# Interim report 2023

**1 January - 31 december 2023**

The information was submitted for publication on February 21, 2024.

PROLIGHT
Diagnostics you can count on

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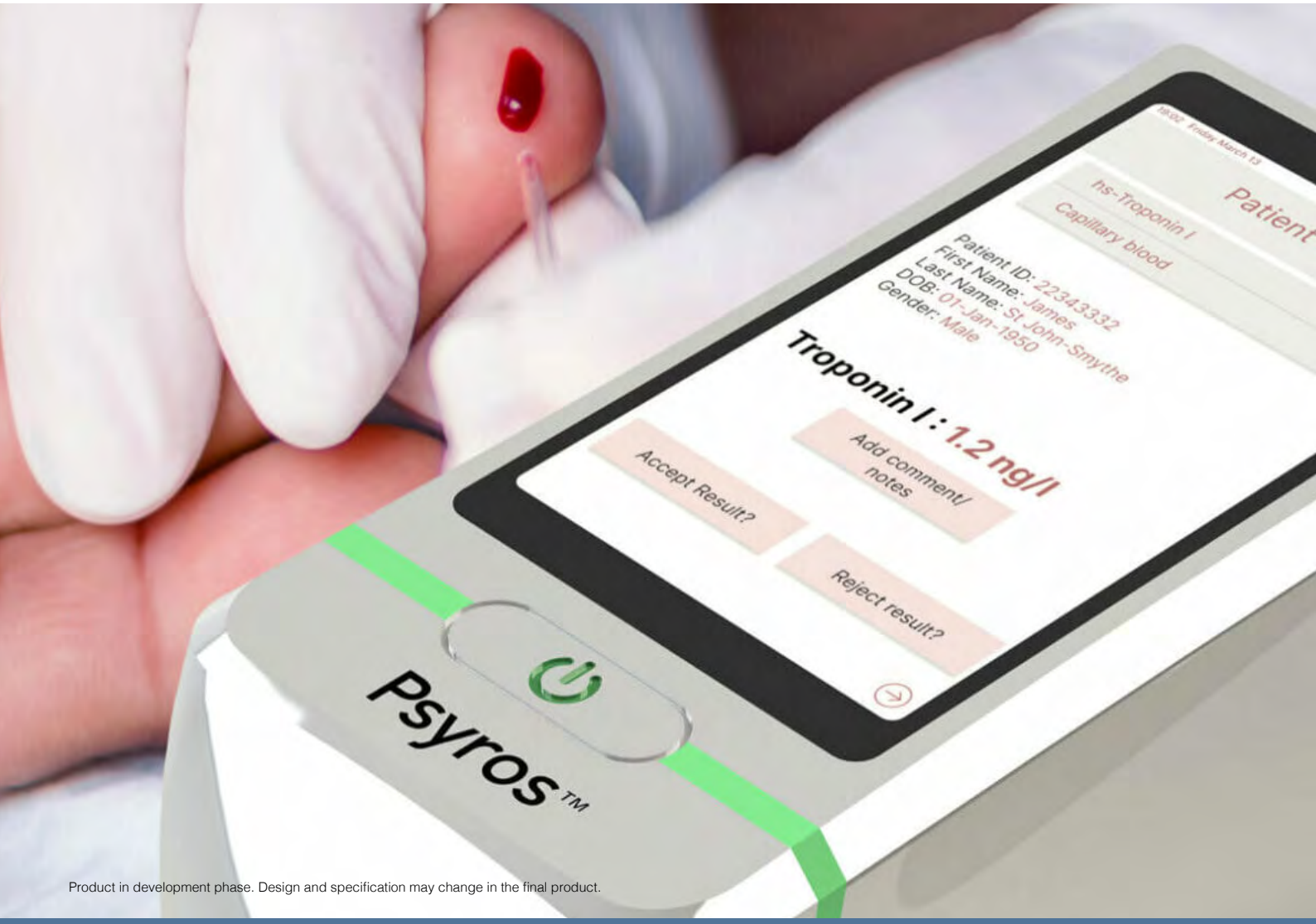



Product in development phase. Design and specification may change in the final product.

## Fourth quarter, 1 October – 31 December, Q4 2023 Group

(figures in the brackets refer to the corresponding period in previous year)

- Net sales amounted to 0 (0).
- Other operating income amounted to kSEK 5,941 (2,051).
- The profit after tax amounted to kSEK -2,382 (-2,809).
- Earnings per share before and after dillution: SEK -0.01 (-0.01).
- Cash flow from current operations was kSEK -1,954 (-5,436).

## Full year, 1 January – 31 December 2023 Group

(figures in the brackets refer to March-September as the Group was formed 1 March 2022)

- Net sales amounted to 0 (0).
- Other operating income amounted to kSEK 6,109 (7,760).
- The profit after tax amounted to kSEK –27,750 (-10,230).
- Earnings per share before and after dillution: SEK -0.10 (-0.04).
- Cash flow from current operations was kSEK -25,239 (-7,664).

## Significant events during the fourth quarter

- Prolight established a Clinical Advisory Board.
- The board decided on a preferential issue of units for approximately SEK 98.8 million and proposed a directed new issue of shares for a maximum of approximately SEK 20.9 million subject to approval by the extraordinary general meeting.
- Prolight showed proof of performance in whole blood, meaning that the system for detecting individual molecules gives equivalent performance in whole blood compared to plasma, without having to separate the cells from the sample. This reduces complexity and paves the way for an extremely competitive price level.
- The subsidiary Psyros Diagnostics' quality management system received ISO 13485:2016 certification, which shows that the company's quality processes meet the global quality requirements.
- Prolight held an extraordinary general meeting on Monday 27 November 2023, which decided in accordance with the board's proposal for a rights issue and a directed new issue, which in mid-December provided Prolight with approximately SEK 75.2 million before issue costs, of which SEK 42.7 million in cash and SEK 32.5 million was part of the acquisition of Psyros Diagnostics. Board and management subscribed shares for SEK 12.9 million.

## Significant events after the end of the quarter

- In accordance with the underwriting agreements entered into in connection with the new issues, Prolight's board of directors decided on a targeted issue of units.
- Prolight reported last day for trading in paid subscribed units ("BTU") (January 12, 2024) which were replaced with shares and subscription options of series TO6 and TO7 (first day of trading, January 18, 2024).

# CEO statement

## ”The ability to measure in whole blood, paves the way for an extremely competitive price level for our POC platform Psyros™.”

