vary between quarters.

Sales and marketing expenses increased by TSEK 801 and were TSEK 10,060 (9,259). The expense increase was primarily due to increased US resources and marketing activities and currency effects.

Administration expenses for the period were TSEK 2,988 (2,692), an increase of TSEK 296. The increase was in part due to audit expenses and consultants.

Development expenses for the period were TSEK 4,072 (2,445), an increase of TSEK 1,627. The increase was mainly due to ongoing projects within manufacturing and clinical studies.

### Cash flow, investments and financial position

At the beginning of the period, cash and cash equivalents was TSEK 14,394 and, at the end of the period, was TSEK 70,874.

Cash flow from current operations for the period was negative to the amount of TSEK 13,054 (9,643), of which changes in working capital amounted to negative TSEK 1,694 (positive 534) which was mainly attributable to increased inventory of Nevisense due to inventory

build-up prior to relocation of manufacturing. Total cash flow for the period was positive to the amount of TSEK 56,578 (negative 10,256). During the period the Company closed a fully underwritten share issue raising net, after issue costs, approximately MSEK 70.

Net investments in tangible assets for the period was TSEK 154 (0). 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 1,003 (894) of which TSEK 797 (724) are due to leased assets.

## The first half year

### Net Sales

Net sales for the first half year of 2023 were TSEK 10,234 (7,987), an increase of 28%. Cleared for currency effects the sales increased by 18%. The increased sales are mainly due to continued good sales of electrodes and devices in Germany, sales of both devices and electrodes for research purposes within the skin barrier application and currency effects. US sales decreased by 61% compared to the first half of 2022 as the first quarter in 2022 included the initial start-up sales of 5 Nevisense systems to SciBase partners in the US and to some extent because of reduced usage by some customers due to reimbursement denials from certain insurance companies. Germany continued to show a good growth (+48%) 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 1,146 (954) and sales of electrodes to TSEK 9,089 (7,032). The sales within the new skin barrier application were TSEK 572 (429) in the period. These sales are for research purposes. Given the nature of research projects, sales will vary between the quarters.

Sales in Germany in the skin cancer area accounted for 89 (77%) of the sales in the period and increased by 48% compared to the first half of 2022. In local currency the sales in Germany increased by 33%. An 8% electrode price increase in Germany from the 1st of April 2022 led to record sales of electrodes in the first and beginning of the second quarters of 2022 and thus a relatively tough comparison period.

Sales in the US in the skin cancer segment accounted for 5 (17%) of the sales in the period. Sales in the US are dependent on reimbursement and a first positive reimbursement decision was obtained in April 2023 when two Medicare regions updated the level of reimbursement through their fee-schedule. This enables us to initiate expansion and drive sales within the regions and in the patient groups where reimbursement is now in place.

The total sales volume of electrodes in the quarter was 22,944 (19,580), an increase of 17%. In Germany, the total sales of electrodes within skin cancer in volume increased by 26% while it decreased by 52%

in the US. Total repeat sales of electrodes increased by 17%.

### Operating profit/loss

The operating loss for the period January - June 2023 was TSEK 24,607 (21,410), an increased loss of TSEK 3,147. The increased sales and slightly improved margin contributed to an improvement in earnings, which was balanced by increased sales and marketing expenses through increased investments in the US and currency effects. The total operating expenses increased in the period by TSEK 4,753. The operating income was negatively affected by currency effects with around MSEK 0.1.

The gross margin in the period was 67.0 (66.4%). 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 period the margin for the electrode was close to 74%. When cleared for currency effects the overall gross margin would have been closer to 64%. The overall margin remains very dependent on electrode production and sales volumes and will vary between quarters.

Sales and marketing expenses increased by TSEK 2,443 and were TSEK 18,741 (16,299). The expense increase was primarily due to increased US resources and marketing activities and currency effects.

Administration expenses for the period were TSEK 5 699 (5,274), an increase of TSEK 425. The increase was mainly due to the implementation of a new business system, audit expenses and consultants.

Development expenses for the period were TSEK 6,952 (5,535), an increase of TSEK 1,417. The increase is mainly due to ongoing projects within manufacturing and clinical studies.

