

# 3Q 2022 – Financial and operational update

6 December 2022



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# Highlight's 3Q 2022

## Financial

- ✓ All-time-high revenue
- ✓ Improving result despite increased costs
- ✓ Capital increase strengthening the balance sheet in Q4

## Operational

- ✓ Early read-outs from clinical study in line with expectation
- ✓ Strengthening of HQ provides operational improvements
- ✓ Strong shareholder support in Q4 capital increase

Financial statements (MNOK) unaudited	Q3 2022	Q3 2021	FY 2021
Revenue	15,4	0	1,6
Result	-6,8	-10,3	-16

# Important achievements

1

## **Positive results fom Pilot Clinical Study LFC-SEN-001**

Data points from early readouts from the study LFC-SEN-001 confirms that our sensor follow glucose variations in humans with a sensitivity in line with that of widely used Continuous Glucose Monitoring systems. These encouraging results represents a major achievement in Lifecare's development and ensured the necessary confirmation to continue the pilot study.

2

## **Market ready and among top 14% of EU funded innovations**

Independent experts from the EU Commission's Innovation Radar reviewed Lifecares two inventions in the EU funded project "FORGETDIABETES": (1) osmotic pressure-based sensor for glucose monitoring in the subcutaneous area and (2) In-vitro test bench for dynamic interference testing of glucose sensors.

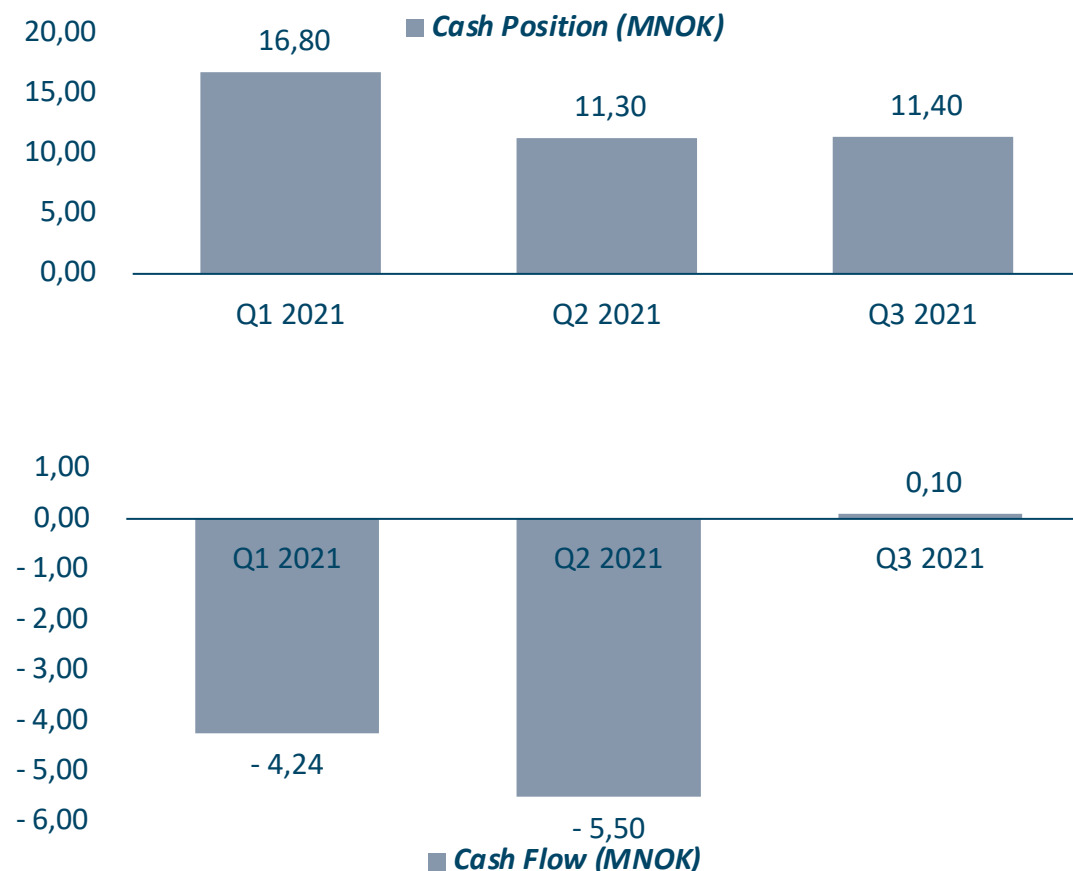
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## **All-time high equity raise in a rough capital market**

Lifecare concluded a private placement of 45 MNOK, confirming a strong shareholder commitment in a very challenging capital market and hence ensuring financial capacity to continue the development of the company's revolutionary technology.