*Prolight Diagnostics (“Prolight”) activities are carried out with a clear and steadfast focus - to quickly and cost-effectively implement the development steps required to launch our proprietary, digital, single molecule counting platform Psyros™, for Point-of-Care (POC) testing on the international market. We successfully met all our goals in 2023 and I am truly grateful for the support we received from both old and new shareholders in the rights issue that was completed just before Christmas.*

2023 was indeed a successful year for Prolight. An early and crucial milestone was that we showed proof-of-performance for highly sensitive troponin by quantifying individual molecules of the protein troponin down to single-digit nanograms per litre (ng/L), paving the way for early detection or rule-out of myocardial infarction. This proved that our platform has the ability to save lives, improve the quality of life for millions of patients, and create significant health economic benefits for the overburdened healthcare system. In the longer term, the platform may lead to a paradigm shift in point-of-care testing for many other major clinical areas.

Our results led to great interest in our innovative POC technology, Psyros™, at the 2023 AACC* Annual Scientific Meeting + Clinical Lab Expo in California in July. The ability to quantify individual molecules using a compact and portable POC instrument sparked great interest during the AACC-congress. The attention was very inspiring and proved that our digital technology offers significant benefits for both healthcare providers and patients.

Following the congress, we initiated an intensified phase of business development for Psyros™, including meetings with representatives from leading global diagnostics companies with whom we are now exploring collaboration opportunities. These activities involve the commitment of many

*AACC has been renamed the Association for Diagnostic & Laboratory Medicine (ADLM).

stakeholders in each company, making the process time-consuming, whereby all conversations are bound by mutual non-disclosure agreements (NDAs). The strong industrial interest in near-patient analyses, or Point-of-Care (POC), was further highlighted late in 2023 by Roche's acquisition of LumiraDx's point of care technology for 295 MUSD (plus an additional 55 MUSD to fund the development going forward).

Early fall, we achieved yet another important milestone, showing proof of performance in whole blood for our innovative system. Without having to separate the cells from the sample the system may detect single molecules with equivalent performance in whole blood compared to plasma. We are not aware of any other single molecule counting POC platform that can function with whole blood. The ability to measure in whole blood, without a cell-separation step, reduces complexity, paving the way for an extremely competitive price level for our POC platform Psyros™.

In 2023, we also initiated our Clinical Advisory Board consisting of six prominent, internationally recognised experts in cardiology, emergency medicine and clinical pathology. It has already provided valuable insights on the most effective pathway towards clinical validation and commercialization of the Psyros™ system.

Our plans for 2024 is to develop and fine-tune our platform all the way to a commercial POC-system that is ready for clinical validation. The system will focus on quick and early detection or exclusion of myocardial infarction through the quantification of individual molecules of the protein troponin, down to single-digit nanograms per litre (ng/L). In addition, our innovative technology opens up the development of new point-of-care tests in various clinical areas currently only possible in specialised laboratories. We are creating a platform for POC applications that can reduce healthcare costs and improve patients' quality of life. An expansion beyond troponin to other cardiology biomarkers, such as BNP/Nt-pro-BNP and D-Dimer, is a natural first progression followed by many more clinical areas.

We have established a dedicated R&D manufacturing line to optimise the manufacturing processes that will be used for pilot production. Our solid work developing our Quality Management System (QMS) bore fruit as we obtained ISO 13485:2016 accreditation for our QMS in the past quarter, meaning that our quality processes meet global quality requirements which is a prerequisite for market approval in the US and Europe.

We intend to develop a commercial instrument ready for clinical validation by the end of 2024, and in close cooperation with ITL (Integrated Technologies Limited we are currently fine-tuning the design on our alpha prototypes. In the near term, we estimate we will in Q1 complete and freeze the cartridge design and appoint a Contract Manufacturing Organization (CMO) partner for cartridge manufacturing. We also expect the development of the optical module design to be finalized in the first or second quarter. Our usability studies have provided valuable insights for cartridge design and system workflows to ensure that the product not only meets stringent regulatory requirements but also satisfies end-user needs in different clinical settings. Next step in the product development with ITL is to produce beta prototypes which are estimated to undergo regulatory compliance testing, evaluation, and verification in the third quarter. Once these processes are complete, we will shift towards the pilot production line to produce the first commercial instruments ready for validation and clinical performance studies.

In summary, our achievements this far have confirmed that our POC system can become the first digital, ultra-sensitive, portable platform for near-patient high-sensitivity troponin testing and, in the long term, for many other clinical tests in various significant clinical areas. The system's ease of use and low production costs also make it perfectly adapted to the market's needs. Furthermore, the pioneering technology behind our digital immunoassay enables multiplexing, i.e. testing multiple biomarkers at the same time, from one drop of blood, with high sensitivity and precision on a single cartridge in our portable, ultra-sensitive instrument.

We are looking forward to continuing and finalize the development of our unique and groundbreaking technology into a commercial POC product and thus create value for the healthcare, the patient and for our shareholders.

Lund, February 21th 2024

**Ulf Bladin**
CEO Prolight Diagnostics AB (publ)

# Safe point-of-care tests enable faster diagnoses

Prolight Diagnostics has, over a long period, experienced a sharply increasing demand in the market for user-friendly and near-patient analysis systems, so-called Point-of-Care ("POC") systems. A couple of examples are the mergers and acquisitions that have taken place. For example, Roche's acquisition of LumiraDx for 295 MUSD last year and Biomerieux's purchase of Specific Diagnostics for 417 MUSD the year before. But also, Thermo Fisher Scientific's acquisition of Mesa BioTech in 2021 for USD 450 million and Abbott's acquisition of Alere for USD 5.8 billion already in 2016 show the greatly increased interest.

Primary and elderly care, emergency departments and ambulances demand fast, reliable blood test results when the patient is first examined instead of being forced to submit blood samples to hospital laboratories and wait hours or days for results, which is currently the case. Access to point-of-care analyses is especially important in acute conditions, such as for patients exhibiting acute chest pain and suspected myocardial infarction. In these situations, it is critical to make an early and correct diagnosis and initiate adequate treatment to save lives.

To meet this demand, Prolight is developing a new and flexible POC system, Psyros™, which can perform In-Vitro Diagnostic ("IVD") tests with the same sensitivity and precision as hospital laboratories but with the difference that test results can be given already within ten minutes. By obtaining these test results early in the patient care continuum, doctors and healthcare professionals can make the correct diagnosis and prioritise adequate resources for the right patient. As a result, substantial cost savings can also be realised in the heavily burdened healthcare system.

The new digital immunoassay technology was incorporated into Prolight in early 2022 through the acquisition of the British company Psyros Diagnostics Ltd (Psyros), which has developed a new, cutting-edge POC technology for digital immunoassay. The wholly owned subsidiary Psyros Diagnostics currently has a highly competent team with long and broad experience in In Vitro Diagnostic (IVD) development, especially in POC tests and POC systems. The team has unique competencies and experiences vital to the company's continued development.

