Interim report

January 1 – September 30, 2020

The third quarter in figures

- Net sales amounted to TSEK 2,287 (1,940).
- The loss after tax amounted to TSEK 7,350 (9,868).
- The loss per share amounted to SEK 0.20 (0.59).
- The cash flow from current operations was negative in the amount of TSEK 6,974 (10,264).
- The gross margin reached 52.7% (53.4%).
- Electrode sales volume increased by 46% and reached 6,924 (4,752) units. Repeat sales of electrodes to existing customers increased by 57%.

The first nine months in figures

- Net sales amounted to TSEK 6,466 (6,476).
- The loss after tax amounted to TSEK 25,150 (29,387).
- The loss per share amounted to SEK 0.99 (1.77).
- The cash flow from current operations was negative in the amount of TSEK 23,571 (29,114).
- The gross margin reached 54.0% (53.1%).
- Electrode sales volume increased by 10% and reached 18,194 (16,544) units. Repeat sales of electrodes to existing customers increased by 10%.

Important events during the quarter

- The Covid-19 pandemic has affected SciBase from the end of Q1. There was a recovery in sales levels in Q3 due to good electrode sales to existing customers, but system sales remain affected. Sales in the company's key market Germany increased by 23% while overall sales increased by 18% in the quarter. It is however difficult to predict how Covid-19 will affect sales and Group activities going forward.
- Nevisense was selected for 'SpotCheck' remote melanoma detection evaluation study by The Ronald O. Perelman Department of Dermatology at NYU Langone Health in New York

Important events after the end of the period

- SciBase announced the outcome of the exercise of warrants of series TO1. In total, 91.4% of the warrants were subscribed for to the set subscription price of SEK 1.75.
- Nevisense Go, SciBase's next generation handheld device, was released at the end of October. The first version of Nevisense Go will be used to assess skin barrier function by researchers and industrial partners.
- SciBase was granted a Category III CTP® code for the Nevisense melanoma detection test in the US
- Two US studies showing improved detection of melanoma by clinicians with Nevisense were published in leading US journals. The studies compared the evaluation of atypical, pigmented skin lesions using visual evaluation alone to visual evaluation plus Nevisense.
- Nevisense was included in infant study at Mount Sinai Hospital in New York. Nevisense will be used to measure skin properties including barrier function and evaluate whether these measurements can help predict the development of allergies or monitor their progress.
- Linn Olsen, SciBase's head of production and supply chain, has been appointed as a member of the management team.

Financial overview

	July 1 - Sep 30		Jan 1 - Sep 30		Oct 1 2019 - Sep 30 2020	Jan 1 - Dec 31
THE GROUP	2020	2019	2020	2019	Rolling-12	2019
Net sales, SEK ths	2 287	1 940	6 466	6 476	9 266	9 276
Gross margin, %	52,7%	53,4%	54,0%	53,1%	55,2%	54,5%
Equity/Asset ratio, %	67,0%	73,4%	67,0%	73,4%	70,8%	69,4%
Net indebtness, multiple	0,49	0,36	0,49	0,36	0,41	0,44
Cash equivalents, SEK ths	21 724	35 917	21 724	35 917	21 724	26 456
Cashflow from operating activities, SEK ths	-6 974	-10 264	-23 571	-29 114	-32 413	-37 956
Earnings per share (before and after dilution), SEK	-0,20	-0,59	-0,99	-1,77	-1,94	-2,38
Shareholder's equity per share, SEK	0,71	2,53	1,02	2,53	1,46	1,93
Average number of shares, 000'	36 560	16 618	25 481	16 618	23 265	16 618
Number of shares at closing of period, 000'	36 560	16 618	36 560	16 618	36 560	16 618
Share price at end of period, SEK	4,00	5,25	4,00	5,25	4,00	4,36
Number of sold electrodes, pieces	6 924	4 752	18 194	16 544	25 374	23 724
Average number of employees	16	18	16	18	17	18

Definitions and a glossary are provided on page 20.

Comment by CEO Simon Grant

"A Quarter of Milestones and the return of Sales growth"

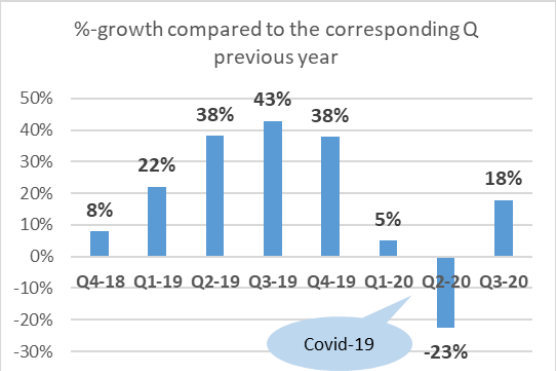
Q3 Highlights

- Sales in Q3 increased by 18% as electrode sales increased 46%
- SciBase's new platform. Nevisense Go released for initial use within skin barrier research
- Nevisense test for melanoma receives Category III CPT®(CPT III) code in the US
- Germany achieves quarterly and year-to-date local profitability
- After delays due to Covid-19, the rollout of systems to the US' largest dermatology practice group, Advanced Dermatology and Cosmetic Surgery (ADCS) is accelerating.
- Conversion of warrants finalized raising approximately MSEK 30 after issue costs.
- EU MDR certification process making progress, but extremely resource intensive.
- Two new US clinical studies published showing positive results for Nevisense

Sales return after initial Covid-19 impact

The improvement in sales activity we saw at the end of Q2 in both Germany and the New York area continued through Q3, indicating a return to some normality in the market. We saw a 46% growth in electrode sales in the quarter from our existing customer base. System sales to new customers however continue to be impacted by Covid-19 as there is a general reluctance to invest in capital equipment (i.e. new devices). The opportunities to meet potential customers have been significantly reduced as congresses have either been cancelled or moved into a virtual setting. As the organizers get more familiar with managing virtual meetings, the meetings are improving as we saw in our most recent meeting, DERM 2020 "Frankenthal" which resulted in a number of leads and potential new customer sales.

The good Q3 sales have brought us back to being on par with 2019 in accumulated sales which is positive given the severe impact of the pandemic in Q2.



Quarterly growth compared to the previous year – Q1/Q2-20 impacted by Covid-19.

In addition to our core markets being hit by the pandemic, the new application areas have also been impacted. Several research projects and clinical studies for both Non-Melanoma Skin Cancer (NMSC) and the barrier application have been slowed or delayed. This effect was easing but looking forward it is difficult to predict how Covid-19 will affect these research projects and Q4-sales in general as countries and regions enter new lock-down phases.

Nevisense Go released and next steps

I was very pleased to announce the release of Nevisense Go on October 30th 2020. Nevisense Go is a hand-held version of Nevisense that is the first product based on our next generation platform. Central to the platform is a custom integrated circuit to perform our Electrical Impedance Spectroscopy (EIS) measurements, and a new AI platform embedded in the device to interpret those measurements. The aim is that this platform will support all the current and future clinical indications and that it will enable us to address broader markets.

This first release of Nevisense Go will be for the assessment of the skin barrier using the world's first AI algorithms developed for skin barrier assessment. Nevisense Go will utilize the same electrode and business model as Nevisense. It will however be easier to use and have lower acquisition cost for clinics.