### Cash flow, investments and financial position

At the beginning of the period, cash and cash equivalents was TSEK 18,832 and, at the end of the period, was TSEK 70,874.

Cash flow from current operations for the period was negative to the amount of TSEK 16,805 (negative 20,155), of which changes in working capital amounted to positive TSEK 4,517 (negative 316) which was mainly attributable to decreased

receivables. The negative operating cash flow improved mainly following prepaid expenses of clinical trials. Total cash flow for the period was positive to the amount of TSEK 51,896 (negative 21,376). During the second quarter 2023 the Company closed a fully underwritten share issue raising net, after issue costs, approximately MSEK 70.

## Other disclosures

### Shareholders

At the end of the period, SciBase Holding AB had approximately 3,351 shareholders. Per June 30, after the performed new share issue the five largest shareholders represented approximately 46.8% of the capital and votes. The total number of shares per June 30, 2023 was 119,831,437. The largest shareholders as per June 30, 2026 were Nordnet Pension (12%), Gell Group (11%), SIX SIS AG – Van Herk (9%), Avanza pension (9%) and Stockholms Elbolag (6%).

### 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%.

Net investments in tangible assets for the period was TSEK 285 (0). 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 1,806 (1,808) of which TSEK 1,456 (1,408) are due to leased assets.

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 22 (20), of whom 32 (25)% 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 the Group's cash and cash equivalents per March 31, 2023, amounted to SEK 14.4 million the board assessed, based on the current strategic plan, that the group needed additional capital during the coming 12-month period. Against the background of that financing need, the board evaluated 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 during 2022. Against this background, the board assessed that the company had good conditions to finance the capital requirement that the decided plan requires.

During the first quarter of 2023 the Board of Directors of SciBase Holding AB (publ) resolved, by virtue of the authorization from the annual general meeting on 18 May 2022, to carry out a fully guaranteed issue of new shares with preferential rights for existing shareholders of approximately SEK 79.6 million before transaction costs. The subscription price was SEK 1.55 per new share. The share capital increased by SEK 2,567,816.5 through the issue of 51,356,330 new shares. The net proceeds after issue costs were approximately SEK 70 million.

As of June 30, 2023, the Group's cash and cash equivalents amounted to SEK 70.9 million. The board of directors assesses that, based on the current strategic plan, the capital is sufficient for at least the next 12-month period.

### Transactions with related parties

During the period, the parent Company SciBase Holding AB has invoiced TSEK 2,372 (2,372) 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 150 (150) 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 34–37 of SciBase's 2022 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 June 30, 2023, 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 2,372 (2,372). The loss for the period amounted to TSEK 13,673 (11,448). 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 9.3 (8.5).

### Significant events during the quarter

The two Medicare Administrative Contractors (MACs): First Coast Service Options (First Coast) and Novitas Solutions (Novitas) that in the beginning of 2023 performed a review of the fee-schedule for SciBase Nevisense-test have now published an updated fee schedules for SciBase's early detection test for melanoma (0658T). First Coast covers the state of Florida and Novitas covers the central and mid-Atlantic US and together they cover about one-third of the US Medicare population. The updated fee schedules are valid retroactively from 1st January 2023 and are available on the MAC's respective webpages.



The AGM 2023 was held on May 17<sup>th</sup> and the AGM resolved:

- to adopt the profit and loss statement and the balance sheet and the group profit and loss statement and the group balance sheet for the financial year 2022;
- that SEK 171,885,712 shall be carried forward in new account and that no dividend shall be paid;
- to grant the board members and the CEO discharge from liability for the financial year 2022;
- that the board of directors shall consist of five ordinary members without deputy members and that a registered accounting firm shall be elected as auditor;
- that the fees payable to the board of directors for the period until the end of the next annual general meeting shall be SEK 200,000 for the chairman of the board and SEK 150,000 to each of the other ordinary board members (who are not employed by a larger shareholder in the Company) and that fees payable to the auditor is to be paid in accordance with approved invoices;
- for the period until the end of the next annual general meeting, to re-elect Tord Lendau, Diana Ferro, Thomas Taapken, Matt Leavitt and Jvalini Dwarkasing as board members, to re-elect Tord Lendau as chairman of the board of directors and to re-elect the auditing firm PricewaterhouseCoopers AB (PwC) as auditor for the Company, with Magnus Lagerberg as auditor-in-charge;
- to adopt principles for the appointment of a nomination committee (same principles as previous year);
- to change the articles of association so that the wording of section 4 in the articles of association is revised from "The company's share capital shall be no less than SEK 1,500,000 and no more than SEK 6,000,000." to "The company's share capital shall be no less than SEK 5,990,000 and no more than SEK 23,960,000." and the wording of section 5 in the articles of association is revised from "The number of shares shall be no less than 30,000,000 and no more than 120,000,000." to "The number of shares shall be no less than 119,800,000 and no more than 479,200,000."; and
- to authorize the board of directors to increase the share capital through issuance of new shares, warrants and/or convertible debentures. Through issuances resolved upon with support from the authorisation – with deviation from the shareholders' preferential rights - the number of

shares issued, or number of shares created in connection with exercise of warrants or conversion of convertibles, shall correspond to not more than a 20 per cent dilution of the share capital and the number of shares and votes in the Company after such issue(s).

In the period the current CEO Simon Grant announced that he will leave his position as CEO for personal reasons. Simon will gradually transition out of his role through to the end of November but will remain formally as CEO during this time. Simon Grant will also remain available to the Board in a consulting capacity after the end of the planned transition time. The Board has initiated the process to recruit a new CEO and will provide an update in due course. Tord Lendau, chairman of the board of SciBase, will take over certain operational parts of the role of CEO during the transition period as Simon Grant will gradually reduce his involvement. As chairman of the board, Tord is responsible for driving the process of finding a new CEO and will work to ensure a smooth transition.

The annual report for 2022 was published.

#### Significant events after the period

No events of a material nature have occurred after the end of the period.





## Consolidated summary Income Statement

SEK 000'	Apr 1 - June 30		Jan 1 - June 30		July 1, 2022 -	
					June 30, 2023	Jan 1 - Dec 31
	2023	2022	2023	2022	Rolling-12	2022
Net sales	5 085	3 726	10 234	7 987	20 137	17 890
Cost of goods sold	-1 762	-1 096	-3 373	-2 682	-7 346	-6 655
<b>Gross Profit/Loss</b>	<b>3 323</b>	<b>2 630</b>	<b>6 860</b>	<b>5 304</b>	<b>12 791</b>	<b>11 235</b>
Sales and marketing expenses	-10 060	-9 259	-18 741	-16 299	-38 065	-35 623
Administration expenses	-2 988	-2 692	-5 699	-5 274	-11 608	-11 183
Development expenses	-4 072	-2 445	-6 952	-5 535	-12 233	-10 816
Other operating income	0	630	0	629	-629	0
Other operating expenses	-26	-576	-75	-236	129	-32
<b>Operating Income</b>	<b>-13 824</b>	<b>-11 713</b>	<b>-24 607</b>	<b>-21 410</b>	<b>-49 615</b>	<b>-46 419</b>
Financial income	393	2 488	394	2 488	1 346	3 440
Financial expenses	2 079	13	1 955	-26	1 786	-194
<b>Profit/Loss before taxes</b>	<b>-11 352</b>	<b>-9 212</b>	<b>-22 258</b>	<b>-18 948</b>	<b>-46 484</b>	<b>-43 174</b>
Income tax	-	-	0	0	0	0
<b>Profit/Loss for the period</b>	<b>-11 352</b>	<b>-9 212</b>	<b>-22 258</b>	<b>-18 948</b>	<b>-46 484</b>	<b>-43 174</b>
<b>Net Profit/Loss attributable to:</b>						
Parent company shareholders	-11 352	-9 212	-22 258	-18 948	-46 484	-43 174
<b>Earnings per share based on Net Profit/loss attributable to parent company shareholders (in SEK/share)</b>						
Profit/loss per share (before and after dilution)*	-0,16	-0,13	-0,31	-0,28	-0,67	-0,63
Average number of shares outstanding	72 426	68 475	72 426	68 475	69 463	68 475