Prolight's groundbreaking POC technology digitally counts individual molecules from a drop of blood. This proprietary technology, which also offers multiplexing capability (multiple biomarker testing), will allow measurement of biomarkers with extremely low detection levels (femtomolar) within about 10 minutes or less. To Prolight's knowledge, no other existing digital POC system is deemed capable of performing these analyses at extremely low concentrations with such ease, precision and low production costs. The system consists of an easy-to-use cartridge and a portable instrument. Only one drop of blood is required to perform the test.

The cutting-edge technology will first be used to develop a diagnostic POC test that measures

the protein troponin with high sensitivity and accuracy, to aid in the rule-in and rule-out of myocardial infarction. By measuring the biomarker troponin, which is released from the heart into the bloodstream during the acute phase of myocardial infarction, the test helps to make a rapid diagnosis. Elevated levels of the protein troponin in the blood are a sign of damage in the heart muscle cells. The test places great demands on sensitivity and precision and has a substantial global sales potential.

The technology also opens up the possibility of developing new POC tests in a wide range of clinical areas that were previously only possible to carry out in specialised laboratories. Prolight has demonstrated that its digital high-sensitivity immunoassay can measure low levels of specific proteins down to single-digit nanograms per litre (ng/L) with laboratory-grade reproducibility. These concentrations are indicative of what is required to rule out myocardial infarction with highly sensitive troponin assays[1]. These proof-of- performance results were first obtained in November 2022 by measuring Thyroid Stimulating Hormone (TSH) levels in human plasma samples, then in June 2023 by measuring high-sensitivity troponin in serum samples and also in November 2023 when the company was able to show that the system for detecting single molecules provides equivalent performance in whole blood compared to plasma, without the need to separate the cells from the sample. This reduces complexity and paves the way for an extremely competitive price level.

The development work will henceforth focus on continued development of the unique POC technology for digital immunoassay. This development work includes the development of prototype systems for instruments and cartridges, conducting sensitivity analyses, developing a commercial system for verification and validation studies, developing cartridge manufacturing, starting a clinical validation study, and compiling regulatory documentation to begin the registration process in Europe followed by the US.

# Vision & Strategy

## Vision

Prolight Diagnostics develops pioneering, innovative Point-Of-Care (POC) systems, for quick and reliable diagnosis of acute events, initially for myocardial infarction.

We offer our innovative POC systems to companies with global sales organisations in relevant POC segments.

## Strategy

With Prolight's POC system, the ambition is to have test results available to doctors within ten minutes to allow rapid diagnosis and treatment when the patient is examined the first time, instead of spending critical time waiting for results from a hospital laboratory. This could be, for example, in an emergency department, a healthcare centre, an ambulance, or a care home.The ability to rule-in or rule-out myocardial infarction early in the care pathway will contribute to an efficient treatment for the right patients, allowing significant cost savings.

Initially, the focus will be on the measurement of the cardiac biomarker troponin, with high sensitivity and precision, which has a substantial global sales potential. The intention is also to include more biomarkers on the company's platform if they are deemed to be strategically and economically beneficial.

We are open to discussions about partnerships with relevant companies in the POC market.

[1] European Cardiology Society´s Guidelines on Fourth Universal Definition of Myocardial infarction.

## Point of Care – a rapidly growing global market

There is an acute awareness of the value of rapid, accurate, and efficient testing near the patient. The market demands that more tests are moved out from large hospital laboratories and closer to the patient and care giver. POC tests can also help reduce healthcare costs by giving faster results and more rapid treatment. Throughout the Covid pandemic, the use of POC testing increased substantially. This led to an acute awareness of the value of rapid, simple, and efficient testing near the patient. Most companies, healthcare providers, politicians and the general public realize the value of these tests, benefitting patients, clinicians, and healthcare in general. This interest has, in turn, created a need for new technologies that can meet the challenges of more demanding tests, whilst still being competitively priced.

According to Fortune Business Insights, the POC market is expected to grow from USD 45.85 billion in 2023 to USD 78.11 billion in 2030[2].

**The global market for cardiac biomarkers**
The global market for cardiac biomarkers was approximately USD $9.0 billion in 2021 and is expected to grow by approximately 9 percent per year until 2027. Thus, the estimated global market for cardiac biomarkers is expected to amount to approximately USD $14.9 billion in 2027[3]. POC testing for cardiac biomarkers is driven by an increase in global heart disease, coupled with increased awareness about the utility of early diagnosis, in order to provide the most effective treatment for patients.

**Trends favoring the market development of POC tests**
The main driving forces behind the general growth of POC tests, in addition to the covid pandemic, are considered to be increased need for diagnostics in developing countries, increased demand for central laboratory tests that are moved to clinics closer to the patient, e.g. primary care and nursing homes, rapid technical development, digitization within healthcare, increasing investments in research and development as well as an ageing population in the West.

[2] https://www.fortunebusinessinsights.com/industry-reports/point-of-care-diagnostics-market-101072

[3] IMARC Group, Cardiac Biomarkers Market: Global Industry Trends, Share, Size, Growth, Opportunity and forecast 2022-2027, december 2021

# Groundbreaking technology

## Prolight is poised to deliver the most innovative and best-in-class POC systems on the market

Prolight is well-positioned to deliver POC systems to satisfy several clinical unmet needs. These include high sensitivity troponin, other biomarkers currently not available at POC and multiplex assays for measuring several analytes simultaneously.

**A new ground-breaking POC technology for digital immunoassay**
Through the acquisition of Psyros, Prolight now has an entirely novel cutting-edge POC technology for digital immunoassay, which can count individual molecules from a single drop of blood. The unique technology opens the possibility of developing new POC tests in a wide range of clinical areas that were previously only possible in specialised laboratories. Further advantages of the digital immunoassay include its simplicity and low production costs.

**Detection limit at the level of PCR tests, but with significantly faster response time**
Today, PCR tests are recommended to confirm Covid, but the response time is lengthy, sometimes several hours to days, depending on the system. By using our digital assay technology, it is possible to count individual molecules at low levels, including viral particle proteins, such as coronavirus. As a result, sensitivity and accuracy can be as good or better than PCR tests currently offered on large central laboratory instruments. The large and highly significant difference between today's PCR tests and Prolight's innovative digital POC platform is that the response time can be reduced to just ten minutes or less.

**May be the start of a paradigm shift in POC testing**
This novel technology could mark the beginning of a paradigm shift in POC testing for clinical diagnostics. Some examples of possible future clinical areas are: Neuropathology (dementia, traumatic brain injuries), Immune system dysfunction (sepsis, autoimmune diseases), Rapid virus detection such as Covid. The unique technology behind the digital immunoassay will make it possible to test a range of biomarkers with high sensitivity and accuracy on a single POC instrument. Prolight believes that this technology could be a paradigm shift in POC testing for clinical diagnostics.