This release of Nevisense Go is aimed at Industry partners and researchers within the area of skin barrier, though our aim is for Nevisense Go to eventually support all our clinical applications. The product is not as yet linked to clinical indications (such as eczema or melanoma). Our activities so far lead us to believe that the market potential for research and Industry partners is significant and is a good first step for the product. It was therefore pleasing to announce the first sale of a Nevisense Go to a large global player and potential partner.

Nevisense Go is the culmination of a five year collaboraton with KTH (the Royal Institute of Technology) and our clinical partners SIAF in Davos - but on the other hand is just the very first step for the platform. Our focus is now to continue to develop the platform and to collect clinical data so that we can perform the regulatory work needed to release indications starting next year.

Nevisense Go, the barrier application and our other new application, Non-Melanoma Skin Cancer will mean that as a Company we will have additional 'legs' to stand on; adding substantial market potential and reducing commercial risk.

Germany reaches local profitability

One of our key goals for this year was that the German market be profitable on a local/consolidated basis so that we could focus investments on our new products and the US. It is therefore very pleasing to report that we achieved local German profitability in this quarter

and accumulated for the year to date as well. The German market has been substantially impacted by Covid-19 as many of our customers temporarily closed their clinics and reduced the number of patient appointments. During Q3 we saw positive signals regarding test volumes partly driven by an increased focus on medical procedures rather than aesthetic procedures. Our German sales increased by 23% in value and with 46% in electrode volumes during the quarter. On the marketing side physical congresses are now rare. Virtual congresses are becoming more sophisticated and will hopefully improve to better help us "meet" new potential customers. We continue to work to develop the German market, which at full penetration can significantly add to our revenue.

One of the other effects of the Covid-19 pandemic on the German market has been a delay in the release of our new NMSC application, a product which we believe will help accelerate sales there. Our customers see almost ten times as many NMSC cases as melanoma cases and we believe this will both drive usage as well as help attract new customers.

US activity accelerating – CPTIII code granted, ADCS rollout and new clinical data published

It has been a busy end of quarter in the US for SciBase. The most important news from a US perspective was that the Nevisense melanoma procedure was granted a Category III CPT® code at the American Medical Association (AMA) meeting in October. The code will be published on the 1st January 2021 and be accessible to providers and payers across the US from the 1st July 2021.

As yet, the code does not have a payment attached to it, and the company will now focus on securing a suitable payment level and coverage with selected payors. Importantly, when the code is "effective" customers will be able to easily submit claims for reimbursement through existing billing systems. This will help track utilization which will support our efforts to achieve coverage, and our first objective is to achieve local Medicare coverage by CMS (Center for Medicare and Medicaid services) in selected states in 2021.
The rollout of pilot sites at Advanced Dermatology and Cosmetic Surgery (ADCS) has gathered momentum recently, after a period of slow progress due to Covid-19. We are now installed at 13 sites, and hope to finalise the pilot rollout in the coming month.

There were two new clinical studies published in the US this quarter; one in the Journal of the American Academy of Dermatology (JAAD) and one in SKIN, The Journal of Cutaneous Medicine (SKIN). Both were reader studies from Professor Darrel Rigel's team in New York that evaluated the impact of Nevisense information on clinicians' decision-making. Nearly 600 US clinicians performed over 25,000 evaluations comparing management decisions first using visual evaluation only, and then with the addition of Nevisense information. The results were impressive – an average improvement in sensitivity of 14% (ability to detect melanoma) and an average improvement in specificity (ability to correctly classify as benign) of over 10%. These results are very positive for us and will help us in our reimbursement process and in driving future sales.

New applications and an MDR update

The quarter has involved many hundreds of hours of work by the team to finalise our certification under the Medical Device Regulation or MDR. MDR is a broad new framework of regulations for medical device manufacturers that is mandatory from May 2021. SciBase will be one of the first companies to achieve certification in Europe and it has been a priority for us because MDR is needed to release new indications such as our NMSC software application. This product is complete, and the clinical data has been approved, so finalising our MDR certification will mean we can release the product. This is now in the hands of our notified body, who manage the certification process, and we hope that the remainder of the process can move quickly.

MDR has been a long and resource-intensive process for SciBase and we estimate that only about 1% of companies have achieved MDR certification so far. It is difficult to predict what will happen next May when MDR becomes mandatory, and it is clear it will have major consequences for the EU medical device industry. SciBase is however in a good position as this new framework is introduced and we believe MDR approval will provide us with a competitive advantage going forward.

Financing/Shareholders

In March this year we announced that we had secured a fully guaranteed rights issue despite the very challenging market conditions. The first step or 'tranche' was successfully closed in May and raised net approximately MSEK 19.2. The second tranche of the issue involved the conversion of the warrants issued in connection with the rights offering to shares. This was closed in October and I am happy to say that over 91% of the warrants were converted into shares raising an additional MSEK 30 (approximately) after issue costs. Given our current strategy the proceeds are sufficient to fund the company through to the fourth quarter 2021.

It has been very pleasing to see the increasing interest in SciBase. We attracted over 1,000 new shareholders in the third quarter, taking our shareholder base to well over 3,000.

What a quarter…

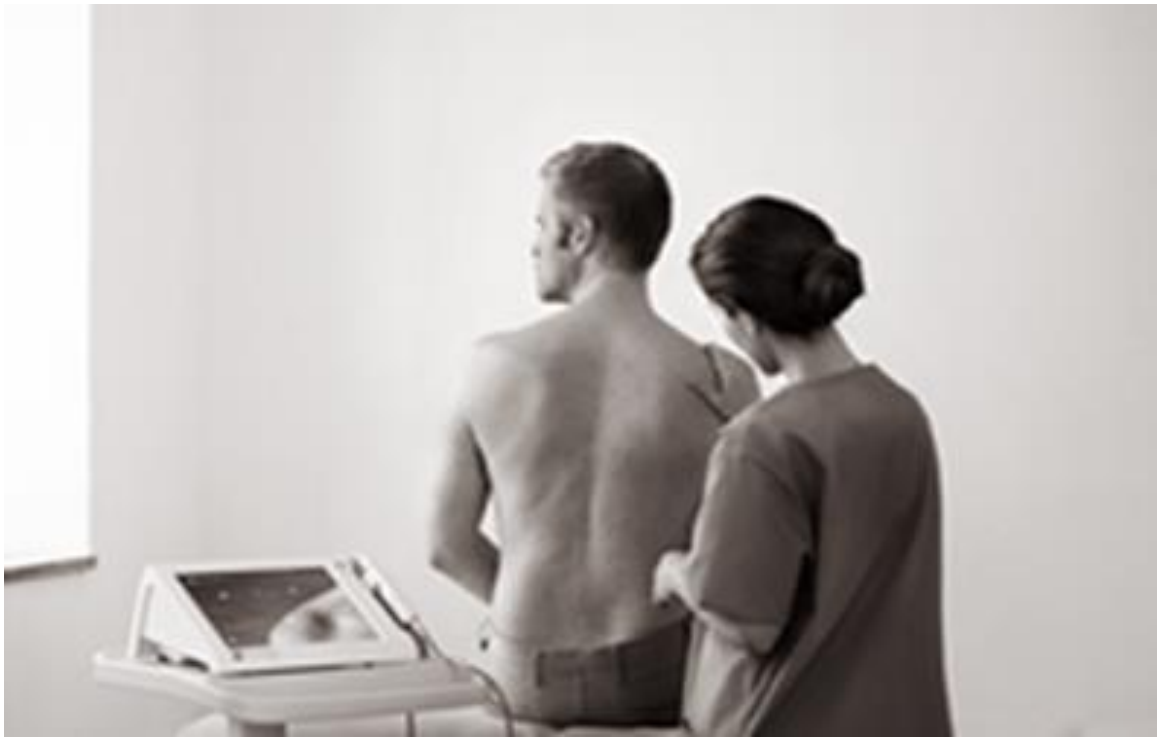
In addition to being a quarter where sales have 'bounced back', it has been a quarter with several important milestones for SciBase. German market profitability, the release of Nevisense Go, the granting of a US CPT III code, the progress with MDR and our new applications and the finalisation of our funding round mark this as a landmark quarter for the company. I am very grateful to the team who have shown real 'grit' through this period. We are a small group, and I am amazed that we continue to deliver so much.