## Consolidated summary statement of comprehensive income

SEK 000'	Apr 1 - June 30		Jan 1 - June 30		July 1, 2022 -	
					June 30, 2023	Jan 1 - Dec 31
	2023	2022	2023	2022	Rolling-12	2022
<b>Profit/loss for the period</b>	<b>-11 352</b>	<b>-9 212</b>	<b>-22 258</b>	<b>-18 948</b>	<b>-46 484</b>	<b>-43 174</b>
<i>Other comprehensive income for the period:</i>						
<i>Items that have or may be reclassified to profit or loss:</i>						
assets that can be sold						
Translation differences on foreign operations	-1 035	-1 710	-786	-2 533	-638	-2 385
<b>Sum other comprehensive income</b>	<b>-1 035</b>	<b>-1 710</b>	<b>-786</b>	<b>-2 533</b>	<b>-638</b>	<b>-2 385</b>
<b>Total comprehensive income for the period</b>	<b>-12 387</b>	<b>-10 922</b>	<b>-23 044</b>	<b>-21 481</b>	<b>-47 122</b>	<b>-45 559</b>
<b>Total comprehensive income attributable to:</b>						
Parent company shareholders	-12 387	-10 922	-23 044	-21 481	-47 122	-45 559



## Consolidated summary statement of financial position

SEK 000'	June 30		Dec 31
	2023	2022	2022
<b>ASSETS</b>			
<i>Fixed Assets</i>			
Tangible fixed assets	1 947	1 949	1 955
Right of use assets	5 709	3 372	7 282
Financial fixed assets	0	0	0
<b>Total Tangible Assets</b>	<b>7 656</b>	<b>5 320</b>	<b>9 237</b>
<i>Current Assets</i>			
Inventory	10 326	7 082	7 292
Current tax receivable	927	868	596
Receivables	5 120	3 224	9 740
Other current receivables	3 365	3 348	4 157
Cash equivalents	70 874	44 577	18 832
<b>Total Current Assets</b>	<b>90 612</b>	<b>59 099</b>	<b>40 617</b>
<b>Total Assets</b>	<b>98 268</b>	<b>64 419</b>	<b>49 854</b>
<b>Shareholders' Equity and Liabilities</b>			
<b>Shareholders' equity attributable to parent company shareholders</b>	<b>72 470</b>	<b>49 372</b>	<b>25 237</b>
<i>Longterm Liabilities</i>			
Other longterm liabilities	3 921	1 269	5 212
<b>Total Longterm Liabilities</b>	<b>3 921</b>	<b>1 269</b>	<b>5 212</b>
<i>Current Liabilities</i>			
Accounts payable	5 641	2 379	1 422
Other current liabilities	16 236	11 399	17 984
<b>Total Current Liabilities</b>	<b>21 877</b>	<b>13 778</b>	<b>19 406</b>
<b>Total Liabilities</b>	<b>25 798</b>	<b>15 047</b>	<b>24 617</b>
<b>Total shareholders' equity and liabilities</b>	<b>98 268</b>	<b>64 419</b>	<b>49 854</b>

## Consolidated change in shareholders' equity

SEK 000'	Share Capital	Other Capital Contributions	Accumulated Loss	Total shareholders' Equity attributable to parent company shareholders
<b>Opening balance Jan 1, 2022</b>	<b>3 424</b>	<b>637 727</b>	<b>-570 354</b>	<b>70 797</b>
Profit/loss for the period			-18 948	-18 948
Other comprehensive income		0	-1 710	-3 420
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>-20 658</b>	<b>-22 368</b>
<b>Total transactions with shareholders</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Closing balance June 30, 2022</b>	<b>3 424</b>	<b>637 727</b>	<b>-591 012</b>	<b>48 429</b>
<b>Opening balance Jan 1, 2023</b>	<b>3 424</b>	<b>637 727</b>	<b>-615 913</b>	<b>25 237</b>
Profit/loss for the period			-22 258	-22 258
Other comprehensive income		0	-786	-786
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>-23 044</b>	<b>-23 044</b>
<i>Transactions with shareholders:</i>				
Ongoing share issue	2 568	77 034		79 602
Issue expenses		-9 326		-9 326
<b>Total transactions with shareholders</b>	<b>2 568</b>	<b>67 708</b>	<b>0</b>	<b>70 276</b>
<b>Closing balance June 30, 2023</b>	<b>5 992</b>	<b>705 436</b>	<b>-638 958</b>	<b>72 470</b>