# Prolight has a strong patent portfolio

**The patent situation for the digital immunoassay, Psyros™**
For the digital immunoassay, Psyros™, five patent applications are filed. The first two applications have completed the PCT phase and are now being pursued in different territories worldwide. The third application is in the PCT phase. The fourth application covers various aspects of multiplexing (i.e., detecting several different biomarkers at the same time on a single sample). By using Prolight's unique single molecule counting technology, multiplexing can be carried out in a single drop of blood on a sensor without needing to split the sample into separate areas.

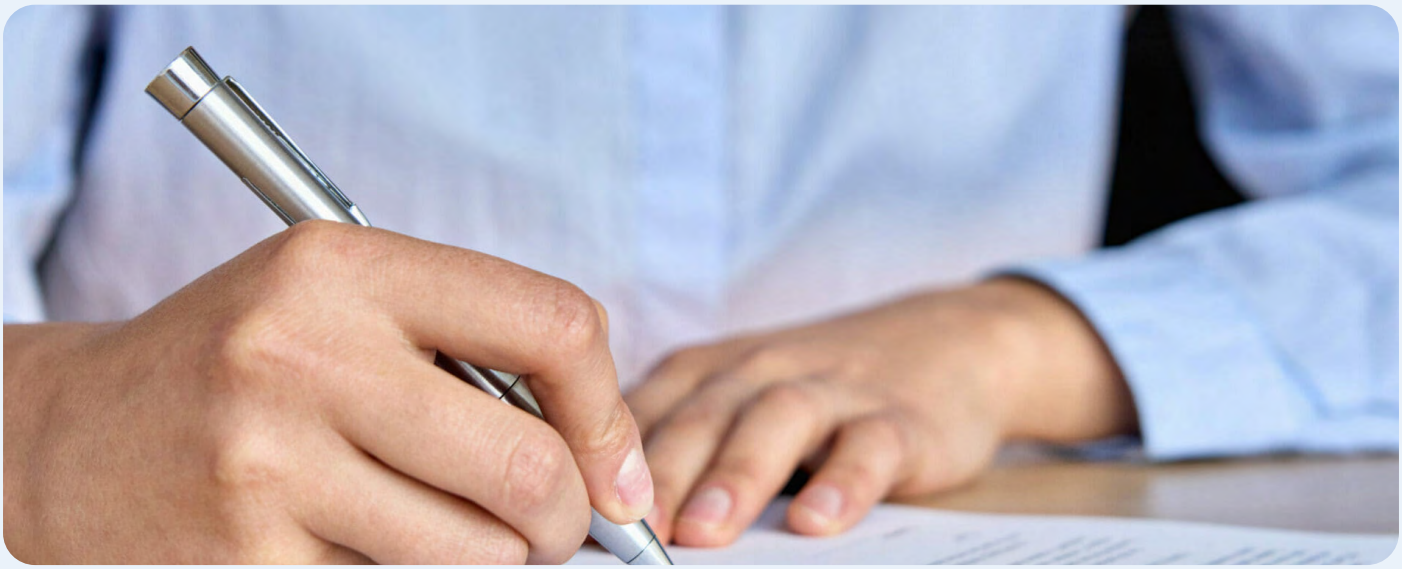
The fifth application uses a similar approach to allow the measurement of the same biomarker at both very low and very high concentrations simultaneously. The benefit of the unique technology is that the sample size remains extremely small, and that the sensor is easy to manufacture, yet also offering the ability to detect very low concentrations of biomarkers with high specificity. The last two patent applications have been submitted to the Intellectual Property Office in Great Britain and will enter the PCT phase in 2024.

**The patent situation for MicroFlex**
For MicroFlex, the patent portfolio consists of four granted patents (two in the US, one in the EU, and one in Sweden), along with four patent applications, the latest of which was filed in 2020. One of the patent applications concerns how the sampling tube can be directly integrated into the cartridge.

Another patent application concerns cartridge containing an integrated centrifuge. This makes for a straightforward workflow for any clinical environment. No trained personnel are needed to pipette and centrifuge the blood sample. MicroFlex thereby creates the conditions to offer a fully automated platform for immunodiagnostics. Two of the patent applications have progressed to the national phase and are now being pursued in different territories, while the others are in the PCT phase.

**About PCT and patent application processes**
Patent Cooperation Treaty (PCT) is an international agreement that allows you to obtain, with a single application, in one language, a novelty search and preliminary patentability assessment conducted by one authority for approximately 150 countries. For a PCT application to lead to a patent in a particular country (or territory, such as the EU), the application must be prosecuted at the respective patent office.

During the patent application process, it is normal for the reviewing authority to ask several questions, which Prolight and the company's legal representatives spend much time answering to achieve the strongest possible patent protection. This correspondence takes different amounts of time depending on each authority's questions. It is, therefore, challenging to give an exact date for when an individual patent application can be expected to be approved.



# Owners

## Owners list as of 2023-12-29

| | Holdings 2023-12-29 | Votes in % |
|---|---|---|
| AVANZA PENSION | 13 877 957 | 4,92 |
| THE BANK OF NEW YORK MELLON, W9* | 11 253 728 | 3,99 |
| CARDEON AB | 9 350 000 | 3,31 |
| AILEEN JANE MCGETTRICK | 8 290 816 | 2,94 |
| JULIE RICHARDS | 8 290 816 | 2,94 |
| PAUL BRENDAN MONAGHAN | 8 290 816 | 2,94 |
| STEVEN ANDREW ROSS | 8 290 816 | 2,94 |
| ASSARSEN, ELIAS | 4 411 971 | 1,56 |
| JOHANSSON, JORGEN | 2 286 747 | 0,81 |
| INGEMAR KIHLSTRÖM AB | 2 176 491 | 0,77 |
| **Total, 10 largest owners** | 76 520 158 | 27,11 |
| Other | 205 749 296 | 72,89 |
| **Total** | 282 269 454 | 100 |

The shareholder list indicates the holding of shares in Prolight as of December 29, 2023 and does not include Paid Subscription Units (”BTU”) subscribed to in the company’s rights issue that was carried out in December 2023.

* Refers to the technology and development partner’s ownership (TTP, via management structure).

The company has outstanding warrants series TO5 of 95,202,981 and warrants for management and board of 2,500,000 and employees of Psyros Diagnostics Ltd. of 5,370,000, which can result in a total of 87,205,742.5 shares and can thus cause dilution. As of January 2024, the company has outstanding warrants series TO6 of 215,513,494 options and series TO7 of 108,756,747 options.