Looking forward, I will be very happy to finalise MDR so we can release NMSC application and to starting the rollout of Nevisense Go. Nevisense Go is truly a world first combining EIS and AI in a handheld platform, and it is exciting to start to work with that platform after five years of development. It is difficult to predict

what will happen when it comes to Covid-19. Though we have seen a clear return of the market during Q3, I am unsure of the effect on the market of new lock-downs such as that in Germany.

The team and I thank you for your continued interest in SciBase and hope that you stay safe in these trying times.

Simon Grant, CEO
Sundbyberg November 12th, 2020



SciBase in brief

About SciBase

SciBase is a medical technology company that develops instruments for detection of skin cancer and other skin conditions. The Nevisense product can detect malignant 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 on Electrical Impedance Spectroscopy (EIS), and SciBase has conducted the largest study to date on the detection of malignant melanoma, in which Nevisense achieved excellent results. Nevisense is approved for sale in the United States (PMA), Europe (CE mark) and Australia (TGA).

In addition to detecting malignant melanoma, SciBase is working to add further clinical applications to Nevisense. By using Nevisense as a platform, the Company is integrating functionality that uses the EIS method in assessing other skin diseases, such as non-melanoma skin cancer and atopic dermatitis. SciBase is both conducting clinical trials with leading academic and clinical centers and working to commercialize the new applications.

SciBase was founded in 1998 by Stig Ollmar, a researcher at The Karolinska Institute, and has its headquarters in Stockholm. The company has been listed on Nasdaq First North Growth market since June 2, 2015.

Business model

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

Short facts

- Skin cancer is the most common and fastest-growing form of cancer in the world.
- Malignant 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 malignant melanoma is approximately USD 3.3 billion annually, equivalent to 41% of expenditure for skin cancer. In a recent 5 year period, melanoma expenditure increased four-fold.
- Today, some 50-60 million annual examinations for malignant 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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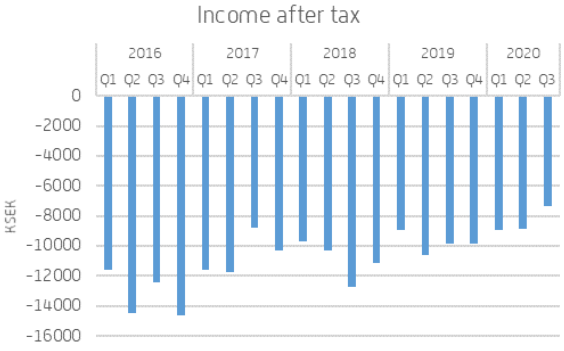
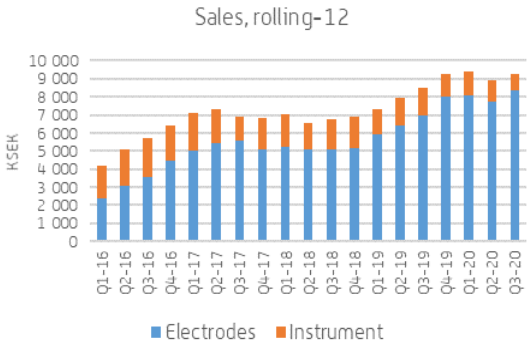
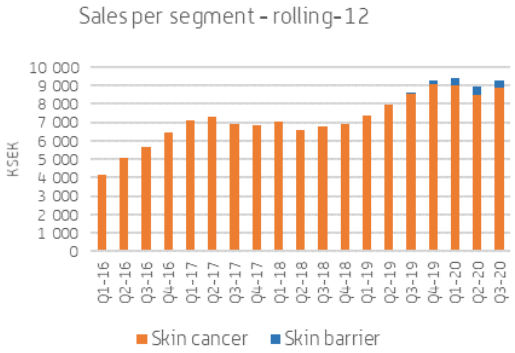
"We take pride in providing our patients with access to the most advanced technology for the earliest detection of melanoma,when the disease is at its most curable stage. Technological advances like Nevisense will not only improve outcomes for our patients, but also change the landscape for the future of skin cancer detection and we are thrilled to be a part of this advancement" Dr. Matt Leavitt, CEO and Founder of Advanced Dermatology and Cosmetic Surgery

US facts

- In 2020 there are expected to be around 101,350 cases and 6,250 deaths from melanoma in the US
- There are more cases of skin cancer than all other cancers combined – though only 3% of these cases are melanoma
- Melanoma is the fifth most common cancer among men and the sixth most common for women
- The lifetime risk for melanoma in the US is 1 in 24







Third quarter

Net Sales

Net sales for the third quarter of 2020 amounted to TSEK 2,287 (1,940), an increase of 18%. Cleared for currency effects the sales increased by 20%. The strengthening SEK is now starting to affect the sales vs last year negatively. Sales of instruments amounted to TSEK 17 (321) and sales of electrodes to TSEK 2,270 (1,620). The Covid-19 pandemic affected the Group's sales negatively from mid-March and almost all the way through the second quarter. During the third quarter, sales to existing customers recovered, while the opportunity for sales to new customers remained limited.

In the German market, many customers temporarily closed their clinics, but almost all had reopened in Q3, Many clinics are operating with a limited or reduced patient capacity. Physical customer visits have been reduced significantly and meetings are held virtually as far as possible.

In the United States, where the Company's focus is in the New York/tri-state area and Florida, activities were much reduced by Covid-19, but have now returned to near pre-Covid levels. The cooperation with ADCS, the US's leading dermatology network, was slowed by the pandemic, but is now moving forward again. In summary the Company saw positive signs from the end of June and these have continued through Q3 and things are returning to normal in both Germany and the US.

Sales in Germany accounted for 98 (94%) of the sales in the period and increased by 23% compared to the third quarter of 2019. In local currency the sales in Germany increased by 26%.

The total sales of electrodes in the quarter reached 6,924 (4,752), an increase of 46%. In Germany, the total sales of electrodes in volume increased by 46%. Total repeat sales of electrodes increased by 57%.

Operating profit/loss

The operating loss for the period July - September 2020 amounted to TSEK 7,321 (9,801), a decreased loss of TSEK 2,480. This is due to a combination of increased sales and reduced external activities such as meetings and travel. Due to the Covid-19 pandemic the Groups sales and marketing activities decreased following postponed congresses and a reduction of other marketing activities in general. In total the operating expenses decreased by 21% in the third quarter compared to Q3 2019. Currency effects impacted the operating income negatively by approximately MSEK 0.1.

