



Inify
Laboratories

Inify Laboratories

Interim report for the second quarter 2024

This is Inify Laboratories

What we do

Inify Laboratories provides cancer diagnostics in histopathology, initially for diagnosis prostate cancer. We have built an ultramodern laboratory, offering diagnostic services to both public and private healthcare providers. The business model and technical structure allow for scalability in volume, diagnosis and geographical expansion.

How we do it

We have built an ultramodern laboratory and developed a unique structure of systems and processes that enable a fully digital, standardized and AI-assisted workflow in order to optimize quality and shorten response times. We offer services for selected cancer types, where specialization contributes to high and reliable quality.

Why we do it

Clinical pathology is currently under great pressure, with high workloads and limited – even declining – resources in many parts of the world. An aging population, increasing cancer incidence, and more frequent examinations and screening programmes further increase the workload. Solving the problem through labor alone is not an option, due to the acute shortage of medical staff in pathology. It is simply necessary to work in new ways.

Who we are

Inify Laboratories is based in Sweden and became independent in 2022 through a spin-off from ContextVision, which has 40 years of experience in digital images for medical diagnostics. The company is listed on Euronext Growth Oslo.

Our vision:

World leading cancer diagnostics for everyone!

Second quarter highlights

- Operating income of SEK 3,6 million
- Cash position period-end of SEK 46,1 million
- Positive financial results in the subsidiary

Key figures	Q2 2024	Q2 2023	Full year 2023
Average number of shares	45,236,750	45,236,750	45,236,750
Earnings per share (SEK)	-0.30	-0.32	-1.18
Solidity	85.4%	93.6%	91.4%
Net sales (TSEK)	3,614	125	1,193
EBITDA (TSEK)	-12,914	-13,584	-51,401

The company use some figures that are considered as Alternative Performance Measures.
Please see description under section Alternative Performance Measures and Definitions.



Letter from the CEO

Continued strong growth, with over a thousand diagnoses delivered since the start

Sales for the quarter amounted to SEK 3.6 million, which corresponds to a growth of 62% compared to the previous quarter. Total sales for the first half of the year amounted to SEK 5.8 million. Cash balance at the end of the second quarter was SEK 46.1 million. In June, we celebrated the one-year anniversary since the opening of the laboratory, as well as having diagnosed over a thousand patients during that time.

Positive result for Inify Nordic Laboratories

The second quarter saw positive results for Inify Laboratories Nordics AB, which is the subsidiary that manages the day-to-day laboratory operations in Sweden. The laboratory has the capacity to handle sample volumes equivalent to the entire Nordic region's need for prostate cancer diagnostics, while at the same time being our Center of Excellence, contributing to our continued system development. Seeing positive results within a year of the launch of our services is an important milestone for us, further strengthening us in our international expansion plans.

"Seeing positive results within a year of the launch of our services is an important milestone for us."

International markets

We have intensified our work on market mapping internationally, where we have focused on large markets in Europe. By strengthening the team with local resources, we have increased our presence and started to establish local networks in markets of great interest.

We have participated in several conferences in the UK, and have also received study visits from abroad to our laboratory in Stockholm. The interest in Inify is great and consistently positive. In many markets, long and unpredictable response times and varying quality in prostate cancer diagnostics are confirmed to be major challenges. Inify's innovative and holistic concept has an immediate effect and is thus seen by many as a unique solution to these challenges.

Customers & Patients

The number of customers – and thus, the number of patient cases – continue to increase steadily. At present, we estimate that our market share is about 5% of the total market in Sweden, which means that the continued growth potential in our home market is great. Some impact from seasonal variations is to be expected, especially during the summer vacation period when fewer patients go for testing and some customer clinics are closed for several weeks.

We receive repeated confirmation that our short and predetermined response times, combined with standardized reports, create great added value for the urology clinics. This streamlines the entire process, from sampling until the patient is notified with the result.

The fact that the clinics can confidently schedule follow-up visits with patients

within just over a week from the time of sampling makes it possible for doctors to plan the process. We are already seeing how the statistics regarding wait times for patient results have improved significantly on a regional level in Stockholm, where we have the most customers so far, and we anticipate a similar trend on a national level as we continue to grow with new customers. For the patient, a short and predetermined waiting time helps reduce anxiety while waiting for results.

Clear direction forward

Continued growth in line with expectations during the first half of the year, positive feedback from our customers, and a well-functioning system that is continuously developed, all inspire us to accelerate onward from our leading position. This, together with the fact that the diagnostics business in Sweden shows positive results, means that we look forward to an autumn marked by a clear focus on further increasing our Swedish market share, while intensifying our international establishment efforts.

