



LIFECARE

Q1 2025

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# Highlights

~ 600M people live with diabetes, as per latest IDF Diabetes Atlas

Advancing toward market launch

Design optimization on track to reach design freeze and manufacturability

Improved sensor sensitivity enhances data accuracy and performance

Update on strategy, priorities and commercialization progress

# Key figures

Lifecare Group (NOK 1 000)	Q1 2025	Q1 2024
Revenue and other income	4	411
Operating expenses	-25 020	-13 428
Operating profit/loss	-25 016	-13 017
Profit/loss for the period	-20 340	-12 946
Available cash	40 444	34 286
Total assets	88 571	72 245
Equity ratio %	60 %	77 %
Earnings per share (NOK)	-1,3	-1,2
Market value (Euronext Oslo Børs)	172 005	314 559

## Outlook

- Committed to execute on capital-efficient strategy and deliver on the roadmap
- Based on projected costs, planned development, and anticipated warrant exercises in June, funding is expected to cover the next milestone - the veterinary market launch
- Expect to finalize implant design with a focus on manufacturability
- Aim to file for a pre-CE study in Q2, perform the pre-CE study during 2025 and start the pivotal study late 2025, with the goal to enter the human market in 2027

# CEO comment

Diabetes continues to be one of the most significant global health challenges, affecting more than 600 million people worldwide. Among them, over 110 million insulin-dependent patients require continuous glucose monitoring (CGM). CGM is the fastest-growing segment in diabetes technology, with an annual growth rate of 12.5% and a projected market size of USD 25 billion in Europe and the U.S. by 2030. Within this space, implantable CGMs are set to drive the next wave of innovation — and Lifecare is well-positioned to take part in this transformation.

Our technology offers a novel approach to CGM by utilizing osmotic pressure as sensing principle to enable continuous, calibration-free glucose monitoring with extended wear times and improved comfort. Lifecare sensor is based on nanotechnology on a microchip and has a significant longevity potential, making our product very well suited as an implantable CGM solution. Lifecare's patented technology is proven, based on in-vitro testing and several rounds of both clinical testing and pre-clinical testing.

Manufacturability has been key focus in progress towards a product design freeze, including ongoing efforts for automation of production aligned with optimization of product and product tolerances. As planned and communicated we have validated stable product prototypes designed for manufacturing this quarter. We are now in the final engineering stages to lock in the design for manufacturing. The updated implant version will undergo further testing in spring 2025, forming the technical foundation for our main regulatory study. On this basis we aim to file for a pre-CE clinical study in Q2 2025, while we plan to start the pivotal study in late 2025 to support our CE-mark application. Our goal is to enter the human CGM market by 2027.

Lifecare's short term strategic goals includes a capital efficient path towards commercialization with near term value inflection points. We aim to build a customer base of 75K patients within 2030, representing ~0.5% of the total addressable market, equating to an annual revenue of USD 200+ million.

In the meantime, we are leveraging the faster-moving veterinary market as an early commercialization opportunity. With no effective glucose monitoring solutions currently available for animals, this segment provides both a valuable business case and a real-world platform to build experience in manufacturing, logistics, and market feedback.

Lifecare's scalable, partner-driven B2B model remains a core strength. We continue to invest in in-house capabilities, with a production facility opening in Mainz, Germany in Q3 2025. By combining internal control of design and production with a strategy to partner on sales, distribution, and customer support, we aim to ensure high quality, operational flexibility, and rapid scalability.

Lifecare's Intellectual Property includes the patented technology, product software and hardware design, as well as production. To ensure state-of-the-art user interface, we collaborate with OneTwo Analytics AB which provides AI-based digital tools for data interpretation and decision support. The digital software tools include software for both clinicians and the patients directly and is set up for integration and connectivity with insulin pumps (AIDs) and insulin pens. Lifecare has already integrated OneTwo Analytics software with our sensors designed to serve users in both the veterinary market and later the human market.

With the scientific foundation established and our commercial strategy unfolding across both veterinary and human markets, we are entering a critical phase. The upcoming warrant exercise period in June 2025 will be instrumental in supporting our next steps. We are grateful for the continued support of our investors as we work toward CE approval, market entry, and long-term value creation.



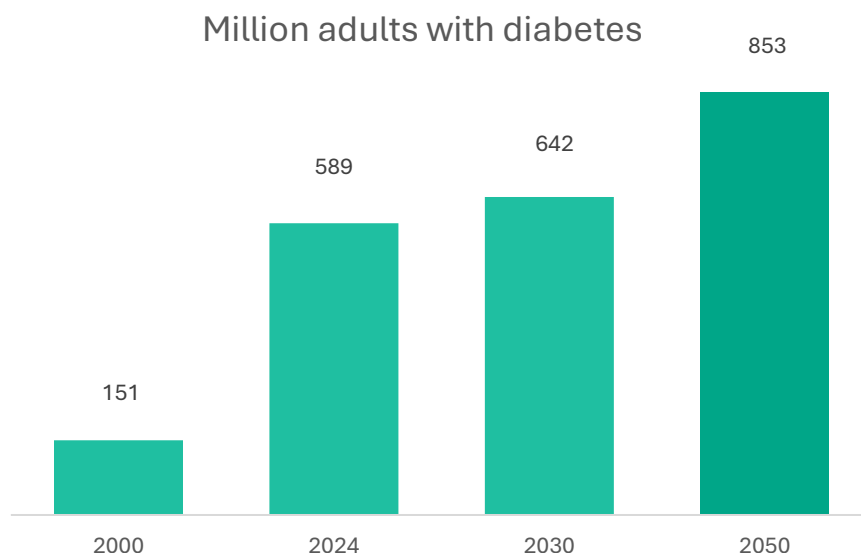
A handwritten signature in blue ink, which appears to read "Joacim Holter".