In the period Germany reached break-even for both the quarter and accumulated on a local level.

The gross margin in the period was 52.7 (53,4 %) and continues to be stable at a level above 50%. When cleared for currency effects the gross margin would have been just over 53%. The overall margin remains very dependent on electrode production and sales volumes and will vary between quarters.

Sales and marketing expenses decreased by TSEK 1,131 and amounted to TSEK 4,517 (5,648). The expenses decreased due to a a general reduction of marketing activities.

Administration expenses for the period amounted to TSEK 2,642 (1,912), an increase of TSEK 730. The increase is mainly due to the new MDR-process (the new

European framework - Medical Device Regulations) and increased patent expenses.

Development expenses for the period amounted to TSEK 1,748 (3,010), a decrease of TSEK 1,262. The costs have decreased as a result of lower costs for clinical studies as these are difficult to carry out/start during the ongoing pandemic and due to lower project expenses. Covid-19 has delayed the release of Nevisense Go and during the fourth quarter, development costs will increase as some licensing fees for the ASIC (Application Specific Integrated Circuit) will be paid.

Cash flow, investments and financial position

At the beginning of the period, cash and cash equivalents amounted to TSEK 30,450 and, at the end of the period, to TSEK 21,724. In the period MSEK 1.3 of the total issue costs of MSEK 5.7 relating to the in Q2 performed rights issue were paid.

Cash flow from current operations for the period was negative to the amount of TSEK 6,974 (10,264), of which changes in working capital amounted to a negative TSEK 190 (negative 1,471). The negative operating cash flow improved due to reduced operating expenses and changes in working capital. Total cash flow for the period was negative to the amount of TSEK 8,726 (negative 10,753).

Net investments in tangible assets for the period amounted to TSEK 0 (42). 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 621 (721) of which TSEK 437 (453) are due to leased assets.

First nine months

Net Sales

Net sales for January - September 2020 amounted to TSEK 6,466 (6,476) which, in-spite of Covid-19, is at the same level as 2019. Cleared for currency effects the sales the sales would have shown a marginal increase. Sales of instruments accounted for TSEK 433 (814) and sales of electrodes for TSEK 6,034 (5,662). The Covid-19 pandemic affected the Group's sales negatively from mid-March and up to the end of the second quarter. During this period, in both Germany and the US, many customers temporarily closed their clinics which led to decreased sales and no possibility for physical customer meetings. Postponed or cancelled congresses have impacted the sales negatively as there were limited opportunities to meet new customers. The third quarter showed a recovery in electrodes sales to existing customers but sales to new customers and of devices remain affected by the pandemic. Apart from the Covid-19 effect, 2020 has seen a positive development in the US, and for the new skin barrier application. There is a continued good level of interest in the new barrier application from both researchers and potential industrial partners.

Sales in Germany accounted for 93 (98%) of the sales in the period and decreased by 5% in the period compared to the corresponding period 2019. In local currency the sales in Germany decreased by 5%.

The total sales of electrodes in the period reached 18,194 (16,544), an increase of 10%. In Germany, the total sales of electrodes in volume increased by 5%. Total repeat sales of electrodes increased by 10%.

Operating profit/loss

The operating loss for the period January - September 2020 amounted to TSEK 24,978 (29,272), a decreased loss of TSEK 4,294. The recovery of sales to existing customers and reduced external expenses due to Covid-10 are the main reasons for the decreased loss. The group's sales and marketing expenses decreased as a consequence of cancelled congresses, short-work of the German sales force in the second quarter and an overall decrease of marketing activities due to Covid-19. In total the operating expenses decreased by 13% compared to the corresponding period in 2019. The operating income has only been marginally negatively impacted by currency effects.

The gross margin in the period was 54.0 (53.1 %) and continues to be stable at a level above 50%. When cleared for currency effects the gross margin would have been just over 54%. The overall margin remains very dependent on electrode production and sales volumes and will vary between quarters.

Sales and marketing expenses decreased by TSEK 2,611 and amounted to TSEK 14,629 (17,240). The expenses decreased mainly because of a lower activity level due to Covid-19 with cancelled congresses, overall reduction of marketing activities, short-work of the German sales staff during the second quarter and reduced travel.

Administration expenses for the period amounted to TSEK 7,031 (6,356), an increase of TSEK 675. The increase is mainly attributable to the ongoing MDR process, financing costs not taken against equity and increased patent expenses.

Development expenses for the period amounted to TSEK 6,843 (8,515), a decrease of TSEK 1,671. The reduction is mainly a result of lower costs for clinical studies as these are difficult to implement / start during the ongoing pandemic.

Cash flow, investments and financial position

At the beginning of the period, cash and cash equivalents amounted to TSEK 26,456 and, at the end of the period, to TSEK 21,724.

Cash flow from current operations for the period was negative to the amount of TSEK 23,571 (29,114), of which changes in working capital amounted to a negative TSEK 307 (negative 1,664). The negative operating cash flow mainly improved due to the improved loss and to changes in working capital. Total cash flow for the period was negative to the amount of TSEK 4,809 (negative 31,523). In the second quarter a rights issue was performed raising net MSEK 19.2 after issue costs. The total issue costs amounted to MSEK 5.7.

Net investments in tangible assets for the period amounted to TSEK 299 (1,158) and mainly involved investments in production tools and leasing cars were the leasing period ended. Investments in intangible assets for the period amounted to TSEK 0 (0). In the second quarter, a financial asset of KSEK 1,157 was sold.

Depreciation of tangible assets was charged against earnings for the period to the value of TSEK 1,925(2,106) of which TSEK 1,305 (1,359) are due to leased assets.

At the Extraordinary General Meeting held on April 29, 2020 it was decided to reduce the share capital through a reduction of the quota value per share from SEK 3.70 to SEK 0.05. This reduction was registered on August 18, 2020 by Bolagsverket.

Other disclosures

Shareholders

At the end of the period, SciBase Holding AB had approximately 3,130 shareholders, of whom the five largest represented approximately 37.2% of the capital and votes. The total number of shares amounts to 36,559,822. The largest shareholders as per September 30, 2020 were Fouriertransform AB (12%), Futur Pension (8%), Nordnet pensionsförsäkring (6%), SEB Venture Capital (6%) and SEB Pensionsstiftelse (13%).

In May 2020, a rights offering was performed, were 19,941,721 new shares were subscribed at a subscription price of SEK 1.25. In connection to the rights offering 19,941,721 warrants (TO 1) were issued with the right to during the period October 5 – October 16, 2020 subscribe 1 new share per warrant. At the beginning of October, the subscription price was set at SEK 1.75 per share when exercising a warrant of the TO1 series. After the end of the period, 18,220,264 (approximately 91.4% of the total number) warrants were exercised to subscribe for 18,220,264 shares. After conversion, the number of shares in SciBase Holding AB amounts to 54,780,086.

The incentive program that was resolved at an extraordinary shareholders meeting held on April 28, 2015 expired in June 2020 without any options being exercised.

Market overview

SciBase is active in skin cancer detection as well as examination of the skin barrier function.

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. Around 10-15% of patients exhibit lesions that are atypical and can be difficult to judge. Though there is considerable variation, approximately 10% or 5 million lesions are suspicious enough to be excised. These 5 million annual excisions represent SciBase's initial target market where Nevisense could help to improve the quality of the diagnosis.

