

Lumito publishes Quarterly Report 2, 2022

First half of the year

1 January–30 June 2022

- Net sales amounted to KSEK 0 (0).
- Result after taxes amounted to KSEK -13,610 (-13,444).
- Basic and diluted earnings per share amounted to SEK -0.09 (-0.15)
- Cash flow from operating activities after change in working capital amounted to KSEK -14,636 (-12,883).
- Cash and cash equivalents amounted to KSEK 32,275 (18,120) on the balance sheet date.

Financial overview of the second quarter, 1 April to 30 June 2022

- Net sales amounted to KSEK 0 (0).
- Result after taxes amounted to KSEK -7,180 (-6,619).
- Basic and diluted earnings per share amounted to SEK -0.05 (-0.08)
- Cash flow from operating activities after change in working capital amounted to KSEK -5,676 (-8,546).

Net sales and results, second quarter, 1 April–30 June

Net sales for the second quarter 2022 amounted to KSEK 0 (0).

Operating costs including capitalized costs for the second quarter amounted to KSEK 10,425 (9,741). The same proportion of costs were capitalized in the quarter as in the corresponding period last year, 3,072 (2,898).

The increase in personnel costs is mainly related to continued development efforts and building a future organization with more employees.

Operating income for the second quarter amounted to KSEK -7,179 (-6,619) and result after taxes amounted to KSEK -7,180 (-6,619).

Cash flow, second quarter

Cash flow from operating activities during the second quarter amounted to KSEK -7,146 (-6,586). After changes in working capital, cash flow for the period amounted to KSEK -5,676 (-8,546).

Total cash flow for the period amounted to KSEK -8,749 (-11,498).

Net sales and results, first half of the year, 1 January–30 June

Net sales for the second quarter 2022 amounted to KSEK 0 (0).

Operating costs for the first half of the year amounted to KSEK 19,602 (22,191). A lower proportion of costs were capitalized during the first half of the year compared with the corresponding period last year; 5,793 (8,384).

The increase in personnel costs and external costs is mainly related to continued investments in research and development and building a future organization with more employees.

Operating income for the first half of the year amounted to KSEK -13,609 (-13,444) and result after taxes amounted to KSEK -13,610 (-13,444).

Cash flow, first half of the year

Cash flow from operating activities during the first half of the year amounted to KSEK -13,543 (-13,389). After changes in working capital, cash flow for the period amounted to KSEK -14,636 (-12,883). Total cash flow for the period amounted to KSEK -3,164 (-21,861).

The cash flow for the year includes a new issue of KSEK 17,265, which was carried out in December 2021 but paid in part in early 2022.

Personnel

The average number of employees during the period was 14 (9), 3 (4) of whom were women.

Investments, liquidity and financial position

On 30 June 2022, the cumulative book value of capitalized expenses for research and development amounted to KSEK 68,661 (62,383). The amount refers to development work related to the Company's products. The capitalization during the year was in accordance with principles relating to development and primarily comprised consultancy costs incurred.

The book value of investments in the patent portfolio amounted to KSEK 3,444 (2,869), most of which was related to investments in patents and patent applications regarding the Company's products.

At the balance sheet date, cash and cash equivalents amounted to KSEK 32,275 (18,120).

Equity amounted to KSEK 99,011 (80,590).

The equity ratio was 92 (95) percent.

Significant events during the second quarter

13 April

Lumito and Swedish 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 until the end of the year, such as the design phase, product verification phase and the 0-series production phase.

22 April

Shareholders were convened to the Annual General Meeting to be held on 27 May in the Company's premises at Mårtenstorget, Lund.

9 May

The pre-study that was initiated at the beginning of the year, in collaboration with a research group at Umeå University in Sweden led by Assistant Professor Daniel Öhlund, was completed and yielded successful results. The research group intended to identify

how Lumito's UCNP (Up-Converting Nano Particles) technology could be used to improve the ability to visualize protein expression in pancreatic cancer.