**Joacim Holter, CEO**

# Business strategy

Lifecare is a medtech company developing next generation continuous glucose monitoring (CGM) solutions for diabetes management

## DIABETES – A PANDEMIC AFFECTING 1 IN 9 ADULTS



## UNMET MARKET NEED

Approximately 57% of the adults that live with diabetes are diagnosed, and 1/3 need glucose monitoring, representing roughly 110 million people. Of these, only about 10-15 million people globally are currently using CGMs. For people living with diabetes, glucose monitoring is a vital part of daily life. Every day, millions of insulin-related decisions are made based on glucose readings—directly influencing both immediate health and long-term outcomes.

## CURRENT SOLUTIONS

Since the introduction of blood glucose meters in the 1970s, glucose monitoring technology has evolved significantly. A breakthrough came in 1999 with the first continuous glucose monitoring (CGM) system, marking a new era in diabetes care.

Today, most CGM devices rely on glucose oxidase-based technology and are worn on the skin, using a small needle that penetrates the subcutaneous tissue to measure glucose levels. These sensors typically deliver readings every five minutes via a connected receiver or smartphone and must be



replaced every 7 to 15 days. An alternative approach is offered by Senseonics, which uses a fluorescence-based sensing mechanism in its implantable continuous glucose monitor (CGM), providing readings for up to 365 days. However, the device is relatively expensive.

The future of CGM lies in sensors that combine improved accuracy and extended longevity with greater convenience and affordability. Ideally, these sensors will be fully implantable, requiring fewer replacements while offering a seamless user experience for long-term diabetes management and a more accessible cost.



## LIFECARE'S SOLUTION

Lifecare aims to develop the world's smallest glucose sensor—an injectable device designed to function beneath the skin for at least six months while being offered at a mid-range cost. Glucose data will be transferred wirelessly to a smart device, without the need of an unpractical transmitter. Our implantable device utilizes osmotic pressure-based technology to measure glucose levels with high precision. This innovation has the potential to provide a more convenient, more precise and long-term solution compared to existing glucose monitoring technologies.

## LIFECARE'S BUSINESS STRATEGY

Lifecare is pioneering a new era in CGM with its proprietary technology, using osmotic pressure for calibration-free, long-wear glucose sensing.

Our strategy is built on innovation, scalable in-house manufacturing, and strong partnerships to bring our technology to market efficiently. A large-scale production facility in Mainz, Germany, will open in 2025 to support this growth. We are taking a phased approach to commercialization, starting with the veterinary market – an underserved segment that offers valuable operational experience ahead of CE approval and human market entry in 2027. Collaborations with key partners such as OneTwo Analytics strengthen our position through digital integration and commercial alignment. With Senseonics having secured regulatory approval in Europe and the U.S., we are confident that our second-mover advantage will support a successful CE-mark approval process in Europe.

While glucose monitoring remains our initial focus, the underlying sensor platform holds potential for broader applications across diagnostics and biomarker monitoring, offering long-term growth beyond diabetes care.



## Path to commercialization

	Studies	Regulatory compliance	Production and market launch
<b>2022</b>	Successful in-vitro testing confirming functionality of miniaturized sensors  Proof-of-concept in humans	Approval for accuracy study LFC-SEN-001	Production location secured
<b>2023</b>	In-human study (LFC-SEN-001) confirming clinical accuracy  Longevity study confirming operational lifespan of more than 172 days	ISO 9001 and ISO 13485 certified  Approval for study in dogs (LFC-SEN-002)	Preparations for automated production
<b>2024</b>	In-dogs longevity, biocompatibility and data accuracy study (LFC-SEN-002)	CE approved device to remove subdermal implants	Pilot production  Key steps in automated production
<b>2025</b>	Continue in-dogs longevity, biocompatibility and data accuracy study (LFC-SEN-002)  Pre CE-study to confirm operational efficiency  CE-study (LFC-SEN-003) to confirm operational efficiency)	File for CE study (LFC-SEN-003)  Build technical file to claim CE-mark for the human market	Veterinary market launch  Establish automated production
<b>2026</b>	Continue CE-study (LFC-SEN-003) to confirm operational efficiency	Claim CE-mark for human market	Full scale veterinary launch
<b>2027</b>	Continue CE-study to confirm extended longevity		European launch for humans  US market preparations

# Operational review

## **PRODUCT DEVELOPMENT PROGRESS**

Lifecare's ongoing product development is in a complex and detail-oriented phase. While much of the work conducted in Q1 2025 may not translate into immediately visible milestones, it represents essential groundwork for the product launch planned this year. The ongoing activities are highly technical and interdependent, demanding precision to meet strict regulatory and quality standards.

This quarter has been a period of intensive and focused advancement. Every step taken now strengthens the foundation for successful studies as basis for market entry and pivotal studies later in 2025, to prepare for the CE mark.

## **FOCUSED ON PRODUCT DEVELOPMENT: DESIGN OPTIMIZATION FOR MANUFACTURABILITY TOWARDS PRODUCT DESIGN FREEZE**

Throughout Q1 2025, Lifecare continued its strong focus on advancing the design and manufacturability of its implantable continuous glucose monitoring (CGM) system. We have progressed from validated prototypes to the final stages of locking in a product design freeze, a critical step ahead of the upcoming pivotal clinical study. The revised implant design reflects comprehensive optimization for manufacturability, preparing for scalability, stability and consistency in production while supporting high performance of the sensor.