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

Non-melanoma skin cancer is the most common form of skin cancer but is in general less dangerous than melanoma but it is much more common and still requires detection and treatment. The number of patients affected by NMSC is more than ten times the number affected by melanoma. As an example in Sweden there are fewer than 4,000 melanoma cases per year and more than 47,000 bases of Basal Cell Carcinoma (BCC) per year. In the US there more than 87,000 cases of melanoma and approximately 2.8 million of cases of BCC every year.

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

Employees

At the end of the period, the number of employees amounted to 18 (19), of whom 28 (32%) were women. This includes the production employees at our Uppsala electrode production facility and salespeople in Germany.

Financing

The Board of Directors regularly reviews the company's existing and forecast cash flows to ensure that the company has the funds and resources necessary to pursue operations and strategic focus adopted by the Board. The company's long-term cash requirements are determined by how successful the Company will be able to commercialize its product Nevisense. Commercialization is, in turn, dependent on a variety of factors that will affect the need, including costs related to being included in insurance systems, granted compensation levels therein, marketing costs and obtaining and enforcing regulatory requirements.

As of September 30, 2020, the Group's cash and cash equivalents amounted to SEK 21.7 million. Based on the positive sales trend in Germany, the positive sig-

nals from the US market and the promising new application areas, (excluding Covid-19 effects) the Board believes that the Company is on the right track. Given the capital raises in May and October of this year, which in total raised net MSEK 49.2, it is the Board's opinion that the company has sufficient working capital for the coming 12-month period. However, with the current strategic plan, these funds are not considered sufficient to finance operations until a positive cash flow is achieved.The Board of Directors has therefore, to secure a more long-term financing, since a while back, been evaluating various activities and financing options for the Company.

The raised capital will enable the Company to take further steps in the US market and achieve certainkey milestones.

Transactions with related parties

During the period, the parent Company SciBase Holding AB has invoiced TSEK 3,230 (3,230) to the fully owned subsidiary SciBase AB, which corresponds to a 100% of the parent Company's turnover in the period. 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 13-17 of SciBase's 2019 Annual Report.

Parent Company

SciBase Holding AB (publ), corporate identity number 556773-4768, is the Parent Company of the Group. The company was formed in 2009 following a restructuring of the Group. The actual operations are conducted by the fully owned subsidiary SciBase AB.

As per September 30, 2020, there were three employees, the CEO and the Groups finance department. The operations consist of consulting activities for the rest of the Group. The company's main task is of a financial nature – to fund the Group's operational activities.

Net sales for the period reached TSEK 3,230 (3,230). The loss for the period amounted to TSEK 23,935 (27,733). 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 in the period was MSEK 20,0 (24,0).

Significant events during the quarter

Nevisense selected for 'SpotCheck' remote melanoma detection evaluation study by The Ronald O. Perelman Department of Dermatology at NYU Langone Health. The SpotCheck study will investigate the use of Nevisense as a point-of-care diagnostic tool to assist with skin cancer detection in a remote setting such as a non-specialist practice or pharmacy. The study will evaluate how Nevisense can help providers assess patients' irregular moles in such locations, and if successful will help improve access for patients to technology for the early detection of melanoma.

Significant events after the period

The board of directors of SciBase resolved, on 26 March 2020, to carry out a fully guaranteed rights issue of up to 19,941,721 units at a subscription price of SEK 1.25 per unit. Each unit consisted of one (1) share and one (1) warrant free of charge, and every warrant entitled the holder to subscribe for one (1) new share in the Company. The subscription price for a new share converting a warrant of series TO1 was set to SEK 1,75 per share. In total, 18,220,264 warrants of series TO1 have been used for subscription of 18,220,264 shares, meaning that approximately 91.4 percent of the total number of warrants issued in series TO1 were used for subscription of shares. SciBase is hereby provided with a total of approximately SEK 31.9 million before deduction of issue costs. Through the exercise of 18,220,264 warrants of series TO1, the number of shares and votes in the Company will increase by 18,220,264, from 36,559,822 to 54,780,086 shares and votes. The share capital hereby increases with SEK 911,013.20, from SEK 1,827,991.10 to SEK 2,739,004.30. The dilution for shareholders' who did not exercise any warrants for subscription of new shares amounts to a total of approximately 33.3 percent based on the total number of shares in the Company following the completion of the rights issue and the exercise of the warrants.

SciBase announced the release of the first device based on their new platform, 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 and develop applications on. 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 version of Nevisense Go version is released for skin barrier assessment and is targeted at researchers and Industry Partners which means it does not include a clinical indication. One of the first sales of the product is to one of the largest global industrial players, and it is this type of customer that SciBase are initially focused on. There is significant potential within the research market, and we believe it will lead to many new applications for the technology.

SciBase announced that their category III CPT® code application for the Nevisense melanoma detection test was approved at the AMA's October meeting without opposition, according to the CPT Editorial Summary of

Panel Action October 2020 which was released on October 30th. The code will be published on the 1st January 2021 and be accessible to providers and payers across the US from the 1st July 2021. As yet, the code does not have a payment attached to it, and the company will now focus on securing a suitable payment level and coverage with selected payors.
After the period both the Journal of the American Academy of Dermatology (JAAD) and SKIN, The Journal of Cutaneous Medicine (SKIN), published studies assessing the clinical impact of Nevisense. The studies compared the results of US clinicians evaluating atypical, pigmented skin lesions (atypical moles) using visual evaluation only compared to visual evaluation and the Nevisense result combined. The JAAD publication titled "*Impact of Electrical Impedance Spectroscopy on Dermatologists' Number-Needed-to-Biopsy Metric and Biopsy Decisions for Pigmented Skin Lesions*" sought to evaluate improvements in clinical accuracy in melanoma detection, while the SKIN publication titled "*Integrating Electrical Impedance Spectroscopy into Clinical Decisions for Pigmented Skin Lesions Improves Diagnostic Accuracy: A Multitiered Study*" sought to evaluate the differences between practicing dermatologists, physician's assistants, nurses and residents. All clinician types (dermatologists, physician's assistants, nurses and residents) improved by similar amounts, and the clinicians with the lowest number of correct evaluations improved the most. The publications are based on clinical evaluations of lesions in reader studies. The JAAD publication included 267 dermatologists while the SKIN publication included 591 clinicians (dermatologists, physician's assistants, nurses and residents). All clinicians evaluated lesions using visual evaluation only, and then they added the Nevisense information in over 25,000 evaluations.

The key study takeaways were:

- The number of 'missed melanomas' fell from ~7% to < 1%
- Overall sensitivity (ability to correctly identify melanoma) increased on average across the groups by 14% and specificity (ability to accurately identify benign moles) by 10.2%
- In total, clinicians identified 1,343 more melanomas with Nevisense compared to visual evaluation alone.
- All clinician types (dermatologists, nurses and residents) improved a similar amount, and the clinicians with the lowest number of correct evaluations improved the most.
- In the JAAD study, dermatologists improved their sensitivity from 84 to 98%, their specificity from 34% to 44% and their NNB (Number Needed to Biopsy) from 6.3 to 5.3.