Prolight Diagnostics’ share is traded on the Nordic Growth Market, NGM SME, under the name PRLD.

**Source: Euroclear**

# Financial calendar

| Date | Content |
|---|---|
| **2024-04-23** | **Annual Report 2023** |
| **2024-05-14** | **Annual General Meeting 2024** |
| **2024-05-14** | **Interim Report Q1** |
| **2024-08-28** | **Interim Report Q2** |
| **2024-11-27** | **Delårsrapport Q3** |
| **2025-02-21** | **Year End Report 2024** |

# The Group's development during quarter 4, 1 October to 31 December 2023

(figures in the brackets refer to the corresponding period in previous year)

**INCOME**

- During product development, the Prolight Group has no sales or net sales.

- Other income for the period amounted to SEK 5,940,862 (2,050,875). This year's income mainly consists of tax-related grants in Psyros for research and development. In last year, the income mainly consisted of consulting and grant income in the subsidiary Psyros Diagnostics Ltd ("Psyros™").

**COSTS AND RESULTS**

- The Prolight Group's total operating costs during the period amounted to SEK 9,942,951 (8,857,781) and consist mainly of external costs and personnel costs related to the development of the Group's products.

- Capitalized expenditure on development and similar work amounted to SEK 1,131,184 (3,686,825) and refers to costs for the Group's product development.

**FINANCING AND CASH FLOW**

- Cash flow from current operations amounted to SEK – 1,953,555 (- 5,436,114).

- The Prolight Group's cash flow from investment activities amounted to SEK –1,492,593 (-3,901,041) and consists in the period mainly of capitalized development expenses of SEK –1,131,184 (-3,686,826) linked to the Group's product development.

- The total cash flow for the period was SEK -4,026,760 (-9,337,155).

- Cash and cash equivalents for the Group as of 31 December 2023 were SEK 13,274,287 (54,110,725).

# The Group's development during the full year, 1 January to 31 December 2023

(figures in the brackets refer to March-December as the Group was formed on 1 March 2022)

A Group was formed on 1 March 2022 when Prolight Diagnostics AB completed the acquisition of the English subsidiary Psyros Diagnostics Ltd. The Group's income statement, balance sheet and cash flow refer to the period 1 January to 31 December 2023 and 1 March to 31 December 2022.

**INCOME**

- During product development, the Prolight Group has no sales or net sales.

- Other income for the period amounted to SEK 6,108,914 (7,760,059). This year's income mainly consists of tax-related grants in Psyros for research and development. In the previous year's figures, the income mainly consisted of consulting and grant income in the subsidiary Psyros Diagnostics Ltd ("Psyros™").

**COSTS AND RESULTS**

- The Prolight Group's total operating costs during the period amounted to SEK 46,791,066 (40,161,013) and consist mainly of external costs and personnel costs related to the development of the Group's product.

- Capitalized expenditure on development and similar work amounted to SEK 12,574,638 (21,860,791) and refers to costs for the Group's product development.

**FINANCING AND CASH FLOW**

- Cash flow from current operations amounted to SEK -25,239,363 (-7,664,042).

- The Prolight Group's cash flow from investment activities amounted to SEK -15,378,703 (-24,995,389) and consists in the period mainly of capitalized development expenses of SEK -12,574,638 (-21,860,792) linked to the Group's product development.

- The total cash flow for the period was SEK -41,198,678 (13,418,140). The previous year's figures included a new issue of SEK 46,038,571.

- Cash and cash equivalents for the Group as of 31 December 2023 amounted to SEK 13,274,287 (54,110,725).

**EQUITY AND LIABILITIES**

(figures in the brackets refer to 2022-12-31)

- Equity in the Group as of 31 December 2023 amounted to SEK 240,885,668 (205,405,038).

- Provisions amounted to SEK 30,535,965 and consist of 12,744,407 as a debt to the former owners of Psyros Diagnostics Ltd for an estimated additional purchase price and accrued tax liability relating to the acquired technology platform in the Psyros Diagnostics Ltd.

- Short-term receivables amounted to SEK 35,291,892 (2,728,494) of which the main part consist of subscribed capital unpaid amounted to SEK 31,107,429. Short-term liabilities amounted to SEK 5,704,973 (2,508,028).

- The total assets as of 31 December 2023 amounted to SEK 277,126,605 (207,913,066) and mainly consist of acquired intangible fixed assets of 85,922,459 (23,075,229) relating to the technology platform in Psyros Diagnostics Ltd and intangible fixed assets of 139,864,656 (127 296 140) relating to capitalized expenditure on development and similar work.

- The equity ratio was 87 percent (99).

# The parent company's development during quarter 4, 1 October – 31 December 2023

(figures in the brackets refer to the corresponding period in previous year)

**INCOME**

- During product development, Prolight has no sales and net sales. This was also the case in the comparative period.

- The period's other income amounted to SEK 1,221,512 (3,429,240) and mainly consisted of invoiced costs to Psyros™ for management services, exchange rate gains and distribution income from NGM.

**COSTS AND RESULTS**

- Prolight's total operating costs during the period amounted to SEK 3,238,763 (2,416,061) and mainly consisted of external costs relating to consultancy costs for management services.

- Capitalized expenditure on development and similar work amounted to SEK 0 (49,231) and for the corresponding period last year, the costs referred to the company's product development.

- The financial net was SEK -32,917,236 (-22,304,593). In the financial items include depreciation of investment in subsidiaries that refer to internal receivables on Psyros Diagnostics Ltd that have been converted into shareholders contribution and amounts to SEK 33,454,609 (22,615,822).

- The result for the quarter amounted to SEK -34,454,609 (-21,242,183).

**FINANCING AND CASH FLOW**

- Cash flow from operating activities amounted to SEK -1,934,400 (-13,627,175).

- Prolight's cash flow from investment activities amounted to SEK 0 (990).

- The total cash flow for the quarter was SEK -2,515,012 (-13,626,185).

# The parent company's development during the full year period 1 January- 31 December 2023

(figures in the brackets refer to the corresponding period in previous year)

**INCOME**

- During product development, Prolight has no sales and net sales. This was also the case in the comparative period.

- The period's other income amounted to SEK 4,449,564 (3,651,010) and mainly consisted of invoiced costs to Psyros™ for management services, exchange rate gains and distribution income from NGM.

**COSTS AND RESULTS**

- Prolight's total operating costs during the period amounted to SEK 11,361,911 (24,045,902) and mainly consisted of external costs relating to consultancy costs for management services.