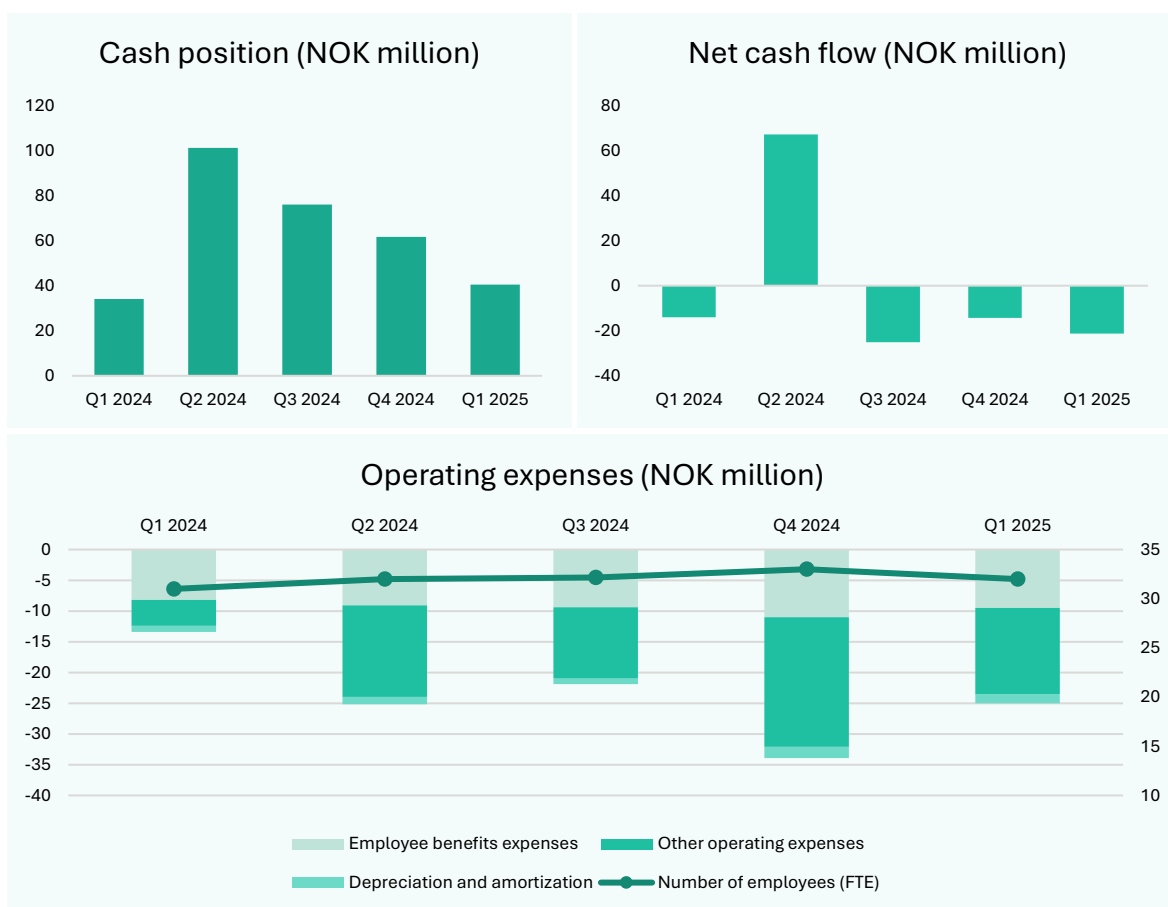
The current engineering phase aligns with Lifecare's plan to establish scalable manufacturing. In this perspective it is of high importance to ensure stable production and high quality. First validation of the updated implant is concluded, and we are preparing for pivotal studies.

## **PRE-CLINICAL STUDIES IN A PRODUCT DEVELOPMENT PERSPECTIVE**

The ongoing longevity study in dogs (LFC-SEN-002) continues to be an important component of Lifecare's product development efforts. Early in-vivo results from the studies confirm sensor durability and biocompatibility, with no unexpected foreign body responses observed during the first implant phase. Additionally, the sensors retained their glucose sensitivity post-explanation, reinforcing confidence in both the safety and functional stability of the device.

This pre-clinical model not only generates data on long-term performance but also allows for validation of recent product component adjustments, including important real-world insights of the system, meaning both the implant, readout unit and user interface (app). The outcomes are essential to building a solid system and comprehensive technical file to support CE-mark application for human use scheduled to be finalized end of 2026.

# Financial review



## PROFIT / LOSS

The Group's revenue amounted to NOK 4 thousand in Q1 2025, down from NOK 0.4 million in Q1 2024. Income in Q1 2025 is limited to external sales of laboratory services. The revenue numbers in Q1 2024 had in addition income from subleasing of office and laboratory space.

Employee benefits expenses totalled NOK 9.5 million in Q1 2025, compared to NOK 8.2 million in the same quarter last year. The increase is primarily due to the expansion of operations and the addition of new employees. Total employee share option cost (a non-cash item) was recognized as an expense of NOK 0.3 million in the quarter, compared to an expense of NOK 1.6 million in Q1 2024.

Depreciation and amortization expenses amounted to NOK 1.5 million in Q1 2025, up from NOK 1.0 million in Q1 2024. The increase reflects investments in machinery and equipment made during 2024.