SciBase will participate in a clinical study to run parallel to the ACTIVATE study (sponsored by the Immune Tolerance Network and the NIAID/NIH), which is being conducted by the Department of Pediatric Allergy at Mount Sinai Hospital in New York. The goal of the ACTIVATE study is to explore how differences in the gut microbiome of an infant affect its susceptibility to allergies. The study will compare groups born vaginally with those born by Cesarean section with and without so-called "vaginal seeding" of the infant microbiome. The study will examine whether vaginal seeding lowers the risk that infants test positive for allergies at one year of age. ACTIVATE will enroll 120 pregnant women and their babies, and will focus on those babies that are at higher risk for developing allergies. The infants will be followed for the first year of life, and SciBase's product Nevisense will be used to measure skin properties including barrier function and evaluate whether these measurements can help predict the development of allergies or monitor their progress.

Linn Olsen, SciBase's head of production and supply chain, has been appointed as a member of the management team.

Consolidated summary Income Statement

	July 1 - Sep 30		Jan 1 - Sep 30		Oct 1, 2019 - Sep 30, 2020	Jan 1 - Dec 31
SEK 000'	**2020**	**2019**	**2020**	**2019**	**Rolling-12**	**2019**
Net sales	2 287	1 940	6 466	6 476	9 266	9 276
Cost of goods sold	-1 083	-904	-2 975	-3 040	-4 151	-4 216
Gross Profit/Loss	**1 205**	**1 036**	**3 491**	**3 437**	**5 115**	**5 060**
Sales and marketing expenses	-4 517	-5 648	-14 629	-17 240	-20 657	-23 268
Administration expenses	-2 642	-1 912	-7 031	-6 356	-8 938	-8 264
Development expenses	-1 748	-3 010	-6 843	-8 515	-9 617	-11 288
Other operating income	0	0	0	-20	0	-20
Other operating expenses	382	-267	33	-577	-1 014	-1 625
Operating Income	**-7 321**	**-9 801**	**-24 978**	**-29 272**	**-35 112**	**-39 405**
Financial income	0	0	1	98	-2	95
Financial expenses	-48	-66	-192	-214	-263	-285
Profit/Loss before taxes	**-7 370**	**-9 868**	**-25 170**	**-29 387**	**-35 377**	**-39 594**
Income tax	20	-	20	0	20	0
Profit/Loss for the period	**-7 370**	**-9 868**	**-25 150**	**-29 387**	**-35 357**	**-39 594**
Net Profit/Loss attributable to:						
Parent company shareholders	**-7 370**	**-9 868**	**-25 150**	**-29 387**	**-35 357**	**-39 594**
Earnings per share based on Net Profit/loss attributable to parent company shareholders (in SEK/share)						
Profit/loss per share (before and after dilution)*	-0,20	-0,59	-0,99	-1,77	-1,93	-2,38
Average number of shares outstanding	36 560	16 618	25 481	16 618	18 280	16 618

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

Consolidated summary statement of comprehensive income

	July 1 - Sep 30		Jan 1 - Sep 30		Oct 1, 2019 - Sep 30, 2020	Jan 1 - Dec 31
SEK 000'	**2020**	**2019**	**2020**	**2019**	**Rolling-12**	**2019**
Profit/loss for the period	**-7 370**	**-9 868**	**-25 150**	**-29 387**	**-35 357**	**-39 594**
Other comprehensive income for the period:						
Items that have or may be reclassified to profit or loss:						
Changes in fair value on financial assets that can be sold	0	0	0	0	-4	-4
Tax effect attributable to changes in fair value on financial assets that can be sold	0	1	0	3	1	4
Translation differences on foreign operations	0	321	23	-59	212	131
Sum other comprehensive income	**0**	**322**	**23**	**-56**	**209**	**130**
Total comprehensive income for the period	**-7 370**	**-9 546**	**-25 126**	**-29 443**	**-35 148**	**-39 464**
Total comprehensive income attributable to:						
Parent company shareholders	**-7 370**	**-9 546**	**-25 126**	**-29 443**	**-35 148**	**-39 464**

Consolidated summary statement of financial position

	Sep 30		Dec 31
SEK 000'	2020	2019	2019
ASSETS			
Fixed Assets			
Tangible fixed assets	6 932	10 393	8 791
Financial fixed assets	50	1 211	1 207
Total Tangible Assets	**6 982**	**11 604**	**9 998**
Current Assets			
Inventory	6 072	5 634	5 003
Current tax receivable	996	996	548
Receivables	1 705	1 605	2 153
Other current receivables	1 420	1 492	2 004
Cash equivalents	21 724	35 917	26 456
Total Current Assets	**31 915**	**45 643**	**36 163**
Total Assets	**38 897**	**57 247**	**46 161**
Shareholders' Equity and Liabilities			
Shareholders' equity attributable to parent company shareholders	**26 071**	**42 035**	**32 014**
Longterm Liabilities			
Deferred tax liability	0	20	20
Other longterm liabilities	2 158	3 953	3 501
Total Longterm Liabilities	**2 158**	**3 973**	**3 521**
Current Liabilities			
Accounts payable	2 535	1 403	2 760
Other current liabilities	8 133	9 836	7 866
Total Current Liabilities	**10 668**	**11 239**	**10 626**
Total Liabilites	**12 826**	**15 212**	**14 147**
Total shareolders' equity and liabilities	**38 897**	**57 247**	**46 161**

Consolidated change in shareholders' equity

SEK 000'	Share Capital	Other Capital Contributions	Reserves	Accumulated Loss	Total shareholders' Equity attributable to parent company shareholdlers
Opening balance Jan 1, 2019	**61 487**	**463 393**	**-151**	**-453 251**	**71 478**
Profit/loss for the period				-29 387	**-29 387**
Other comprehensive income			-56		**-56**
Total comprehensive income	**0**	**0**	**-56**	**-29 387**	**-29 443**
Transactions with shareholders:					
Total transactions with shareholders	**0**	**0**	**0**	**0**	**0**
Closing balance Sep 30, 2019	**61 487**	**463 393**	**-206**	**-482 639**	**42 035**
Opening balance Jan 1, 2020	**61 487**	**463 393**	**-21**	**-492 846**	**32 014**
Profit/loss for the period				-25 150	**-25 150**
Other comprehensive income			148	-125	**23**
Total comprehensive income	**0**	**0**	**148**	**-25 275**	**-25 126**
Transactions with shareholders:					
Reduction of share capital*	-61 653	61 653			**0**
New share issue	1 994	22 933			**24 927**
Issue expenses		-5 743	0		**-5 743**
Total transactions with shareholders	**-59 659**	**78 843**	**0**	**0**	**19 184**
Closing balance Sep 30, 2020	**1 828**	**542 236**	**127**	**-518 121**	**26 071**

*Reduction of share capital decided at the extraordinary shareholders meeting on April 29, 2020 and registered by Bolagsverket on Asugust 18, 2020.