- Capitalized expenditure on development and similar work amounted to SEK 0 (12,257,254) and for the corresponding period last year, the costs referred to the company's product development.

- The financial net was SEK -32,917,00 (-22,305,601). In the financial items include depreciation of investment in subsidiaries that refer to internal receivables on Psyros Diagnostics Ltd that have been converted into shareholders contribution and amounts to SEK 33,454,609 (22,615,822).

- The result for the full year amounted to SEK -39,829,347 (-30,443,239).

**FINANCING AND CASH FLOW**

- Cash flow from operating activities amounted to SEK -35,702,043 (-28,387,819).

- Prolight's cash flow from investment activities amounted to SEK 0 (-16,024,915). The previous year included investments in intangible assets and in group companies (Psyros™).

- The total cash flow for the nine months period was SEK -36,282,655 (1,664,838). The previous year's figures included a new issue of SEK 46,077,571 kr.

- Cash and equivalents as of 31 December 2023 were SEK 9,268,148 (45,550,804).

**EQUITY AND LIABILITIES**

(figures in the brackets refer to 2022-12-31)

- Equity in the parent company as of 31 December 2023 amounted to SEK 209,544,438 (186,256,971).

- Short-term receivables amounted to SEK 497,641 (3,774,485) and short-term liabilities amounted to SEK 2,322,411 (1,471,951).

- Provisions amounted to SEK 13,000,003 as a debt to the former owners of Psyros Diagnostics Ltd for an estimated additional purchase price. At the end of the year has SEK 32,499,997 of the estimated additional purchase price for Psyros converted to shares.

- The total assets as of 31 December 2023 amounted to SEK 224,866,851 (187,728,922) and mainly consisted of intangible assets, which at the end of the period amounted to SEK 183,903,633 (138,403,633) and shares in Psyros Diagnostics Ltd of SEK 68,767,661 (23,267,661).

- The equity ratio was 93 percent (99).

# Other information

**RISKS AND UNCERTAINTIES**

Prolight Diagnostics' operations are exposed to a number of risks and uncertainty factors, which to varying extents can have a negative impact on continued operations. Both external, operational and financer elated risks can negatively affect the company in the short and long term. Prolight works continuously to inventory and manage the risks and uncertainty factors that the business is exposed to in order to limit risk exposure and any impact if a risk materializes. A detailed description of risks and risk management can be found in the Annual Report for 2022.

**ACCOUNTING PRINCIPLES**

This interim report has been prepared in accordance with Chapter 9 of the Annual Accounts Act. Prolight applies the Accounting Board's general advice 2012:1 (K3) when preparing the company's financial reports.

**AUDITOR'S REVIEW**

The quarterly report has not been subject to an auditor's review.

**TRANSACTIONS WITH RELATED PARTIES**

No significant transactions with related parties have been carried out during the period except with the company's CEO, CFO and the subsidiary's CEO. The transactions have taken place on market terms.

**OTHER**

The company has outstanding warrants series TO5 of 95,202,981 and warrants for management and board of 2,500,000 and employees of Psyros Diagnostics Ltd. of 5,370,000, which can result in a total of 87,205,742.5 shares and can thus cause dilution. As of January 2024, the company has outstanding warrants series TO6 of 215,513,494 options and series TO7 of 108,756,747 options.

Prolight Diagnostics' share is traded on the Nordic Growth Market, NGM SME, under the name PRLD.

# Income Statement, summary Group

| Amount in SEK | Oct-Dec 2023 | Oct-Dec 2022 | Jan-Dec 2023 | Mar-Dec 2022 |
|---|---|---|---|---|
| **Net Sales** | **0** | **0** | **0** | **0** |
| Activated work for own account | 1 131 184 | 3 686 825 | 12 574 638 | 21 860 791 |
| Other income | 5 940 862 | 2 050 875 | 6 108 914 | 7 760 059 |
| | | | | |
| **Operating expenses** | | | | |
| Other external costs | -6 651 298 | -5 902 912 | -34 856 781 | -30 341 858 |
| Personnel costs | -3 049 592 | -2 880 451 | -11 124 741 | -9 421 578 |
| Depreciation | -196 278 | -33 453 | -679 837 | -111 598 |
| Other operating expenses | -45 783 | -40 966 | -129 707 | -285 978 |
| **Total expenses** | **-9 942 951** | **-8 857 781** | **-46 791 066** | **-40 161 013** |
| | | | | |
| **Operating result** | **-2 870 906** | **-3 120 080** | **-28 107 514** | **-10 540 162** |
| | | | | |
| **Result from financial investments** | | | | |
| Other interest income and similar items | 546 110 | 311 275 | 546 346 | 311 275 |
| Other interest expenses and similar items | -57 465 | -46 | -189 008 | -1 054 |
| **Total result from financial investments** | **488 644** | **311 229** | **357 337** | **310 221** |
| | | | | |
| **Net loss** | **-2 382 261** | **-2 808 851** | **-27 750 177** | **-10 229 941** |

# Balance Sheet, summary Group

| Amount in SEK | 2023-12-31 | 2022-12-31 |
|---|---|---|
| **ASSETS** | | |
| **Fixed assets** | | |
| Acquired intangible assets | 85 922 459 | 23 075 229 |
| Capitalized expenditure on development work and similar work | 139 864 656 | 127 296 140 |
| Equipment, tools, fixtures and fittings | 2 773 312 | 702 478 |
| *Sum Total fixed assets* | *228 560 427* | *151 073 847* |
| | | |
| **Current assets** | | |
| Other receivables | 3 936 437 | 1 440 372 |
| Tax receivables | 0 | 2 695 |
| Prepaid expenses and accrued income | 158 025 | 1 285 427 |
| Subscribed capital unpaid | 31 197 429 | 0 |
| Cash and cash equivalents | 13 274 287 | 54 110 725 |
| *Total current assets* | *48 566 179* | *56 839 219* |
| | | |
| **Total assets** | **277 126 605** | **207 913 066** |
| | | |
| **Equity** | | |
| Share capital | 34 682 296 | 28 226 945 |
| Other paid in capital | 252 379 141 | 195 603 686 |
| Retained eranings | -18 425 593 | -8 195 652 |
| Loss in the period | -27 750 176 | -10 229 941 |
| *Total equity* | *240 885 668* | *205 405 038* |
| | | |
| **Provisions** | | |
| Additional purchase price for subsidiaries | 12 744 406 | - |
| Accrued tax liabilities | 17 791 558 | - |
| *Total Provisions* | *30 535 964* | - |
| | | |
| **Current liabilities** | | |
| Accounts payables | 4 175 528 | 994 172 |
| Other liabilities | 572 490 | 290 747 |
| Accrued expenses and deferred income | 956 955 | 1 223 109 |
| *Total current liabilities* | *5 704 973* | *2 508 028* |
| | | |
| **Total equity and liabilities** | **277 126 605** | **207 913 066** |