## Consolidated summary statement of cash flows

SEK 000'	Apr 1 - June 30		Jan 1 - June 30		July 1, 2022 -	
	2023	2022	2023	2022	June 30, 2023 Rolling-12	Jan 1 - Dec 31 2022
<b>Cashflow from operating activities before change in working capital</b>	<b>-11 360</b>	<b>-10 177</b>	<b>-21 323</b>	<b>-19 839</b>	<b>-43 999</b>	<b>-42 515</b>
<i>Cashflows from changes in working capital</i>						
Change in Inventory	-2 882	-408	-3 034	-282	-3 244	-492
Change in Receivables	-872	1 052	5 081	492	-1 972	-6 560
Change in Liabilities	2 060	-110	2 471	-527	8 099	5 101
<i>Total change in working capital</i>	<i>-1 694</i>	<i>534</i>	<i>4 517</i>	<i>-316</i>	<i>2 883</i>	<i>-1 951</i>
<b>Cashflow from operating activities</b>	<b>-13 054</b>	<b>-9 643</b>	<b>-16 805</b>	<b>-20 155</b>	<b>-41 116</b>	<b>-44 466</b>
<i>Investment activities</i>						
Acquisitions of Fixed Assets	-154	0	-285	0	-667	-381
<b>Cashflow from investment activities</b>	<b>-154</b>	<b>0</b>	<b>-285</b>	<b>0</b>	<b>-667</b>	<b>-381</b>
<i>Financing activities</i>						
New share issues	79 602	0	79 602	0	79 602	0
Expenses related to new share issues	-9 169	0	-9 326	0	-9 326	0
Repayment of lease liabilities	-648	-614	-1 290	-1 221	-2 548	-2 479
<b>Cashflow from financing activities</b>	<b>69 786</b>	<b>-614</b>	<b>68 986</b>	<b>-1 221</b>	<b>67 728</b>	<b>-2 479</b>
<b>Cashflow for the period</b>	<b>56 578</b>	<b>-10 256</b>	<b>51 896</b>	<b>-21 376</b>	<b>25 946</b>	<b>-47 327</b>
Cash equivalents at start of the year	14 394	54 621	18 832	65 607	44 577	65 607
Exchange rate differences in cash equivalents	-98	212	145	346	351	552
<b>Cash equivalents at end of the period</b>	<b>70 873</b>	<b>44 576</b>	<b>70 873</b>	<b>44 576</b>	<b>70 873</b>	<b>18 832</b>



## Income statement, Parent Company

SEK 000'	Apr 1 – June 30		Jan 1 – June 30		July 1, 2022 –	
	2023	2022	2023	2022	June 30, 2023 Rolling-12	Jan 1 – Dec 31 2022
Net Sales	1 186	1 186	2 372	2 372	4 744	4 744
<b>Gross profit</b>	<b>1 186</b>	<b>1 186</b>	<b>2 372</b>	<b>2 372</b>	<b>4 744</b>	<b>4 744</b>
Administration expenses	-3 445	-2 774	-6 127	-5 363	-11 974	-11 210
Other expenses	3	-	3	-	0	-10
<b>Operating Profit/loss</b>	<b>-2 259</b>	<b>-1 588</b>	<b>-3 752</b>	<b>-2 991</b>	<b>-7 230</b>	<b>-6 477</b>
<i>Earnings from financial items:</i>						
Profit/Loss from shares in group companies	-4 377	-2 812	-10 312	-8 456	-25 808	-23 952
Financial income	390	0	391	0	85	85
Financial expenses	0	0	0	0	0	0
<b>Profit/loss after financial items</b>	<b>-6 246</b>	<b>-4 400</b>	<b>-14 064</b>	<b>-11 448</b>	<b>-33 037</b>	<b>-30 344</b>
Taxes	-	-	-	-	-	-
<b>Profit/loss for the period</b>	<b>-6 246</b>	<b>-4 400</b>	<b>-14 064</b>	<b>-11 448</b>	<b>-33 037</b>	<b>-30 344</b>