Other operating expenses increased significantly to NOK 14.0 million in Q1 2025 from NOK 4.2 million in the same quarter last year. The rise is driven by a temporary ramp-up in R&D activities and efforts to finalize the implant design.

Total operating expenses were NOK 25.0 million in Q1 2025, compared to NOK 13.4 million in Q1 2024, reflecting increased investment in research and development.

Net financial items yielded a gain of NOK 4.6 million in Q1 2025, up from NOK 0.1 million in Q1 2024. This increase is mainly due to the revaluation of warrants recognized as financial instruments and interest income on cash deposits.

The pre-tax loss for the quarter was NOK 20.4 million, compared to a loss of NOK 12.9 million in Q1 2024. Income tax for the quarter was estimated as a positive NOK 57 thousand, compared to zero in Q1 2024.

As a result, the Group's net loss after tax amounted to NOK 20.3 million in Q1 2025, compared to a loss of NOK 12.9 million in Q1 2024.

## FINANCIAL POSITION AND LIQUIDITY

As of 31 March 2025, the Group's total assets amounted to NOK 88.6 million, up from NOK 72.2 million on 31 March 2024 and down from NOK 112.6 million at 31 December 2024. The increase compared to 31 March 2024 is primarily attributable to capital expenditures in Q2–Q4 2024 and a higher cash balance. The decrease from year-end 2024 reflects a reduction in cash holdings and trade receivables.

Intangible and tangible assets, including patents, licenses, goodwill, and right-of-use assets, totalled NOK 37.4 million as of 31 March 2025. This compares to NOK 23.5 million as of 31 March 2024 and NOK 37.8 million at 31 December 2024. The increase over the year is mainly driven by the acquisition of RemovAid, new lease agreements recognized as right-of-use assets, and capital expenditures related to automated production lines.

The Group's cash position stood at NOK 40.4 million at quarter-end, compared to NOK 34.3 million on 31 March 2024 and NOK 61.6 million as of 31 December 2024. In Q2 and Q3 2024, Lifecare completed a rights issue and a subsequent capital increase, raising total gross proceeds of NOK 106.6 million.

Total equity was NOK 53.2 million as of 31 March 2025, compared to NOK 55.5 million a year earlier and NOK 74.0 million at year-end 2024. The equity ratio was 60% as of 31 March 2025, versus 77% on 31 March 2024 and 66% at the end of 2024.

Total liabilities amounted to NOK 35.4 million as of 31 March 2025, compared to NOK 16.7 million as of 31 March 2024 and NOK 38.6 million at year-end 2024. Lifecare is primarily equity-funded and receives some public grants; it carries no interest-bearing debt. Warrants issued in June 2024 in connection with the rights issue were recognized as financial liabilities at a market value of NOK 10.5 million as of 31 March 2025, down from NOK 14.7 million as of 31 December 2024.

Liabilities include lease obligations and trade payables. Lease liabilities (current and non-current) totalled NOK 10.0 million as of 31 March 2025, up from NOK 6.3 million on 31 March 2024 and down from NOK 14.7 million at year-end 2024. The increase over the year is largely attributable to a new office rental agreement signed in Q2 2024. Lifecare has signed a lease for new facilities in Mainz, Germany, effective 1 July 2025. This agreement will add NOK 37 million to the financial statements as a right-of-use asset and lease liability when the lease commences.

## CASH FLOW

Net cash flow from operating activities during the quarter amounted to NOK -14.8 million compared to NOK -12.1 million in Q1 2024. The change in cash flow was primarily driven by increased R&D activities and increase in employees, resulting in a higher operating loss in Q1 2025 compared to Q1 2024.

Net cash flow from investing activities was NOK -1.8 million during the quarter, compared to NOK -1.4 million in Q1 2024. Investment this quarter relates to office equipment and furniture to the new production facility that will open in Q3 2025.

The cash flow from financing activities in Q1 2025 amounted to NOK 4.6 million, compared to NOK 0.5 million in Q1 2024. The increase is mainly related to the fair value adjustment of warrants issued in June 2024.

At quarter end, the cash balance was NOK 40.4 million compared to NOK 34.3 million at the end of Q1 2024, with a net change in cash and cash equivalents of NOK -21.2 million in the quarter and NOK -14.1 million in Q1 2024.

# Board's approval

## EVENTS AFTER THE BALANCE SHEET DATE

On 24 April, Lifecare ASA held its Annual General Meeting. All proposals on the agenda were adopted. There were no changes to the Board of Directors, as proposed by the Nomination Committee.

## OUTLOOK

At the end of Q1 2025, Lifecare held a cash position of NOK 40 million and continues to actively manage its financial runway with discipline and foresight. Based on projected expenditures, committed development activities, and the anticipated exercise of outstanding warrants in June 2025, the company expects to be funded to the next milestone – the veterinary market launch. The upcoming veterinary market launch offers near-term commercial validation, operational learning, and revenue generation potential.

The initiation of the pivotal clinical study supporting CE-mark approval for human use in 2026 will represent another major value inflection point that significantly de-risks the investment case and sets the stage for commercial entry into the human market by 2027.

Lifecare remains committed to executing its capital-efficient strategy and delivering on a roadmap designed to convert technological innovation into clinical and commercial impact.

