

Lumito AB publishes Quarterly Report 1, 2022

Financial overview of the first quarter January 1 to March 31, 2022

- Net sales amounted to TSEK 0 (0).
- Result after taxes amounted to TSEK -6 430 (-6 825).
- Earnings per share before and after dilution amounted to SEK -0.04 (-0.08).
- Cash flow from operating activities after changes in working capital amounted to TSEK -8 959 (-4 337).
- Cash and cash equivalents on the balance sheet date amounted to TSEK 41 024 (29 617).

The development of the Company during the first quarter

Net sales and results, first quarter

- Net sales for the first quarter of 2022 amounted to TSEK 0 (0).
- Operating costs including capitalized costs for the first quarter amounted to TSEK 9 177 (12 449). A lower proportion of costs were capitalized in the quarter compared to the corresponding period last year, 2 720 (5 486). The increase in personnel costs is mainly related to continued investments in research and development, and building a future organization with more employees.
- Operating income for the first quarter amounted to TSEK -6 430 (-6 825) and result after taxes amounted to TSEK -6 430 (-6 825).

Cash flow

- Cash flow from operating activities during the first quarter amounted to TSEK -6 397 (-6 804).
- After changes in working capital, cash flow for the period was TSEK -8 959 (-4 337).
- Total cash flow for the period amounted to TSEK 5 585 (-10 364). During quarter 1, TSEK 17 265 was paid for a new issue of TSEK 44 960 after issue costs of TSEK 10 615, which was completed during the fourth quarter of 2021.

Personnel

The average number of employees during the period was 14 (9) of which 3 (5) were women.

Investments, liquidity and financial position

- At March 31, 2022, the cumulative book value of capitalized expenses for research and development amounted to TSEK 65 731 (59 709). The amount refers to continued development work related to the Company's products. The capitalization during the year has been in accordance with principles based on development, primarily consultancy costs.

- The book value of investments in the patent portfolio amounted to TSEK 3 302 (2 591), most of which was related to investments in patents and patent applications regarding the Company's products.
- The equity ratio was 94 (93) percent.
- Cash and cash equivalents on the balance sheet date amounted to TSEK 41 024 (29 617).
- Equity amounted to TSEK 106 190 (87 209).

Significant events during the quarter

- Lumito carried out a directed issue of shares to guarantors in connection with the completed rights issue. The guarantors had the opportunity to choose to receive guarantee commission in the form of cash compensation or newly issued shares in the Company. The Board of Directors has, pursuant to the authorization granted by the Annual General Meeting on May 27, 2021, resolved on the remuneration issue, which comprises a total of 405 000 shares. Through the remuneration issue, the number of shares in Lumito increases by 405 000 shares to a total of 156 708 371 shares, and increases the share capital by a total of SEK 10 125.00 to approximately SEK 3 917 709.28. The issue amount after deduction of issue costs amounted to SEK 44 958 955.
- The first day of trading with the warrants of series TO4 issued as part of the rights issue on NGM Nordic SME was January 17, 2022. The last day for trading with the warrants of series TO4 will be August 31, 2022.
- The patent application for the second family of patents describing the use of light pulses to improve the efficiency of the technique and shorten imaging times, was approved in Canada. The patent has already been approved in Australia, China, UK, Germany, France, India, Japan, Korea, USA and South Africa.
- Lumito initiated a collaboration with researchers from Uppsala University (Department of Immunology, Genetics and Pathology) to explore the possibilities with Lumito's UCNP (Up Converting Nano Particles), as part of a detection method in various research contexts, for a more reliable assessment. The research team has initially chosen to analyze the biomarker PD-L1, an important biomarker already used for predictive testing of patients who will receive immunotherapy. The research team hopes to find a more precise detection method with improved possibilities for quantifying the amount of PD-L1 on tumor cells. UCNP allows the pathologist to make more accurate assessments of whether the tumor can be treated with PD-L1 inhibitors or not – if the patient with, e.g., lung cancer is susceptible to immunotherapy targeting PD-L1.

- A strategic milestone was achieved – certification according to ISO 13485. Lumito’s quality management system, for the design and development of in vitro diagnostic medical devices, software and reagents for imaging biomarkers for cancer detection, has been reviewed in the previous year and is now certified (according to the standard “Medical devices - Quality management systems - Requirements for regulatory purposes” (ISO 13485:2016) SS-EN ISO 13485:2016).
- We deplore the horrible war in Ukraine and our thoughts are with the people of the country. It is our preliminary assessment, at this stage, that it will not have any significant impact on us, directly or indirectly, but we are monitoring developments on an ongoing basis.