## Statement of other comprehensive income, Parent Company

SEK 000'	Apr 1 – June 30		Jan 1 – June 30		July 1, 2022 –	
	2023	2022	2023	2022	June 30, 2023 Rolling-12	Jan 1 – Dec 31 2022
<b>Profit/loss for the period</b>	<b>-6 246</b>	<b>-4 400</b>	<b>-14 064</b>	<b>-11 448</b>	<b>-33 037</b>	<b>-30 344</b>
<i>Other comprehensive income</i>	-	-	-	-	-	-
<b>Total other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income</b>	<b>-6 246</b>	<b>-4 400</b>	<b>-14 064</b>	<b>-11 448</b>	<b>-33 037</b>	<b>-30 344</b>



## Summary Balance Sheet, Parent Company

SEK 000'	June 30		Dec 31
	2023	2022	2022
<b>ASSETS</b>			
<i>Fixed Assets</i>			
Shares in Group Companies	137 647	137 647	137 647
<b>Total Fixed Assets</b>	<b>137 647</b>	<b>137 647</b>	<b>137 647</b>
<i>Current Assets</i>			
Current receivables and prepaids	38 801	37 545	30 397
Cash equivalents	58 962	22 396	10 794
<b>Total Current Assets</b>	<b>97 764</b>	<b>59 941</b>	<b>41 190</b>
<b>TOTAL ASSETS</b>	<b>235 410</b>	<b>197 588</b>	<b>178 837</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
<i>Shareholder's equity</i>			
Restricted equity			
Share capital	5 992	3 424	3 424
Non-restricted equity			
Other capital contributions	705 318	637 610	637 610
Retained earnings	-465 544	-435 380	-435 380
Profit/Loss for the period	-13 673	-11 448	-30 344
<b>Shareholders equity</b>	<b>232 093</b>	<b>194 205</b>	<b>175 309</b>
<i>Current Liabilities</i>			
Current liabilities	3 317	3 382	3 527
<b>Total liabilities</b>	<b>3 317</b>	<b>3 382</b>	<b>3 527</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>235 410</b>	<b>197 588</b>	<b>178 837</b>



## 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 47–52 of the consolidated annual report for 2022.

### 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.

### 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 2023. A corresponding agreement was in-place in 2022, 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, US/North America and Asia/Oceania.

#### *Second quarter*

#### Skin cancer

#### *Europe*

Net sales during the period amounted to TSEK 4,682 (2,901) 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 3,049 (2,015).

#### *Other geographical areas*

Net sales during the period amounted to TSEK 131 (494). Gross profit amounted to TSEK 80 (411). 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*

Net sales during the period amounted to TSEK 164 (232). Gross profit amounted to a profit of TSEK 115 (127). The sales were to researchers within the skin barrier field.

#### *Other geographical areas*

Net sales during the period amounted to TSEK 108 (99). Gross profit amounted to TSEK 78 (77). 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.

#### *First 6-months*

#### Skin cancer

#### *Europe*

Net sales during the period amounted to TSEK 9,129 (6,186) 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 6,061 (3,979).

#### *Other geographical areas*

Net sales during the period amounted to TSEK 534 (1,368). Gross profit amounted to TSEK 418 (1,049). The sales consisted mainly of electrode sales to larger dermatology groups. Q1-22 included the sales of 5 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*

Net sales during the period amounted to TSEK 336 (232). Gross profit amounted to a profit of TSEK 212 (127). The sales were to researchers within the skin barrier field.

#### *Other geographical areas*

Net sales during the period amounted to TSEK 235 (200). Gross profit amounted to TSEK 169 (149). 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 Group has no outstanding warrants. 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. The goals are set by the board and normally consist of turnover goals and other strategic goals. After the end of the year,



it is then assessed how well the goals have been met. However, the purpose of the program is to increase the employees' ownership in the company. The board sees increased ownership by the employees as positive as it increases the employees' incentive for the company to succeed through, for example, increased sales and thereby creating increased shareholder value. 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), the total cost for 2022 was SEK 0.9 (1.7) million.