## The Board of Directors and CEO

Bergen, 14 May 2025

*This document is signed electronically, with no hand-written signatures.*

Morten Foros Krohnstad  
**Chair of the Board**

Trine Teigland  
**Board member**

Lutz Walter Heineman  
**Board member**

Hans Johan Hekland  
**Board member**

Tone Kvåle  
**Board member**

Joacim Holter  
**CEO**

# Financial statements & selected notes



## CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Lifecare Group (NOK 1 000)	Notes	Q1 2025	Q1 2024
Revenue and other income	3	4	411
Employee benefits expense	4	-9 526	-8 250
Depreciation and amortization	5	-1 502	-957
Other operating expenses		-13 992	-4 221
<b>Operating profit/loss</b>		<b>-25 016</b>	<b>-13 017</b>
Net financial items	7	4 619	71
<b>Profit/loss before tax</b>		<b>-20 397</b>	<b>-12 946</b>
Income tax expense		57	0
<b>Profit/loss for the period</b>		<b>-20 340</b>	<b>-12 946</b>
<b>Other comprehensive income</b>			
<i>Items that may be reclassified to profit or loss:</i>			
Currency translation differences		-484	359
<b>Total comprehensive income/loss for the period</b>		<b>-20 824</b>	<b>-12 587</b>
Basic and diluted earnings per share (NOK)*		-1,3	-1,2
<b>Profit/loss attributable to:</b>			
Equity holders of Lifecare ASA		-20 170	-12 950
Non-controlling interest		-170	4
<b>Total comprehensive income attributable to:</b>			
Equity holders of Lifecare ASA		-20 654	-12 591
Non-controlling interest		-170	4

\*Earnings per share (EPS) for comparable period in 2024 has been adjusted to the 13:1 share consolidation, effective September 2024, resulting in a proportionate increase in EPS reflecting the reduced number of shares outstanding.

## CONDENSED STATEMENT OF FINANCIAL POSITION

Lifecare Group (NOK 1 000)	Notes	31 March 2025	31 March 2024	31 December 2024
<b>Assets</b>				
Patents, licenses and goodwill		12 362	12 274	12 599
Property, plant and equipment incl right of use assets		25 056	11 231	25 177
<b>Total non-current assets</b>	5	<b>37 418</b>	<b>23 505</b>	<b>37 775</b>
Trade receivables and other current assets		10 709	14 454	13 203
Cash		40 444	34 286	61 615
<b>Total current assets</b>		<b>51 153</b>	<b>48 740</b>	<b>74 817</b>
<b>Total assets</b>		<b>88 571</b>	<b>72 245</b>	<b>112 593</b>
<b>Equity and liabilities</b>				
Share capital		82 435	53 946	82 435
Other capital reserves		8 061	81 593	7 725
Retained earnings		-37 336	-80 027	-16 178
<b>Total equity</b>	8	<b>53 161</b>	<b>55 512</b>	<b>73 983</b>
Deferred tax liabilities		842	1 641	923
Non-current lease liabilities		7 535	4 571	8 274
Other non-current liabilities		0	2 446	0
<b>Total non-current liabilities</b>		<b>8 377</b>	<b>8 658</b>	<b>9 197</b>
Trade payables and other current liabilities		14 071	6 353	8 265
Current lease liabilities		2 478	1 721	6 470
Financial liabilities	7	10 485	-	14 678
<b>Total current liabilities</b>		<b>27 033</b>	<b>8 074</b>	<b>29 413</b>
<b>Total liabilities</b>		<b>35 411</b>	<b>16 732</b>	<b>38 610</b>
<b>Total equity and liabilities</b>		<b>88 571</b>	<b>72 245</b>	<b>112 593</b>

## STATEMENT OF CHANGES IN EQUITY

Lifecare Group (NOK 1 000)	Share capital	Other capital reserves			Retained earnings		Total	Retained earnings	Total equity
		Share premium	Treasury shares	Other equity	Retained earnings	FX translation reserve		NCI	
<b>Equity at 01 January 2024</b>	<b>53 946</b>	<b>76 007</b>	-	<b>3 942</b>	<b>-67 569</b>	<b>77</b>	<b>66 403</b>	<b>52</b>	<b>66 455</b>
Profit/loss for the period	-	-	-	-	-12 950	-	-12 950	4	-12 946
Other comprehensive income/loss for the period	-	-	-	-	-	359	359	-	359
<b>Total comprehensive income/loss for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-12 950</b>	<b>359</b>	<b>-12 591</b>	<b>4</b>	<b>-12 587</b>
Share-based payments	-	-	-	1 644	-	-	1 644	-	1 644
<b>Equity at 31 March 2024</b>	<b>53 946</b>	<b>76 007</b>	-	<b>5 586</b>	<b>-80 519</b>	<b>436</b>	<b>55 456</b>	<b>56</b>	<b>55 512</b>
<b>Equity at 01 January 2025</b>	<b>82 435</b>	-	<b>-14</b>	<b>7 738</b>	<b>-15 825</b>	<b>-243</b>	<b>74 092</b>	<b>-109</b>	<b>73 983</b>
Profit/loss for the period	-	-	-	-	-20 170	-	-20 170	-170	-20 340
Other comprehensive income/loss for the period	-	-	-	-	-	-484	-484	-	-484
<b>Total comprehensive income/loss for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-20 170</b>	<b>-484</b>	<b>-20 654</b>	<b>-170</b>	<b>-20 824</b>
Share-based payments	-	-	-	337	-	-	337	-	-
<b>Equity at 31 March 2025</b>	<b>82 435</b>	-	<b>-14</b>	<b>8 075</b>	<b>-35 996</b>	<b>-727</b>	<b>53 774</b>	<b>-279</b>	<b>53 161</b>