# Changes in shareholders equity, Group

| Amount in SEK | Share capital | New share issue in progress | Other paid in capital | Other capital incl result for the period | Total share-holders equity |
|---|---|---|---|---|---|
| **Shareholders equity 2023-01-01** | **28 226 945** | **0** | **195 603 686** | **-18 425 593** | **205 405 038** |
| Issue of new shares | 6 455 351 | | | | 6 455 351 |
| New share issue in progress | | 15 038 855 | 53 735 517 | | 68 774 372 |
| Issuance cost | | | -12 112 909 | | -12 112 909 |
| Loss for the period | | | | -27 750 177 | -27 750 177 |
| Foreign exchange rate adjustment | | | | 113 992 | 113 992 |
| **Shareholders equity 2023-12-31** | **34 682 296** | **15 038 855** | **237 226 294** | **-46 061 778** | **240 885 668** |

| Amount in SEK | Share capital | Other paid in capital | Other capital incl result for the period | Total share-holders equity |
|---|---|---|---|---|
| **Shareholders equity 2022-03-01** | **14 910 418** | **138 529 465** | **-8 125 266** | **145 314 617** |
| Issue of new shares | 13 316 527 | 73 035 648 | | **86 352 175** |
| Issuance cost | | -15 961 427 | | **-15 961 427** |
| Loss for the period | | | -10 229 941 | **-10 229 941** |
| Foreign exchange rate adjustment | | | -70 386 | **-70 386** |
| **Shareholders equity 2022-12-31** | **28 226 945** | **195 603 686** | **-18 425 593** | **205 405 038** |

# Cash flow statement, Group

| Amount in SEK | Oct-Dec 2023 | Oct-Dec 2022 | Jan-Dec 2023 | Mar-Dec 2022 |
|---|---|---|---|---|
| **OPERATING ACTIVITIES** | | | | |
| Profit after financial items | -2 382 261 | -2 808 851 | -27 750 177 | -10 129 941 |
| Adjustment | 412 129 | 43 713 | 679 837 | 112 088 |
| *Cashflow from operating activities before changes in working capital* | *-1 970 132* | *-2 765 138* | *-27 070 340* | *-10 117 853* |
| *Cash flow from changes in working capital* | | | | |
| Changes in receivables | 2 745 019 | -1 122 789 | -1 365 968 | 4 007 682 |
| Changes in liablilites | -2 728 441 | -1 548 186 | 3 196 945 | -1 553 871 |
| *Total changes in working capital* | *16 578* | *-2 670 975* | *1 830 976* | *2 453 811* |
| **Cash flow from operating activities** | **-1 953 555** | **-5 436 114** | **-25 239 363** | **-7 664 042** |
| **INVESTMENT ACTIVITIES** | | | | |
| Investment in intangible assets | -1 131 184 | -3 686 826 | -12 574 638 | -21 860 792 |
| Investment in tangible assets | -361 409 | -214 216 | -2 804 065 | -662 485 |
| Acquisition of company | 0 | 0 | 0 | -2 472 112 |
| **Cash flow from investment activities** | **-1 492 593** | **-3 901 041** | **-15 378 703** | **-24 995 389** |
| **FINANCING ACTIVITIES** | | | | |
| Share issue | 0 | 0 | 0 | 46 038 571 |
| Issuance cost | -580 612 | | -580 612 | |
| Warrants | 0 | 0 | 0 | 39 000 |
| **Cash flow from financing activities** | **-580 612** | **0** | **-580 612** | **46 077 571** |
| **Cash flow for the period** | **-4 026 760** | **-9 337 155** | **-41 198 678** | **13 418 140** |
| Cash and equivalents at the beginning of period | 17 629 024 | 63 447 881 | 54 110 725 | 40 648 324 |
| Exchange rate differences in cash | -327 977 | 0 | 362 240 | 44 261 |
| **Cash and equivalents at the end of period** | **13 274 287** | **54 110 725** | **13 274 287** | **54 110 725** |

# Income Statement, summary Parent company

| Amount in SEK | Oct-Dec 2023 | Oct-Dec 2022 | Full Year 2023 | Full Year 2022 |
|---|---|---|---|---|
| **Net Sales** | 0 | 0 | 0 | 0 |
| Activated work for own account | 0 | 49 231 | 0 | 12 257 254 |
| Other income | 1 221 512 | 3 429 240 | 4 449 564 | 3 651 010 |
| | | | | |
| **Operating expenses** | | | | |
| Other external costs | -3 140 428 | -2 323 672 | -10 840 879 | -23 454 102 |
| Personnel costs | -51 758 | -51 422 | -398 188 | -274 955 |
| Other operating expenses | -46 576 | -40 966 | -122 844 | -316 845 |
| **Total expenses** | **-3 238 763** | **-2 416 061** | **-11 361 911** | **-24 045 902** |
| | | | | |
| **Operating result** | **-2 017 251** | **1 062 410** | **-6 912 347** | **-8 137 638** |
| | | | | |
| **Result from financial investments** | | | | |
| Write-down of investment in subsidiary | -33 454 609 | -22 615 822 | -33 454 609 | -22 615 822 |
| Other interest income and similar items | 537 650 | 311 275 | 537 886 | 311 275 |
| Other interest expenses and similar items | -276 | -46 | -276 | -1 054 |
| **Total result from financial investments** | **-32 917 236** | **-22 304 593** | **-32 917 000** | **-22 305 601** |
| | | | | |
| **Net loss** | **-34 934 487** | **-21 242 183** | **-39 829 347** | **-30 443 239** |

# Balance Sheet, summary, Parent company

| Amount in SEK | 2023-12-31 | 2022-12-31 |
|---|---|---|
| **ASSETS** | | |
| **Subscribed capital unpaid** | 31 197 429 | 0 |
| **Fixed assets** | | |
| Capitalized expenditure on development work and similar work | 115 135 972 | 115 135 972 |
| Participation in group companies | 68 767 661 | 23 267 661 |
| *Total fixed assets* | *183 903 633* | *138 403 633* |
| **Current assets** | | |
| Other receivables | 339 616 | 275 121 |
| Tax recievables | | 0 |
| Receivables from group company | 0 | 3 387 220 |
| Prepaid expenses and accrued income | 158 025 | 112 144 |
| Cash and cash equivalents | 9 268 148 | 45 550 804 |
| *Total current assets* | *9 765 789* | *49 325 289* |
| **Total assets** | **224 866 851** | **187 728 922** |
| **Equity** | | |
| Restricted equity | 160 922 953 | 139 428 746 |
| Profit or loss brought forward / Loss for the year | 48 621 485 | 46 828 225 |
| *Total equity* | *209 544 438* | *186 256 971* |
| **Provisions** | | |
| Additional purchase price for subsidiaries | 13 000 003 | - |
| *Total provisions* | *13 000 003* | - |
| **Current liabilities** | | |
| Accounts payables | 1 464 970 | 471 025 |
| Accrued expenses and deferred income | 857 440 | 1 000 926 |
| *Total current liabilities* | *2 322 411* | *1 471 951* |
| **Total equity and liabilities** | **224 866 851** | **187 728 922** |