# Key financial consolidated figures and cash flow

Financial statements 30 September 2022 unaudited (MNOK),	YTD 2022	YTD 2021	FY 2021
Revenue	15,4	0	1,6
Salaries and personnel costs	-6,5	-0,6	-1,7
<u>Other operating costs</u>	<u>-15,9</u>	<u>-9,1</u>	<u>-15,8</u>
Sum operating result	<u>-7,0</u>	<u>-9,7</u>	<u>-15,9</u>
Net finance	0,2	-0,6	-0,05
<b>Sum</b>	<b>-6,8</b>	<b>-10,3</b>	<b>-16,0</b>
Equity	19,1	2,0	24,2
<b>Total Assets</b>	<b>33,5</b>	<b>9,3</b>	<b>32,2</b>



# Consolidated figures NOK

Lifecare AS		NOK	Lifecare Group	
2022	2021	Period 01-09 unaudited figures	2022	2021
3 852 545	0	OPERATING INCOME	15 425 981	0
-1 595 706	-498 174	SALARIES AND OTHER PERSONNELL EXP.	-6 504 293	-648 174
-7 350	0	DEPRECIATION AND AMORTIZATION COSTS	-1 443 235	0
-10 331 980	-9 101 831	OTHER OPERATING COSTS	-14 454 216	-9 101 831
<i>-11 935 035</i>	<i>-9 600 004</i>	<i>OPERATING EXPENSES</i>	<i>-22 401 744</i>	<i>-9 750 004</i>
<b>-8 082 490</b>	<b>-9 600 004</b>	<b>OPERATING RESULT</b>	<b>-6 975 763</b>	<b>-9 750 004</b>
255 429	13 263	FINANCE INCOME	255 429	13 263
-65 673	-102 487	FINANCE COSTS	-70 498	-602 487
<i>189 756</i>	<i>-89 224</i>	<i>NET FINANCIAL ITEMS</i>	<i>184 931</i>	<i>-589 224</i>
<b>-7 892 734</b>	<b>-9 689 228</b>	<b>ORDINARY RESULT BEFORE TAXES</b>	<b>-6 790 832</b>	<b>-10 339 228</b>
0	0	TAXES	-713 014	0
<b>-7 892 734</b>	<b>-9 689 228</b>	<b>ORDINARY RESULT</b>	<b>-7 503 845</b>	<b>-10 339 228</b>

# Balance sheet

Lifecare AS		Period 01-06 unaudited figures	Note	Lifecare Group	
2022	2021			2022	2021
193 000	193 000	LICENCES AND PATENTS		6 719 361	7 185 530
		GOODWILL		6 551 916	1 538 357
193 000	193 000	INTANGIBLE ASSETS		13 271 277	8 723 887
83 749	15 366	MACHINERY AND EQUIPMENT		1 409 622	29 740
15 229 905	6 877 294	INVESTMENTS IN AFFILIATED COMPANIES			
		OTHER FIXED FINANCIAL ASSETS			
15 313 653	6 892 660	TOTAL FIXED ASSETS		1 409 622	29 740
136 525	74 947	RECEIVABLES		1 445 486	138 696
2 982 797	2 594 741	OTHER CURRENT FINANCIAL ASSETS		6 002 369	2 288 479
9 640 118	20 171 311	CASH AND CASH EQUIVALENTS		11 390 420	21 041 862
12 759 439	22 840 999	TOTAL CURRENTS ASSETS		18 838 276	23 469 037
<b>28 266 093</b>	<b>29 926 659</b>	<b>TOTAL ASSETS</b>		<b>33 519 174</b>	<b>32 222 664</b>