## STATEMENT OF CASH FLOWS

Lifecare Group (NOK 1 000)	Note	Q1 2025	Q1 2024
<b>Profit/loss before tax</b>		<b>-20 397</b>	<b>-12 946</b>
Depreciation and amortization	5	1 502	957
Employee share option expense	4	337	1 644
Change in receivables and payables		-3 312	550
Other adjustments		7 067	-2 331
<b>Net cash flow from operating activities</b>		<b>-14 803</b>	<b>-12 126</b>
Purchase of property, plant and equipment	5	-1 770	-1 432
<b>Net cash flow from investing activities</b>		<b>-1 770</b>	<b>-1 432</b>
Repayment lease liabilities		-642	-431
Interest paid		-130	-69
Interest received		368	-
Fair value adjustment of financial liabilities	7	-4 194	-
<b>Net cash flow from financing activities</b>		<b>-4 597</b>	<b>-500</b>
<b>Net change in cash</b>		<b>-21 170</b>	<b>-14 059</b>
<b>Cash at 01 January</b>		<b>61 615</b>	<b>48 345</b>
<b>Cash at 31 March</b>		<b>40 444</b>	<b>34 286</b>

# Selected notes

## NOTE 1 GENERAL INFORMATION AND BASIS OF PREPARATION

Lifecare is a medical sensor company developing technology for sensing and monitoring of various body analytes. Lifecare's focus is to bring the next generation of Continuous Glucose Monitoring (CGM) systems to market. Lifecare enables osmotic pressure as a sensing principle. Lifecare's sensor technology is suitable for identifying and monitoring the occurrence of a wide range of analytes and molecules in the human body and in pets.

The Lifecare Group consist of the parent company Lifecare ASA and its subsidiaries. Lifecare ASA is a public limited company incorporated and domiciled in Norway and is listed on Euronext Oslo Børs (Oslo Stock Exchange). The subsidiaries comprise Lifecare Veterinary AS (Norway), Lifecare Chemistry Ltd (UK), Lifecare NanoBioSensors GmbH (Germany), Lifecare Laboratory GmbH (Germany) and RemovAid AS (Norway). Lifecare Veterinary is 80% owned and RemovAid is 89.6% owned by Lifecare ASA, while the other subsidiaries are 100% owned.

The financial statements have been prepared in accordance with IFRS® Accounting Standards as adopted by the EU. The financial statements have been prepared using the historical cost basis, except for financial liabilities measured at fair value through profit or loss. For management purposes, the Group operates as a single business unit, and internal reporting and decision making is structured accordingly. For a complete set of disclosures, this report should be read in conjunction with the Group's annual report for 2024.

This interim report is unaudited.

### Use of estimates

Management makes estimates and assumptions about the future that affect accounting policies and the reported amounts of assets, liabilities, income, and expenses. These estimates, based on historical experience and other relevant factors, guide judgments on asset and liability valuations when no clear market values exist. Actual results may differ from these estimates. Management continuously reviews assumptions considering current and expected market conditions. The primary area where Lifecare applies significant estimates and assumptions is the impairment assessment of goodwill, see Note 5.

## NOTE 2 RISKS AND UNCERTAINTIES

Lifecare is in a late development/pre-commercialization phase, and operates in a global environment exposed to geopolitical, macroeconomic, and regulatory risks. Key challenges include regulatory shifts, supply chain disruptions, and trade restrictions. While Lifecare's operations and partners are primarily European, external conditions could impact progress and market access. The company continuously monitors these factors and maintains a proactive risk management framework. As of Q1 2025, no material changes to Lifecare's risk landscape have been identified.

### Financial risk

Lifecare is not yet revenue-generating and relies primarily on equity financing to fund its activities. At the end of Q1 2025, Lifecare held NOK 40 million in cash. Lifecare applies conservative liquidity forecasting and closely monitors its funding needs. The upcoming warrant exercise in June 2025 represents an important financing event, complemented by the pursuit of additional funding alternatives. While current liquidity is adequate, continued access to capital remains a key risk factor.

Given Lifecare's international operations, the company is exposed to currency fluctuations, especially between EUR and NOK. Most supplier invoices are in euros, while Lifecare holds most of its cash in Norwegian kroner. No hedging strategy is currently in place, exposing the company to moderate currency risk.

### Scientific risk

Lifecare's sensor technology is based on proprietary osmotic pressure sensing, protected by three active patents and one pending. Scientific risk is considered low, as the company follows a structured R&D process, including preclinical, proof-of-concept, and longevity studies. Early results from the first veterinary implant showed no adverse reactions and good sensor stability, significantly de-risking the technology platform.

### Regulatory risk

Lifecare maintains ISO-certified quality systems and continuously adapts its internal controls to ensure regulatory compliance. For human use, the implant must undergo clinical trials to confirm safety, efficacy, and performance. A CE study, managed by a contract research organization, is set to begin in late 2025. While this introduces regulatory complexity, Lifecare has a strong framework in place. In the veterinary market, where specific device regulations are absent, the implant can be commercialized following successful longevity studies. Overall, regulatory risk is considered low to moderate.

### Manufacturing risk

Pilot production and key process automation milestones have been achieved, but final optimization for full-scale manufacturing is ongoing. Lifecare continues to refine its sensor prototypes based on test results from long-term animal studies. While progress is strong, moderate manufacturing risk remains due to the complexity of transitioning to commercial-scale production.