Significant events after the end of the quarter

- Lumito and Optronic Partner pr AB signed a cooperation agreement for the final design, industrialization and 0-series production of Lumito’s first Whole Slide Imaging (WSI) scanners. The collaboration is based on well-defined delivery points before the end of the year, such as the design phase, product verification phase and the 0-series production phase.

CEO comment

The first quarter of 2022 has largely been about deliveries and work to ensure continued development and production. The deliveries will take us further towards our goal – a launch at a research lab this year. Our cash position was strengthened at the beginning of the year with the completion of the directed rights issue. We follow our strategy and this year’s plan, both financially and in terms of activities and milestones.

Lumito constantly strives to invest where the greatest benefit, result and progress can be achieved in relation to the objectives of the plan. We can safely say that we are following this plan in every respect, during the first quarter of the year.

Our patent, which describes the use of light pulses to improve the efficiency of the technique and shorten imaging times, previously approved in Australia, China, UK, Germany, France, India, Japan, Korea, USA and South Africa, has now also been approved in Canada.

A quality system, in accordance with ISO 13485, is absolutely necessary to develop and subsequently manufacture good quality products, and prepare ourselves to be able to sell a clinical product. Lumito’s employees have been working for 1.5 years to implement the Company’s quality management system accordingly. We were delighted to receive the approved certification, after an audit by the independent auditing company BSI Group. The certification shows that we have the right processes in place and good compliance to develop medical devices.

Collaborative research is important to fully understand where the technology will be most useful and create the most value. Further collaboration was initiated, during the

quarter, with researchers to broaden the scope of use of our product and include more attractive biomarkers. A research group, from Uppsala University at the Department of Immunology, Genetics and Pathology, is exploring the possibilities of UCNPs as part of a detection method in various research contexts, for a more reliable assessment. The initial focus will be on the biomarker PD-L1, an important biomarker already used for predictive testing of patients who will receive immunotherapy. Another research group, at Umeå University, is exploring ways of improving the diagnosis of pancreatic cancer using Lumito's product.

During the quarter, we evaluated various options for the production of both scanner and staining liquid. It is, of course, important that we get this in place to ensure the planned launch at research laboratories by the end of 2022. In April, we were able to sign a cooperation agreement with the leading Swedish company Optronic Partner pr, our intended manufacturing partner. The collaboration is based on well-defined delivery points before the end of the year, such as the design phase, product verification phase and the 0-series production phase.

The handover work between us, our technology and development partner TTP (The Technology Partnership), and Optronic has begun and is progressing well.

I am very pleased to have been able to visit both partners and laboratories, and present the Company to a physical audience, during the first months of the year. It is really important to meet in person and discuss solutions, even if digital technology has its efficiency benefits.

I look forward to meet you, our shareholders, in May and June, e.g., at Aktiedagen in Gothenburg, Småbolagsdagen in Stockholm and the digital BioStock Spring Summit 2022, and I look forward, with great confidence, to the second quarter and the rest of the year, with the upcoming first launch.

Lund May 2022

Mattias Lundin, CEO Lumito AB (publ)

[Link to the website where you can find the complete report in Swedish.](#)

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This information is information that Lumito AB is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out in this press release, at 8:15 am on May 6, 2022.

Lumito specializes in medical technology for digital pathology. Through its proprietary and patented technology, Lumito aims to provide healthcare providers with a powerful tool to meet the demands for fast and safe tissue diagnostics in personalized healthcare. The technology enables higher contrast images where unimportant background information is sorted out, making it easier for

pathologists to find cancer indications. The technology, based on Up Converting Nano Particles (UCNP), has the potential to significantly improve the diagnosis of tissue samples through higher quality analyses and shorter analysis times. The method has several potential applications, but Lumito has chosen to focus primarily on digital pathology. The company is a spin-off from a research group at Lund University's Department of Atomic Physics and Laser Centre. www.lumito.se.

The share is traded on NGM Nordic SME, under the name LUMITO and Mentor is Mangold Fondkommission, phone: +46 (8) 5030 1550 and email, ca@mangold.se.