Consolidated summary statement of cash flows

	July 1 - Sep 30		Jan 1 - Sep 30		Oct 1, 2019 - Sep 30, 2020	Jan 1 - Dec 31
SEK 000'	2020	2019	2020	2019	Rolling-12	2019
Cashflow from operating activities before change in working capital	**-6 784**	**-8 792**	**-23 264**	**-27 450**	**-31 511**	**-35 697**
Cashflows from changes in working capital						
Change in Inventory	-652	-165	-1 069	-1 756	-438	-1 125
Change in Receivables	730	648	585	535	-27	-76
Change in Liabilities	-268	-1 955	177	-444	-437	-1 057
Total change in working capital	*-190*	*-1 471*	*-307*	*-1 664*	*-902*	*-2 259*
Cashflow from operating activities	**-6 974**	**-10 264**	**-23 571**	**-29 114**	**-32 413**	**-37 956**
Investment activities						
Acquisitions of Fixed Assets	0	-42	-299	-1 158	-488	-1 347
Divestment of fixed assets	0	0	0	78	0	78
Divestment of financial assets	0	-	1 157	-	1 157	-
Cashflow from investment activities	**0**	**-42**	**858**	**-1 080**	**670**	**-1 269**
Financing activities						
New share issues	-	-	24 927	0	24 927	-
Expenses related to new share issues	-1 321	0	-5 743	0	-5 743	-
Amortization leasing contracts	-431	-447	-1 281	-1 329	-1 733	-1 781
Cashflow from financing activities	**-1 752**	**-447**	**17 904**	**-1 329**	**17 452**	**-1 781**
Cashflow for the period	**-8 726**	**-10 753**	**-4 809**	**-31 523**	**-14 292**	**-41 006**
Cash equivalents at start of the year	30 450	46 772	26 456	67 514	35 917	67 514
Exchange rate differences in cash equivalents	0	-103	77	-74	99	-52
Cash equivalents at end of the period	**21 724**	**35 917**	**21 724**	**35 917**	**21 724**	**26 456**

Income statement, Parent Company

	July 1 - Sep 30		Jan 1 - Sep 30		Oct 1 2019 - Sep 30, 2020	Jan 1 - Dec 31
SEK 000'	**2020**	**2019**	**2020**	**2019**	**Rolling-12**	**2019**
Net Sales	1 077	1 077	3 230	3 230	4 306	4 306
Gross profit	**1 077**	**1 077**	**3 230**	**3 230**	**4 306**	**4 306**
Administration expenses	-2 954	-2 057	-7 183	-6 989	-8 798	-8 604
Other expenses	0	-	-1	-	0	0
Operating Profit/loss	**-1 878**	**-981**	**-3 953**	**-3 759**	**-4 492**	**-4 297**
Earnings from financial items:						
Profit/Loss from shares in group companies	-5 824	-8 492	-19 981	-23 963	-28 274	-32 256
Financial income	0	0	0	0	0	0
Financial expenses	0	0	0	-11	0	-11
Profit/loss after financial items	**-7 702**	**-9 473**	**-23 934**	**-27 733**	**-32 765**	**-36 564**
Taxes	-	-	-	-	-	-
Profit/loss for the period	**-7 702**	**-9 473**	**-23 934**	**-27 733**	**-32 765**	**-36 564**

Statement of other comprehensive income, Parent Company

	July 1 - Sep 30		Jan 1 - Sep 30		Oct 1 2019 - Sep 30, 2020	Jan 1 - Dec 31
SEK 000'	**2020**	**2019**	**2020**	**2019**	**Rolling-12**	**2019**
Profit/loss for the period	**-7 702**	**-9 473**	**-23 934**	**-27 733**	**-32 765**	**-36 564**
Other comprehensive income	-	-	-	-	-	-
Total other comprehensive income	-	-	-	-	-	-
Total comprehensive income	**-7 702**	**-9 473**	**-23 934**	**-27 733**	**-32 765**	**-36 564**

Summary Balance Sheet, Parent Company

	Sep 30		Dec 31
SEK 000'	2020	2019	2019
ASSETS			
Fixed Assets			
Shares in Group Companies	137 647	137 646	137 647
Total Fixed Assets	**137 647**	**137 646**	**137 647**
Current Assets			
Current receivables and prepaids	12 065	26 503	22 342
Cash equivalents	8 905	7 715	2 615
Total Current Assets	**20 970**	**34 218**	**24 956**
TOTAL ASSETS	**158 616**	**171 864**	**162 603**
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholder's equity			
Restricted equity			
Share capital	1 828	61 487	61 487
Non-restricted equity			
Other capital contributions	542 289	463 446	463 446
Retained earnings	-364 567	-328 003	-328 003
Profit/Loss for the period	-23 935	-27 733	-36 564
Shareholders equity	**155 615**	**169 197**	**160 366**
Current Liabilities			
Current liabilities	3 001	2 667	2 237
Total liabilities	**3 001**	**2 667**	**2 237**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**158 616**	**171 864**	**162 603**

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 27-33 of the consolidated annual report for 2019.

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 2020. A corresponding agreement was in-place in 2019, 2018, 2017, 2016, 2015 and 2014 as well.

Note 4 Seasonal effects

To a certain extent, SciBase's sales and operating profit are expected to be dependent on seasonal variation that the company cannot influence. In the third quarter, due to the vacation period, the number of tests performed is expected to decrease and consequently the company's sales are also expected to dip.

Note 5 Information regarding operating segments

The Group has today two operating segments, skin cancer and skin barrier assessment. Follow-ups are in addition done on the geographical areas, Europe/Rest of the World, US/North America and Asia/Oceania.

Third quarter

Skin cancer

Europe/Rest of the World

Net sales during the period amounted to TSEK 2,232 (1,914) of which Germany accounted for 101 (96)%. In the period a credit of sales from Q3 2019 was made to the intended distributor in Turkey. 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 1,191(1,028).

Other geographical areas

Net sales during the period amounted to TSEK 55 (26). Gross profit amounted to TSEK 13 (8). The sales were additional electrode sales to a large US dermatology group.

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 0 (0). Gross profit amounted to a profit of TSEK 0 (0).

Other geographical areas

Net sales during the period amounted to TSEK 0 (0). Gross profit amounted to TSEK 0 (0). The sales were to researchers 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 nine months

Skin cancer

Europe/Rest of the World

Net sales during the period amounted to TSEK 5,979 (6,440) 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 3,240 (3,426).

Other geographical areas

Net sales during the period amounted to TSEK 294 (37). Gross profit amounted to TSEK 153 (11). The sales were additional electrode sales to a large US dermatology group.

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 0 (0). Gross profit amounted to a profit of TSEK 0 (0).

Other geographical areas

Net sales during the period amounted to TSEK 193 (0). Gross profit amounted to TSEK 98 (0). The sales were to researchers 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.

	July 1 - Sep 30, 2020			July 1 - Sep 30, 2019		
SEK 000'	Europe/ Rest of the World	Other Segments	Total	Europe/ Rest of the World	Other Segments	Total
Skincancer - Net sales	2 232	55	**2 287**	1 914	26	**1 940**
The skin barrier function - Net Sales	0	0	**0**	-	-	**-**
Sales between segments	-	-	**-**	-	-	**-**
Net sales from external customers	**2 232**	**54**	**2 287**	**1 914**	**26**	**1 940**
Cost of goods - Skincancer	-1 041	-41	**-1 083**	-886	-18	**-904**
Cost of goods - Barrier function	0	0	**0**	-	-	**0**
Cost of goods - total	**-1 041**	**-41**	**-1 083**	**-886**	**-18**	**-904**
Gross Profit - Skincancer	1 191	13	**1 204**	1 028	8	**1 036**
Gross Profit - Barrier function	0	0	**0**	-	-	**0**
Gross Profit - total	**1 191**	**13**	**1 204**	**1 028**	**8**	**1 036**
Operating expenses			**-8 526**			**-10 837**
Operating profit/Loss			**-7 322**			**-9 801**
Financial Income			**0**			**0**
Financial Expenses			**-48**			**-67**
Group earnings - before tax			**-7 370**			**-9 868**