### Commercial risk

Commercial success depends on market adoption, strategic partnerships, and Lifecare's ability to deliver a competitive, high-performing CGM solution. Partnerships are essential in the commercialization roadmap. Initial market entry is planned for the veterinary segment, providing valuable feedback and risk reduction ahead of human launch. Commercial risk is assessed as moderate.

## NOTE 3 REVENUES

Revenue and other income (NOK 1 000)	Q1 2025	Q1 2024
Revenue from contracts with customers	4	14
Other income		397
<b>Total revenue and other income</b>	<b>4</b>	<b>411</b>

Lifecare is in the development phase and does not yet generate revenue from product sales. Revenue from contract stems from laboratory services at Lifecare Laboratory in Germany. Other income last year includes subleasing of office and laboratory space.

## NOTE 4 EMPLOYEE BENEFITS EXPENSES

Employee benefits expenses (NOK 1 000)	Q1 2025	Q1 2024
Salaries	7 604	5 469
Social security tax	1 341	996
Pension cost	175	128
Other benefits	68	481
<b>Total payroll</b>	<b>9 189</b>	<b>7 075</b>
Share option expense	337	1 644
Accrued social security tax on share option	-	-469
<b>Total employee share option cost*</b>	<b>337</b>	<b>1 175</b>
<b>Total employee benefits expenses</b>	<b>9 526</b>	<b>8 250</b>
Number of employees (FTE) at quarter end	32	31

\*Employee share option expenses do not have cash effect.

### Share based option plan

Lifecare's share option program is designed to align management incentives with shareholder value and aid in talent retention. Options are granted at market price on the grant date and typically vest over three years, expiring after five. Vesting requires continued employment and may include performance conditions. Options carry no voting or dividend rights before exercise and can be exercised only during Board-approved periods. Fair value is calculated using Black-Scholes and Monte Carlo models, considering factors such as share price, exercise price, volatility, expected life, dividends, and risk-free interest rate. Expenses are recognized over the vesting period under employee benefits, and exercised options result in new share issuance.



In September 2024, Lifecare completed a share consolidation (reverse split) in the ratio of 13:1. The historical number and the strike price for share options have been adjusted accordingly. The strike price for share options is NOK 19.82 (NOK 1.52 prior to share consolidation).

Number of options	Q1 2025	Q1 2024
At 1 January	382 233	4 369 173
Granted during the period	-	600 000
Exercised during the period	-	-
Expired during the period	-	-
<b>At 31 March</b>	<b>382 233</b>	<b>4 969 173</b>

## NOTE 5 INTANGIBLE AND TANGIBLE ASSETS

Intangible and tangible assets (NOK 1 000)	Patents and licenses	Goodwill	Tangible assets	Right of use assets	Total
<b>Book value at 1 January 2025</b>	<b>5 371</b>	<b>7 228</b>	<b>14 484</b>	<b>10 692</b>	<b>37 775</b>
Currency translation differences	16	-	-440	-201	-625
Additions	-	-	1 770	-	1 770
Depreciation and amortization	253	-	571	678	1 502
<b>Book value at 31 March 2025</b>	<b>5 133</b>	<b>7 228</b>	<b>15 244</b>	<b>9 813</b>	<b>37 418</b>
Accumulated acquisition cost	9 118	7 331	19 281	15 385	51 116
Accumulated depreciation & amortization	3 985	103	4 037	5 573	13 698
<b>Book value at 31 March 2025</b>	<b>5 133</b>	<b>7 228</b>	<b>15 244</b>	<b>9 813</b>	<b>37 418</b>
Useful economic life or contract length	8-27 years	-	3-5 years	1-10 years	

Lifecare holds several key patents essential to its glucose monitoring and medical device technologies. Five patents with finite useful lives are recognized in the Group's financial statements, with amortization periods aligned to their respective expiry dates. Lifecare also holds a licensing agreement for the Nano3DSense® technology.

Goodwill relates from the acquisition of Lifecare NanoBio Sensors in 2021 and Lifecare Laboratory in 2022.

Tangible assets consist primarily of office and laboratory equipment (mainly microscopes) and machines.

Lifecare has recognized the leasing agreements of its office and laboratory facilities as right of use assets according to IFRS 16. Some contracts have been renewed during 2024. Lifecare has signed a lease for new facilities in Mainz, Germany, effective 1 July 2025. This agreement will add NOK 37 million to the financial statements as a right-of-use asset and lease liability when the lease commences.

There are no indications of impairment for any intangible or tangible assets.

## NOTE 6 RELATED PARTY TRANSACTIONS

There have been no related parties' transactions during the quarter outside the ordinary course of business. During the quarter, Lifecare has acquired and delivered clinical services related to R&D projects from companies affiliated with the Chief Scientific Officer (CSO). These transactions are based on normal commercial terms.

For shares controlled by the Board of Directors and executive management, see Note 8.

## NOTE 7 WARRANTS

In June 2024, Lifecare ASA completed a partially under written rights issue of 59 038 955 new shares. The subscribers in the rights issue were allocated one warrant for every two new shares, and 29 519 478 warrants were issued to the subscribers. Further, Munkekullen 5 Förvaltning AB and Buntel AB, having underwritten a total of NOK 50 million of the rights issue, received a compensation of 25 000 000 warrants at equal terms to the warrants issued in the rights issue. Consequently, a total of 54 519 478 warrants were allocated to subscribers and the underwriters. On 30 September 2024, Lifecare ASA completed a share consolidation (reverse split) of its shares in the ratio of 13:1, where the warrants were consolidated with the same ratio, to 4 193 802 warrants.