Lifecare AS		Period 01-06 unaudited figures	Note	Lifecare Group	
2022	2021			2022	2021
42 453 294	39 193 659	PAID UP EQUITY		42 454 582	39 193 659
-23 039 991	- 15 147 257	RETAINED EQUITY		-23 306 083	- 14 948 093
19 413 303	24 046 402	TOTAL EQUITY		19 148 499	24 245 566
0	0	DEFERRED TAX		1 435 800	1 538 357
1 688 679	2 696 976	LONG- TERM NON INT.BEARING DEBT		1 829 134	2 696 976
1 688 679	2 696 976	TOTAL LONG- TERM DEBT		3 264 934	4 235 333
1 197 882	1 527 906	ACCOUNTS PAYABLE		3 287 810	1 972 425
5 483 241	164 524	GOVERNMENT TAXES		7 031 615	243 528
482 988	1 490 851	OTHER CURRENT LIABILITIES		786 316	1 525 812
7 164 111	3 183 281	TOTAL CURRENT LIABILITIES		11 105 741	3 741 765
<b>28 266 093</b>	<b>29 926 659</b>	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>33 519 174</b>	<b>32 222 664</b>

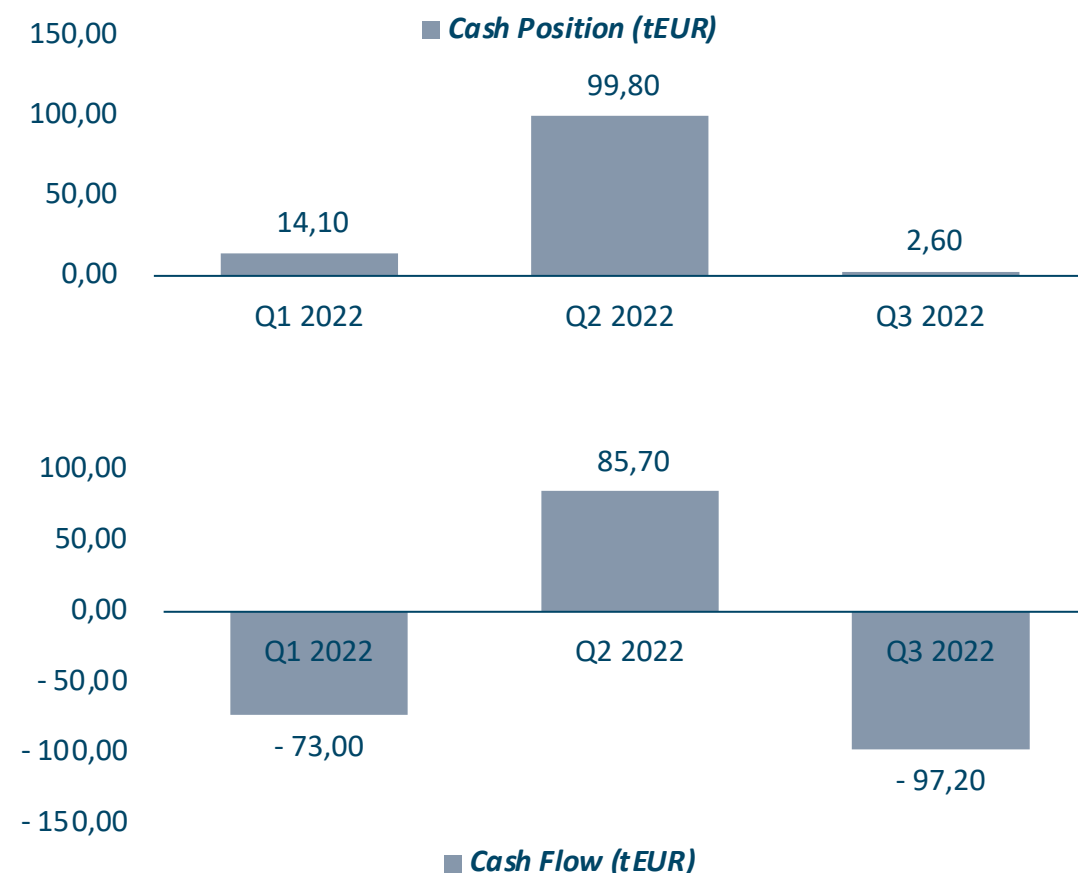
# Cash Flow

Lifecare AS		Period 01-09 2022 (NOK)	Lifecare Group	
2022	2021		2022	2021
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>				
- 7 892 734	- 9 689 228	EBIT	- 7 503 845	- 10 339 228
	0	TAXES PAID	0	0
7 350	0	DEPRECIATION	1 443 235	0
- 61 578	678 615	CHANGE IN CURRENT ASSETS	- 1 306 790	837 200
- 330 024	1 139 200	CHANGE IN SHORT- TERM LIABILITIES	1 315 385	1 139 200
		CURRENCY CONVERSION DIFFERENCES		
