

LIFE: LETTER FROM CEO - HAPPY NEW YEAR

The technology development and company progress were fantastic in 2023. We expect nothing less in 2024, in our mission to make life easier for patients and pets with diabetes.

One year ago, we communicated Lifecare's focus in 2023 to continue the core product development, achieve ISO 9001 and ISO 13485 certifications and production preparations. Furthermore, we disclosed the intention to initiate new development projects.

The entire Lifecare organization has executed the core development focus and preparations in accordance with the communicated plan. Lifecare's share price development of +146.7% throughout the year is a confirmation that this execution was well received by the market. Lifecare was by far the best performing healthcare stock, and the overall 5th best performing stock at Oslo Stock Exchange in 2023.

In 2023 Lifecare passed several company milestones and development events of which we want to highlight:

Technology development

- Finalization of our first Clinical study (LFS-SEN-001), providing a clear Proof of Concept in humans.
- In addition, the data from LFS-SEN-001 confirmed that Lifecare's sensor technology has an accuracy of MARD 9,7%. This result indicates a sensitivity in line with the regulatory "gold standard", hence clinical decisions can be based on the Lifecare Sencell CGM.
- Lifecare's laboratory experiments (in-vitro) confirmed that an operational lifetime of minimum 6 months can be expected.
- The European Patent Office communicated its intentions to issue a new patent to Lifecare.
- Representatives from the Lifecare Group have published several publications and presentations in various journals and global diabetes technology congresses throughout the year.

Regulatory compliance

- Our German main site Lifecare Laboratory GmbH was ISO 9001 certified in March 2023.
- In November 2023 Lifecare Laboratory was successfully audited under the ISO 13485 standards. The formal certification is expected in January 2024.
- The Norwegian Food Safety Authority issued regulatory approval for LFS-SEN-002 longevity study.

- The Norwegian Medicines Agency confirmed that Lifecare's microchip nanosensor is considered as a medical device in the veterinary market and consequently that Lifecare's Sencell CGM will not be subject to any specific regulatory requirements for veterinary use.

Product and production development

- In April 2023 Lifecare signed a lease agreement for 1000 sqm production and laboratory premises in Mainz where the company's main production facility will be located.
- In May 2023, Lifecare launched Lifecare Veterinary to manage veterinary product development, and prepare product launch in the veterinary market.
- From Q2 2023 Lifecare has focused on transforming the company and the technology towards automated production and market launch in the veterinary market.
- In Q4 2023 Lifecare has placed several orders for advanced production equipment essential for the automated production planned to be ready by the end of Q2 2024.
- In September and November 2023 Lifecare reported progress relating to the company's Product Development Agreement with Sanofi.

Company development and valuation

Throughout 2023 Lifecare have continued to strengthen the organization with additional human resources, including key personnel for transformation of the company towards production and commercialization.

In October 2023 Lifecare successfully closed a capital increase of 42.5 MNOK ensuring financing to bring the company into the production and product ready phase. The capital increase led to a company market cap of 337.5 MNOK.

In November 2023, Lifecare published a commissioned technology valuation report from the Danish Life Science Valuation company Xplico. The report concludes that Lifecare's technology have a risk-adjusted Net Present Value of 247 MEUR.

However, while we look back on 2023, we can conclude that the actual trading price increased with 146.7%, and the market cap of Lifecare increased with 276% to 600 MNOK throughout the year. The share price increase positioned Lifecare as the best performing healthcare stock and the overall 5th best performing share at Oslo Stock Exchange in 2023.

Exciting year coming up

The main focus for 2024 is to continue the transformation towards marked readiness based on establishing automated production by end of Q2 2024. On this basis we aim to launch our first product in the veterinary market in 2024, as well as to initiate our longevity study in dogs (LFS-SEN-002) and our next clinical study (LFS-SEN-003). The clinical study LFS-SEN-003 will be the first of a sequence of activities specifically aimed towards obtaining the CE mark for launch in the humane market.

In parallel with the production and product preparations we will intensify our efforts to take advantage of our technology's platform potential. We aim to exploit product potential in new markets, including sensing and/or monitoring of analytes beyond glucose. It is likely that our veterinary initiative will play a major role in the additional business developments.

The Lifecare Group is better positioned than ever before as we prepare to execute on our mission to make life for patients and pets with diabetes easier, better, and more predictable.

Everyone at Lifecare wishes all our shareholders, partners, and other stakeholders a happy and prosperous new year.

Joacim Holter
CEO, Lifecare

About us

Lifecare AS is a clinical stage medical sensor company developing technology for sensing and monitoring of various body analytes. Lifecare's main focus is to bring the next generation of Continuous Glucose Monitoring ("CGM") systems to market. Lifecare enables osmotic pressure as sensing principle, combined with the ability to manipulate Nano-granular Tunnelling Resistive sensors ("NTR") on the sensor body for read-out of pressure variations. Lifecare's sensor technology is referred to as "Sencell" and is suitable for identifying and monitoring the occurrence of a wide range of analytes and molecules in the human body.

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