	Jan 1 - Sep 30, 2020			Jan 1 - Sep 30, 2019		
SEK 000'	Europe/ Rest of the World	Other Segments	Total	Europe/ Rest of the World	Other Segments	Total
Skincancer - Net sales	5 979	294	**6 273**	6 440	37	**6 476**
The skin barrier function - Net Sales	0	193	**193**	-	-	**-**
Net sales from external customers	**5 979**	**487**	**6 466**	**6 440**	**37**	**6 476**
Cost of goods - Skincancer	-2 739	-141	**-2 880**	-3 014	-26	**-3 040**
Cost of goods - Barrier function	0	-95	**-95**	-	-	**0**
Cost of goods - total	**-2 739**	**-236**	**-2 975**	**-3 014**	**-26**	**-3 040**
Gross Profit - Skincancer	3 240	153	**3 393**	3 426	11	**3 437**
Gross Profit - Barrier function	0	98	**98**	-	-	**0**
Gross Profit - total	**3 240**	**252**	**3 491**	**3 426**	**11**	**3 437**
Operating expenses			**-28 470**			**-32 708**
Operating profit/Loss			**-24 978**			**-29 271**
Financial Income			**1**			**98**
Financial Expenses			**-192**			**-214**
Group earnings - before tax			**-25 170**			**-29 387**

Net sales per category and segment

Amounts in KSEK	July 1 - Oct 30 2020		July 1 - Oct 30 2019		Jan 1 - Sep 30 2020		Jan 1 - Sep 30 2019		Rolling-12		Full Year 2019	
	Europe/ Rest of the World	Other segments	Europe/ Rest of the World	Other segments	Europe/ Rest of the World	Other segments	Europe/ Rest of the World	Other segments	Europe/ Rest of the World	Other segments	Europe/ Rest of the World	Other segments
Skin cancer												
Electrodes	2 215	55	1 593	26	5 697	195	5 625	37	7 849	256	7 777	98
Instruments	17	0	321	0	282	99	814	0	475	280	1 007	181
Total Skin Cancer	**2 232**	**55**	**1 914**	**26**	**5 979**	**294**	**6 440**	**37**	**8 323**	**536**	**8 784**	**279**
Skin barrier function												
Electrodes	0	0	0	0	0	141	0	0	90	168	90	26
Instruments	0	0	0	0	0	52	0	0	97	52	97	0
Total skin barrier function	**0**	**0**	**0**	**0**	**0**	**193**	**0**	**0**	**187**	**220**	**187**	**26**
Total												
Electrodes	2 215	55	1 593	26	5 697	337	5 625	37	7 939	424	7 866	124
Instruments	17	0	321	0	282	151	814	0	572	332	1 104	181
Total	**2 232**	**55**	**1 914**	**26**	**5 979**	**487**	**6 440**	**37**	**8 511**	**756**	**8 971**	**305**

Signatures

The Board of Directors and the President provide their assurance that this interim report provides an accurate view of the operations, position and earnings of the Group and the Parent Company, and that it also describes the principal risks and uncertainties faced by the Parent Company and the companies included within the Group.

(SciBase Holding AB)
Stockholm, November 12, 2020

Tord Lendau
Chairman of the Board

Diana Ferro
Board member

Thomas Taapken
Board member

Barbro Fridén
Board member

Simon Grant
CEO

This information is information that SciBase Holding AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out below, at 08.00 CET on November 12, 2020.

Review report

SciBase Holding AB, 556773-4768

Introduction

We have reviewed the condensed interim report for SciBase Holding AB as at September 30, 2020 and for the nine months period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

The focus and scope of the general review

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 *Review of Interim Financial Statements Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

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

Stockholm, November 12, 2020
PricewaterhouseCoopers AB

Magnus Lagerberg
Authorized Public Accountant

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

Quarterly overview

	2020				2019				2018
THE GROUP	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Net sales, SEK ths	2 287	1 683	2 496	2 800	1 940	2 168	2 368	2 030	1 359
Gross margin, %	52,7%	55,7%	54,0%	58,0%	53,4%	53,3%	52,6%	52,1%	52,6%
Equity/Asset ratio, %	67,0%	69,2%	64,8%	69,4%	73,4%	74,5%	79,0%	88,1%	89,2%
Net indebtness, multiple	0,49	0,44	0,54	0,44	0,36	0,34	0,27	0,13	0,12
Cash equivalents, SEK ths	21 724	30 450	17 970	26 456	35 917	46 772	58 057	67 514	77 551
Cashflow from operating activities, SEK ths	-6 974	-8 704	-7 893	-8 842	-10 264	-9 900	-8 950	-9 990	-7 692
Earnings per share (before and after dilution), SEK	-0,20	-0,38	-0,38	-0,61	-0,59	-0,64	-0,54	-0,69	-0,77
Shareholder's equity per share, SEK	0,71	1,44	1,40	1,93	2,53	3,10	3,78	4,30	4,97
Average number of shares, 000'	36 560	23 265	16 618	16 618	16 618	16 618	16 618	16 618	16 618
Number of shares at closing of period, 000'	36 560	36 560	16 618	16 618	16 618	16 618	16 618	16 618	16 618
Share price at end of period, SEK	4,00	2,44	1,84	4,36	5,25	4,34	4,14	3,10	4,52
Number of sold electrodes, pieces	6 924	4 672	6 598	7 180	4 752	5 712	6 080	3 872	3 088
Average number of employees	16	16	16	18	18	18	19	19	19

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.
- **Malignant 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:** Lesion.
- **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 (%)

	2020	2019
Gross Profit	3 491	3 437
Net Sales	6 466	6 476
Gross Margin (%)	**54,0%**	**53,1%**

Definition: Gross Profit / Loss divided with Net Sales.

Cause of use:: The gross margin shows the difference betweend net sales and the cost of goods sold in % of net sales. The gross margin is affected by several factors such as productmix, price trends, exchange rate fluctuation, efficiency in manufactruing processess etc. This is an important measurement as it provides a better understanding of the Company's progress.

Shareholder Equity ratio (%)

	2020	2019
Total Shareholders' Equity	26 071	42 035
Total Assets	38 897	57 247
Shareholders' Equity ratio (%)	**67,0%**	**73,4%**

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)

	2020	2019
Total Liabilities	12 826	15 212
Total Sharholders´Equity	26 071	42 035
Debt ratio (times)	**0,49**	**0,36**

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)

	2020	2019
Profit/Loss for the period	-25 170	-29 387
Average nu,ber of shares (thousand)	25 481	16 618
Earnings per share (sek)	**-0,99**	**-1,77**

Definition: Is the portion of a company's profit allocated 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)

	2020	2019
Shareholders' Equity	26 071	42 035
Average nu,ber of shares (thousand)	25 481	16 618
Shareholders' equity per share	**1,02**	**2,53**

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)

	2020	2019
Opening balance - Jan 1	16 618	16 618
Closing balance - Sep 30	36 560	16 618
Avergae number of shares (thousand)	**25 481**	**16 618**

Definition: The aveage 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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Read more about the company and its operations at our website >> www.scibase.com

Future reporting dates

Year-end report, February 19, 2021

Interim report, May 13, 2021

AGM 2021, May 18, 2021