## Operating segments

SEK 000'	Apr 1 - June 30, 2023			Apr 1 - June 30, 2022		
	Europe	Rest of the World	Total	Europe	Rest of the World	Total
Skincancer - Net sales	4 682	131	4 813	2 901	494	3 395
The skin barrier function - Net Sales	164	108	272	232	99	331
Sales between segments	-	-	-	-	-	-
<b>Net sales from external customers</b>	<b>4 845</b>	<b>239</b>	<b>5 085</b>	<b>3 133</b>	<b>593</b>	<b>3 726</b>
Cost of goods - Skincancer	-1 633	-51	-1 683	-885	-84	-969
Cost of goods - Barrier function	-49	-30	-79	-105	-22	-127
<b>Cost of goods - total</b>	<b>-1 682</b>	<b>-81</b>	<b>-1 762</b>	<b>-991</b>	<b>-106</b>	<b>-1 096</b>
Gross Profit - Skincancer	3 049	80	3 129	2 015	411	2 426
Gross Profit - Barrier function	115	78	193	127	77	204
<b>Gross Profit - total</b>	<b>3 164</b>	<b>158</b>	<b>3 322</b>	<b>2 142</b>	<b>488</b>	<b>2 630</b>
Operating expenses			-17 146			-14 343
<b>Operating profit/Loss</b>			<b>-13 824</b>			<b>-11 713</b>
Financial Income			393			2 488
Financial Expenses			2 079			13
<b>Group earnings - before tax</b>			<b>-11 352</b>			<b>-9 212</b>

SEK 000'	Jan 1 - June 30, 2023			Jan 1 - June 30, 2022		
	Europe	Rest of the World	Total	Europe	Rest of the World	Total
Skincancer - Net sales	9 129	534	9 662	6 186	1 369	7 555
The skin barrier function - Net Sales	336	235	572	232	200	432
<b>Net sales from external customers</b>	<b>9 465</b>	<b>769</b>	<b>10 234</b>	<b>6 418</b>	<b>1 568</b>	<b>7 987</b>
Cost of goods - Skincancer	-3 067	-116	-3 183	-2 207	-320	-2 527
Cost of goods - Barrier function	-124	-66	-190	-105	-51	-156
<b>Cost of goods - total</b>	<b>-3 191</b>	<b>-182</b>	<b>-3 373</b>	<b>-2 312</b>	<b>-371</b>	<b>-2 682</b>
Gross Profit - Skincancer	6 061	418	6 479	3 979	1 049	5 028
Gross Profit - Barrier function	212	169	382	127	149	276
<b>Gross Profit - total</b>	<b>6 274</b>	<b>587</b>	<b>6 861</b>	<b>4 107</b>	<b>1 198</b>	<b>5 304</b>
Operating expenses			-31 467			-26 714
<b>Operating profit/Loss</b>			<b>-24 606</b>			<b>-21 410</b>
Financial Income			394			2 488
Financial Expenses			1 955			-26
<b>Group earnings - before tax</b>			<b>-22 257</b>			<b>-18 948</b>