27 May

The Annual General Meeting was held in Lumito's offices in Lund.

15 June

Lumito's innovative technology was showcased at the European Congress of Digital Pathology.

23 June

Lumito and the Finnish company Kaivogen Oy signed a Letter of Intent to produce Lumito's immunohistochemistry reagent kit, which is part of the company's complete product offering in digital tissue analysis.

Significant events after the end of the period

25 July

A preliminary study to explore the potential of Lumito's UCNP to detect immune complex and complement deposits in renal biopsies was initiated in collaboration with University Hospitals Coventry and Warwickshire NHS Trust in the United Kingdom.

CEO comment

During the second quarter of the year, Lumito went from a development company to a commercial company. This is highlighted by our first booth ever at one of Europe's best-attended fairs, the European Congress of Pathology in Basel. This is also the first time we present our solution to pathologists and other professionals in the industry, and something we all are looking forward to.

Our focus during the quarter was and still is to ensure the launch to research laboratories of our first product in the market.

We have broken down the overall digital tissue diagnostics market into two segments, research laboratories and clinical laboratories. The research laboratory market segment, which we initially target, is estimated to account for approximately one third of the total global tissue diagnostics market, which is estimated to be worth SEK 46.7 billion overall with an annual growth rate of 7.7 percent until 2028. The commercial potential is great, and the market is considerable, even though it only represents a third of the overall market.

The choice to initially launch our solution in research laboratories derives from our objective to go to market as soon as possible. This launch will generate revenue at the same time as we collaborate with recognized key opinion leaders in the field through preliminary and proof-of-concept studies. The goal is to create a broad and competitive product by identifying additional indications in which our technology is applicable. These collaborations not only drive interest in our unique technology among the persons looking to stay at the frontier with their research. They are also important for our mapping of where our solution can be of most benefit for healthcare providers, in view of the future launch in a clinical context. In June, we were asked to present our innovative technology with Up Converting Nano Particles (UCNP), which can overcome frequently encountered problems in tissue diagnostics, in the form of a poster at the European Congress of Digital Pathology in Berlin. We are all delighted with the favourable reception of the poster presentation.

In April, we signed a cooperation agreement with Swedish Optronic Partner pr regarding final design, industrialization and O-series production of our first Whole Slide

Imaging (WSI) scanners. The collaboration is proceeding as planned and is based on well-defined delivery points until the end of the year, such as the design phase, product verification phase and the O-series production phase. In June, this agreement was followed by a Letter of Intent signed with Finnish Kaivogen for the production of our reagent kits, marking the next step towards securing production of our product as a whole.

The quarter also saw successful results from the now completed pre-study that was conducted together with a research group at Umeå University led by Assistant Professor Daniel Öhlund. We have been provided with evidence of the benefits of our technology. The research group wanted to identify how Lumito's UCNP technology could be used to improve the ability to visualize protein expression in pancreatic cancer. "Lumito's technology has provided better possibilities, compared with other immunohistochemical methods, to illustrate the penetration of secreted proteins into the tumour stroma," says Daniel Öhlund.

For the first time, we have also initiated an international pre-study with a research group in the United Kingdom, at the University Hospitals Coventry and Warwickshire, part of an NHS Trust. The aim of the study is to use our technology to detect immune complex and complement deposits in renal biopsies.

The effort to build relationships with potential customers and partners continues in parallel with the completion of our first product, which we expect to launch in the latter part of the year.

The autumn will begin with an exercise period for Series T04 warrants between 23 August and 5 September. It is my hope that our committed shareholders will be satisfied with what we have delivered up to now and take advantage of the opportunity to subscribe for new shares in the company. Because we are going to continue to deliver!

Lund, August 2022

Mattias Lundin, CEO Lumito AB (publ)

[Link to the website where the full report is available \(in Swedish\).](#)

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 8:30 am on 18 August 2022.

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Press release
2022-08-18



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 ticker LUMITO, and Mentor is Mangold Fondkommission, telephone: +468-503 015 50.