To deliver warrants to persons who own a number of warrants that did not compute with the 13:1 consolidation ratio, Lifecare ASA acquired 7 500 warrants. The purchase was carried out as ordinary trades in the market, with an average price of NOK 0.415 per warrant. Following the consolidation, Lifecare held 577 warrants, of which 268 were allocated to warrant holders to maintain the 13:1 ratio. As of 31 March 2025, Lifecare ASA held 309 warrants.

Each warrant gives the holder the right to buy one new share in Lifecare ASA at a price equal to the volume weighted average price (VWAP) of the company's shares on Euronext Oslo Børs during the last three trading days before the first date the warrant can be exercised, minus 30%. However, the price will not be lower than the share's par value (NOK 5.20) or higher than the subscription price in the rights issue plus 30% (NOK 25.76).

The warrants may be exercised from 2 to 13 June 2025. The warrants are listed and tradable on Euronext Growth Oslo under the ticker "LIFES".

Due to the variability in exercise price, the warrants are initially recognized as financial liabilities at fair value on the issuance date and subsequently measured at fair value on an ongoing basis. The warrants are derecognized when the obligation under the liability expires in June 2025.

Financial liabilities (NOK 1 000)	Q1 2025	Q1 2024
Warrants at 1 January	14 678	-
Fair value gains (-) /loss (+)	-4 194	-
<b>Warrants at 31 March</b>	<b>10 485</b>	-

## NOTE 8 SHARE CAPITAL AND SHAREHOLDERS

As at 31 March 2025, Lifecare ASA had 15 852 979 shares with a nominal value of NOK 5.20 per share. All shares issued by the company are fully paid-up. There is one class of shares, and all shares confer the same rights.

Shares	2025		2024	
	# of shares	Book value	# of shares	Book value
Shares at 1 January	15 852 979	53 946 297	134 865 742	53 946 297
Issue of shares	-	-	-	-
<b>Shares at 31 March</b>	<b>15 852 979</b>	<b>58 268 880</b>	<b>134 865 742</b>	<b>53 946 297</b>
Holding of treasury shares	1 023	5 320	-	-
<b>Total excluding treasury shares at 31 March</b>	<b>15 851 956</b>	<b>58 263 561</b>	<b>134 865 742</b>	<b>53 946 297</b>

In June 2024, Lifecare ASA completed a partially underwritten rights issue of 59 038 955 new shares. In July, 1 377 572 new shares were issued to the underwriters in the rights issue.

In September 2024, Lifecare ASA completed a share consolidation (reverse split) in the ratio of 13:1. 195 282 269 shares were consolidated to 15 021 713 shares. The nominal value of each share changed from NOK 0.40 to NOK 5.20. The share capital was unchanged at NOK 78 112 908.

To deliver shares to persons who owned a number of shares that did not compute with the 13:1 consolidation ratio, Lifecare ASA acquired 30 000 treasury shares at an average price of NOK 1.67 per share. The purchase was carried out as ordinary trades in the market. Following the consolidation, Lifecare held 2 308 shares, of which 1 285 were allocated to shareholders to maintain the 13:1 ratio. As of 31 March 2025, Lifecare held 1 023 treasury shares.

20 largest shareholders at the end of the period	Number of shares	Shareholding
Lacal AS	2 203 362	13,90 %
Teigland Eiendom AS	2 101 214	13,25 %
Jostein Tjelta	898 738	5,67 %
Nordea Funds	700 055	4,42 %
Nordnet Bank AB	626 960	3,95 %
Nordnet Livsforsikring AS	447 203	2,82 %
Einarsen Even Harald	363 000	2,29 %
Spit Air AS	352 903	2,23 %
Lt Finans AS	222 584	1,40 %
Hejma AS	208 549	1,32 %
LHH AS	200 000	1,26 %
F2 Funds & Financial Funds	178 116	1,12 %
Kurt Andreassen	175 222	1,11 %
Nexus Marketing	146 509	0,92 %
Andreas Pfützner	138 485	0,87 %
Moun10 AS	135 351	0,85 %
Han Lei	127 991	0,81 %
Joacim Holter	124 951	0,79 %
Åge Westbø	124 685	0,79 %
Mowinckel Invest AS	104 239	0,66 %
<b>Total shareholding by 20 largest shareholders</b>	<b>9 580 117</b>	<b>60,43 %</b>
Total others	6 272 862	39,57 %
<b>Total shares</b>	<b>15 852 979</b>	<b>100,00 %</b>

Shares controlled directly and indirectly by the Board of Directors and group management at period end	Number of shares	Shareholding
<b>Board of Directors</b>		
Hans Hekland	16 562	0,10 %
Trine Teigland	2 101 214	13,25 %
Tone Kvåle	3 077	0,02 %
<b>Group management</b>		
Joacim Holter, CEO	124 951	0,79 %
Andreas Pfützner, CSO	138 485	0,87 %
<b>Total shares held by the board and group management</b>	<b>2 384 289</b>	<b>15,04 %</b>

## Disclaimer

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## About Lifecare

Lifecare ASA is a medical sensor company developing technology for sensing and monitoring of various body analytes. Lifecare's focus is to bring the next generation of Continuous Glucose Monitoring ("CGM") systems to market. Lifecare enables osmotic pressure as sensing principle. Lifecare's sensor technology is suitable for identifying and monitoring the occurrence of a wide range of analytes and molecules in the human body and in pets.

## Financial calendar

Q2 2025: 20 August 2025

Q3 2025: 12 November 2025

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