# Changes in shareholders equity

| | Restricted equity | | | | Non restricted equity | | | |
|---|---|---|---|---|---|---|---|---|
| Amount in SEK | Share-capital | New share issue in progress | Statutory reserve | Reserve develop-ment cost | Share premium reserve | Profit/loss brought forward | Profit/loss for the year | Total sharehol-dersequity |
| **Shareholders equity 2023-01-01** | **28 226 945** | **0** | **13 047 052** | **98 154 749** | **182 556 634** | **-105 285 170** | **-30 443 239** | **186 256 971** |
| Decision AGM | | | | | | -30 443 239 | 30 443 239 | **0** |
| Issue of new shares | | | | | | | | **6 455 351** |
| New share issue in pro-gress | | 15 038 855 | | | 53 735 517 | | | **68 774 372** |
| Issuance cost | | | | | -12 112 909 | | | **-12 112 909** |
| Loss for the period | | | | | | | -39 829 347 | **-39 829 347** |
| **Shareholders equity 2023-12-31** | **34 682 296** | **15 038 855** | **13 047 052** | **113 450 747** | **224 179 241** | **-151 024 407** | **-39 829 347** | **209 544 438** |

| | Restricted equity | | | Non restricted equity | | | |
|---|---|---|---|---|---|---|---|
| Amount in SEK | Share-capital | Statutory reserve | Reserve develop-ment cost | Share premium reserve | Profit/loss brought forward | Profit/loss for the year | Total sharehol-dersequity |
| **Shareholders equity 2022-01-01** | **14 910 418** | **13 047 052** | **85 897 495** | **125 482 413** | **-86 172 768** | **-6 855 148** | **146 309 462** |
| Proposal to AGM | | | | | -6 855 148 | 6 855 148 | **0** |
| Issue of new shares | 13 316 527 | | | 72 996 648 | | | **86 352 175** |
| Issuance cost | | | | -15 961 427 | | | **-15 961 427** |
| Warrrants | | | | 39 000 | | | **39 000** |
| Reserve development costs | | | 12 257 254 | | -12 257 254 | | **0** |
| Loss for the period | | | | | | -30 443 239 | **-30 443 239** |
| **Shareholders equity 2022-12-31** | **28 226 945** | **13 047 052** | **98 154 749** | **182 556 634** | **-105 285 170** | **-30 443 239** | **186 256 971** |

# Cash flow statement, summary, Parent company

| Amount in SEK | Oct-Dec 2023 | Oct-Dec 2022 | Full Year 2023 | Full Year 2022 |
|---|---|---|---|---|
| **OPERATING ACTIVITIES** | | | | |
| Profit after financial items | -34 934 487 | -21 242 184 | -39 829 347 | -30 443 239 |
| Adjustment | 2 205 | 0 | 0 | 0 |
| *Cashflow from operating activities before changes in working capital* | *-34 932 282* | *-21 242 185* | *-39 829 347* | *-30 443 239* |
| *Cash flow from changes in working capital* | | | | |
| Changes in receivables | 32 477 096 | 7 686 209 | 3 276 845 | -1 406 040 |
| Changes in liablilites | 520 786 | -71 201 | 850 460 | 3 461 460 |
| *Total changes in working capital* | *32 997 881* | *7 615 008* | *4 127 304* | *2 055 420* |
| **Cash flow from operating activities** | **-1 934 400** | **-13 627 175** | **-35 702 043** | **-28 387 819** |
| **INVESTMENT ACTIVITIES** | | | | |
| Investment in intangible assets | 0 | -49 231 | 0 | -12 257 254 |
| Acquisition in group companies | 0 | 50 221 | 0 | -3 767 661 |
| **Cash flow from investment activities** | **0** | **990** | **0** | **-16 024 915** |
| **FINANCING ACTIVITIES** | | | | |
| Share issue | 0 | 0 | | 46 077 571 |
| Issuance cost | -580 612 | 0 | -580 612 | 0 |
| **Cash flow from financing activities** | **-580 612** | **0** | **-580 612** | **46 077 571** |
| **Cash flow for the period** | **-2 515 012** | **-13 626 185** | **-36 282 655** | **1 664 838** |
| Cash and equivalents at the beginning of period | 11 783 160 | 59 176 989 | 45 550 803 | 43 885 966 |
| **Cash and equivalents at the end of period** | **9 268 148** | **45 550 804** | **9 268 148** | **45 550 804** |

# Key ratio Group

| | Oct-Dec 2023 | Oct-Dec 2022 | Full Year 2023 | Mar-Dec 2022 |
|---|---|---|---|---|
| Net Sales, MSEK | - | - | - | - |
| Cash and equivalents, MSEK | 13,3 | 54,1 | 13,3 | 54,1 |
| Equity ratio, % | 87 | 99 | 87 | 99 |
| Quick asset ratio, % | 4 001 | 3 348 | 851 | 2 266 |
| Number of shares in the beginning of period | 282 269 454 | 277 470 338 | 282 269 454 | 149 104 183 |
| Average number of shares in the period | 284 374 460 | 279 123 367 | 282 800 031 | 244 898 561 |
| Number of shares in the end of period | 346 822 966 | 282 269 454 | 346 822 966 | 282 269 454 |
| Profit/Loss, MSEK | -2,4 | -2,8 | -27,8 | -10,2 |
| Earnings per share, SEK | -0,01 | -0,01 | -0,08 | -0,04 |
| Earnings per share after dilutions, SEK | -0,01 | -0,01 | -0,08 | -0,04 |

**Prolight Diagnostics AB** develops innovative Point-of-Care (POC) systems. These are small, portable instruments and disposable cartridges for performing in-vitro diagnostic (IVD) tests from a drop of blood.

We want to offer the foremost POC systems on the market for quick, reliable diagnosis of acute events. Our launch product will be for the measurement of troponin, to aid in the rule-in and rule-out of myocardial infarction.

The company's share is traded on the NGM Nordic SME marketplace, under the ticker PRLD.

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PROLIGHT
Diagnostics you can count on