## Net sales per category and segment

Amounts in KSEK	Apr 1 - June 30 2023		Apr 1 - June 30 2022		Jan 1 - June 30 2023		Jan 1 - June 30 2022		Rolling-12		Full Year 2022	
	Europe	Rest of the World	Europe	Rest of the World	Europe	Rest of the World	Europe	Rest of the World	Europe	Rest of the World	Europe	Rest of the World
<i>Skin cancer</i>												
Electrodes	4 379	131	2 728	485	8 343	534	5 765	1 009	14 980	1 563	12 402	2 038
Instruments	303	0	173	9	786	0	421	359	1 662	210	1 297	570
<b>Total Skin Cancer</b>	<b>4 682</b>	<b>131</b>	<b>2 901</b>	<b>494</b>	<b>9 129</b>	<b>534</b>	<b>6 186</b>	<b>1 369</b>	<b>16 641</b>	<b>1 773</b>	<b>13 699</b>	<b>2608</b>
<i>Skin barrier function</i>												
Electrodes	73	6	189	66	177	34	189	69	263	569	275	604
Instruments	91	103	43	33	159	201	43	131	230	660	114	590
<b>Total skin barrier function</b>	<b>164</b>	<b>108</b>	<b>232</b>	<b>99</b>	<b>336</b>	<b>235</b>	<b>232</b>	<b>200</b>	<b>493</b>	<b>1 230</b>	<b>389</b>	<b>1194</b>
<i>Total</i>												
Electrodes	4 452	137	2 917	551	8 520	568	5 954	1 078	15 243	2 133	12 677	2 642
Instruments	394	103	216	42	945	201	464	490	1 892	870	1 411	1 160
<b>Total</b>	<b>4 846</b>	<b>239</b>	<b>3 133</b>	<b>593</b>	<b>9 465</b>	<b>769</b>	<b>6 418</b>	<b>1 568</b>	<b>17 135</b>	<b>3 003</b>	<b>14 088</b>	<b>3802</b>

## 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, August 18, 2023

**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 August 18, 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	2023			2022			2021		
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Net sales, SEK ths	5 085	5 149	4 962	4 941	3 726	4 260	3 925	2 982	2 258
Gross margin, %	65,3%	68,7%	61,4%	58,4%	70,6%	62,8%	52,8%	63,3%	56,3%
Equity/Asset ratio, %	73,7%	77,9%	50,6%	72,5%	76,6%	79,3%	82,8%	86,8%	87,3%
Net indebtedness, multiple	0,36	0,28	0,98	0,38	0,30	0,26	0,21	0,15	0,15
Cash equivalents, SEK ths	70 874	14 394	18 832	34 014	44 577	54 621	65 607	78 270	88 192
Cashflow from operating activities, SEK ths	-13 054	-3 751	-14 593	-9 718	-9 643	-10 512	-11 709	-9 156	-9 162
Earnings per share (before and after dilution), SEK	-0,16	-0,15	-0,23	-0,13	-0,13	-0,14	-0,20	-0,13	-0,19
Shareholder's equity per share, SEK	0,60	1,19	0,37	0,57	0,72	0,88	1,03	1,24	1,59
Average number of shares, 000'	119 831	72 426	68 475	68 475	68 475	68 475	68 475	68 475	59 265
Number of shares at closing of period, 000'	119 831	119 831	68 475	68 475	68 475	68 475	68 475	68 475	68 236
Share price at end of period, SEK	1,19	1,80	3,82	3,70	3,41	4,70	5,52	4,88	5,52
Number of sold electrodes, pieces	11 330	11 614	11 444	10 592	9 550	9 982	8 024	8 304	5 968
Average number of employees	22	21	21	20	19	18	18	17	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	6 860	5 304
Net Sales	10 234	7 987
<b>Gross Margin (%)</b>	<b>67,0%</b>	<b>66,4%</b>

#### 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	72 470	49 372
Total Assets	98 268	64 419
<b>Shareholders' Equity ratio (%)</b>	<b>73,7%</b>	<b>76,6%</b>

#### 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	25 798	15 047
Total Shareholders' Equity	72 470	49 372
<b>Debt ratio (times)</b>	<b>0,36</b>	<b>0,30</b>

#### Definition:

Total debt in relation to Total Shareholders' Equity.

#### Cause of use:

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

### Earnings per share, after dilution (sek)

	2022	2021
Profit/Loss for the period	-22 258	-18 948
Average number of shares (thousand)	72 426	68 475
<b>Earnings per share (sek)</b>	<b>-0,31</b>	<b>-0,28</b>

#### 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	72 470	49 372
Average number of shares (thousand)	72 426	68 475
<b>Shareholders' equity per share</b>	<b>1,00</b>	<b>0,72</b>

#### 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 - June 30	119 831	68 475
<b>Average number of shares (thousand)</b>	<b>72 426</b>	<b>68 475</b>

#### 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 Q3, November 10 2023

Year-end report 2023, February 2024