<b>- 8 276 987</b>	<b>- 7 871 413</b>	<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>- 6 052 015</b>	<b>- 8 362 828</b>
<b>CASH FLOW FROM INVESTMENT ACTIVITIES:</b>				
- 75 732	- 19 208	NEW NON- CURRENT ASSETS	- 2 823 116	- 19 208
- 8 740 666	- 5 712 317	INVESTMENTS IN FIXED FINANCIAL ASSETS	- 8 261 280	- 5 712 317
<b>- 8 816 398</b>	<b>- 5 731 525</b>	<b>NET CASH FLOW FROM INVESTMENT ACTIVITIES</b>	<b>- 11 084 396</b>	<b>- 5 731 525</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>				
- 1 008 297	3 043 759	NEW LONG TERM DEBT	- 970 399	3 043 759
4 310 854	57 981	NEW SHORT TERM DEBT	6 048 591	820 283
3 259 635	495 257	PAID- IN EQUITY	2 406 778	495 257
	0	DIVIDEND	0	0
<b>6 562 192</b>	<b>3 596 997</b>	<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>7 484 970</b>	<b>4 359 299</b>
<b>- 10 531 194</b>	<b>- 10 005 941</b>	<b>NET CASH FLOW TOTAL</b>	<b>- 9 651 441</b>	<b>- 9 735 054</b>
<b>20 171 311</b>	<b>11 475 968</b>	<b>CASH AT BEGINNING OF THE PERIOD</b>	<b>21 041 862</b>	<b>11 475 968</b>
<b>9 640 117</b>	<b>1 470 027</b>	<b>CASH AT THE END OF THE PERIOD</b>	<b>11 390 421</b>	<b>1 740 914</b>



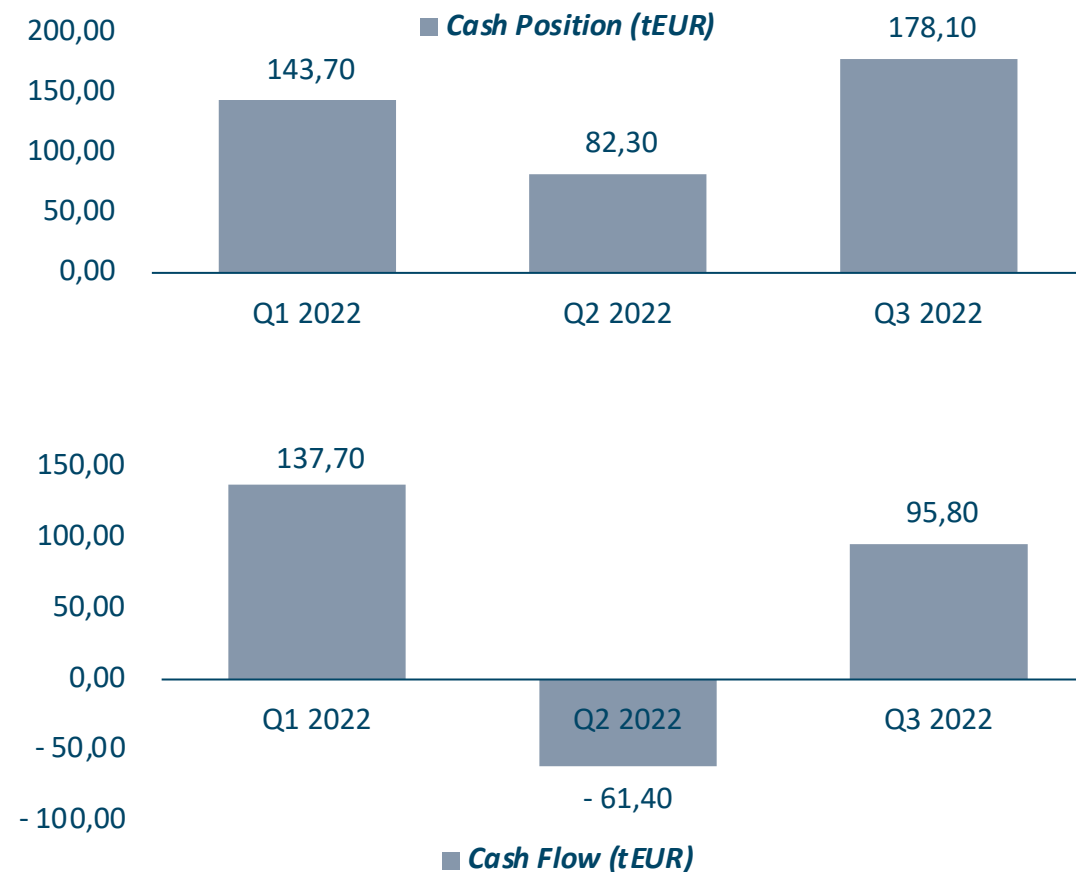
# Lifecare NanoBioSensors GmbH - Key financial figures and cash flow

Financial statements 30 September 2022 unaudited (tEUR)	YTD 2022
Revenue	142,5
Salaries and personnel costs	-138,7
<u>Other operating costs</u>	<u>-28,9</u>
Sum operating result	<u>-125,1</u>
Net finance	0,5
<b>Sum</b>	<b>-124,6</b>
Equity	-117,2
<b>Total Assets</b>	<b>37,2</b>



# Lifecare Laboratory GmbH - Key financial figures and cash flow

Financial statements 30 September 2022 unaudited (tEUR)	YTD 2022
Revenue	1369,8
Salaries and personnel costs	-353,7
<u>Other operating costs</u>	<u>-677,1</u>
Sum operating result	<u>339,0</u>
Net finance	0,0
<b>Sum</b>	<b>339,0</b>
Equity	437,8
<b>Total Assets</b>	<b>678,1</b>



# Q4 Share Capital Increase

Lifecare concluded a private placement and consequently secured financial capacity for the further development of the company's revolutionary sensor-technology.

- ✓ Carnegie acted as bookrunner, manager and advisor in the transaction.
- ✓ Based on strong shareholder commitments in Lifecare, the contemplated private placement was closed within a few hours on October 26<sup>th</sup>, despite a very challenging capital market.
- ✓ The private placement was company record sized in respect of both the gross deal size and price per share issued
- ✓ Lifecare board member and primary insider Hans Johan Hekland participated in the private placement and was allocated 200,000 shares through his company Hanibal Invest AS.

Lifecare will consider the need for additional financing in



## Key information private placement 2022

Total deal	45 MNOK
Share price	2,5 NOK
New shares	18,000,000

## Historic overview capital increase

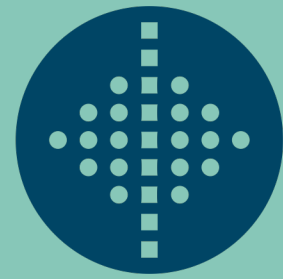
	2018	2022	2023
Total	33 MNOK	26,3 MNOK	45 MNOK
Share price	1,33 NOK	1,70 NOK	2,50 NOK

# Milestone Progress

Project	Description	Status
Pilot Clinical Study (LFC-SEN-001)	First-in-human study with the main purpose to optimize signal readings from needle sensors in the subcutaneous tissue. In line with the study protocol, adjustments and adaptations is implemented to ensure quality, optimization and preparations for LFC-SEN-002	In progress/prolonged
ISO certification Lifecare Laboratory	Applying for ISO 9001 certification on route to ensure ISO 13485 certification and hence compliance with European Medical Device Regulations (MDR).	Ready for audit for ISO 9001, awaiting notified body
Clinical study (LFC-SEN-002)	Performance evaluation of sensor components with next generation needle sensor prototypes, to optimize sensor longevity and validate sensor accuracy.	Pending on regulatory submission following finalization of LFC-SEN-001

# Development Outlook

Projects	Outlook	Timeline prerequisite
Clinical Studies	Based on adjustments and adaptations implemented in the ongoing trial we aim to conclude LFC-SEN-001 in Q1 2023 and initiate preparations for LFC-SEN-002. In addition, the overall aim is to finalize LFC-SEN-002 and initiate LFC-SEN-003 by end of 2023.	Timelines are depending on (1) regulatory approvals and (2) internal and external manufacturing capabilities
ISO certification	Expect audit for ISO 9001 certification by end of year 2022 or early 2023. Plan for audit for ISO 13485 certification in Q3 2023 to be in compliance with European Medical Device Regulations (MDR).	Timelines depending on availability of notified body



**LIFECARE**