Fredrik Palm

Chief Executive Officer



"We have successfully delivered on all our promises regarding high quality, predictable response times and responsiveness to our customers' needs."

Words from the laboratory Director

It is with great pleasure and pride that I can announce that during the second quarter we celebrated our first year as an operational laboratory. During this year, we have not only met, but also exceeded, both our own and our customers' expectations.

We have successfully delivered on all our promises regarding high quality, predictable response times and responsiveness to our customers' needs. This is confirmed by positive feedback from our customers as well as statistics from the National Cancer Registry, which show that our service has significantly cut many patients' wait times for important diagnoses. This creates great value both for individual patients and for society at large, which we are extremely proud of.

This year's activities have naturally served as a stress test of our system, and the outcome has exceeded our expectations. This experience has strengthened our confidence in the system's capability and robustness. Supported by these positive insights, we continue our methodical and continuous work to refine and optimize our laboratory system to ensure that we are always at the forefront of diagnostic quality, work environment and safety.

We have seen significant growth in our customer base, successfully completed an ISO 15189 accreditation with very good results, and expanded our team with more skilled employees who strengthen our

"This year's activities have naturally served as a stress test of our system, and the outcome has exceeded our expectations."

company culture. We continue to work inter-disciplinary and as a learning organization. During this year, we have built a solid foundation from which to grow, and we consider this to be only the beginning of our journey.

The future looks bright, and we are committed to continuing to deliver exceptional service and create value for our customers and patients. We look forward with confidence to taking the next step in our journey and achieving even greater success together.



Emelie Edvigsson
Laboratory Director

Second quarter 2024

Company history and development

Inify Laboratories AB (publ) is a Swedish company with its registered office in Stockholm, Sweden. The company was incorporated in November 2021 as a subsidiary to ContextVision AB. After a resolution at an extraordinary general meeting in December 2021, Inify Laboratories was spun-off by a dividend of shares that was carried out in February 2022. During 2022 the company built its first laboratory and office facilities, and moved in at the end of 2022. During January 2023 a wholly owned subsidiary was formed, to support the business structure with a suitable organization. The laboratory launched its pathology services for healthcare providers in mid June 2023, focusing on prostate cancer for a start.

Inify Laboratories Group

The group consists of the parent company Inify Laboratories AB (publ), company registration number 559345-4431, and the wholly owned subsidiary Inify Laboratories Nordics AB, company registration number 559416-6828.

The subsidiary was formed in January 2023 and its' business primarily consists of running the daily laboratory and diagnostics operations in the group's first laboratory in Solna, Sweden. The parent company's business consists of conducting research and development, managing the intangible assets, group management and other administrative services at the group level.

Transactions which are eliminated on consolidation

Internal group receivables and liabilities, income or expense and unrealised gains or losses which arise from intra-Group transactions among group companies, are eliminated in the preparation of the consolidated financial statements. As of the balance sheet date 30 June 2024, there were group receivables in the parent company of a total of SEK 4.1 million relating to the subsidiary.

Financial development

During the second quarter of 2024, Inify's operating income amounted to SEK 3 604 thousand (125), which corresponds to an increase of 62% in operating income compared to the previous quarter. All operating income relates to diagnostic services in Sweden and were invoiced in SEK. The Group's costs consist mainly of personnel costs and other external costs. Whilst revenues increase, the cost of goods can be expected to increase

proportionally. The increase in personnel costs compared with the previous year is a natural consequence of the growth of the organization and the hiring of new employees.

Operating results

Inify's consolidated operating result for the second quarter 2024 was SEK -14.1 million (-14.7) and results after financial items was SEK -13.6 million (-14.3). EBITDA for the period was SEK -12.9 million (-13.6).

Cash-flow and financing

Prior to the spin-off from the former parent company (ContextVision) in February 2022, assets were transferred from the parent company to Inify Laboratories with a total value of SEK 31.3 million. The assets transferred included tangible assets amounting to SEK 0.7 million, intangible assets amounting to SEK 10.1 million and bank funds of SEK 20.5 million.

Following a general meeting resolution from 9 May 2022 a private placement and a subsequent offering of NOK 150 million was carried out, to secure long term funding for the company. The raised capital was paid to the company during July 2022.

Cash and bank assets for the group at 30 June 2024 amounted to SEK 46.1 millions (95.8). Cash flow for the second quarter was SEK -13.0 millions (-12.8). Equity at period end amounted to SEK 59.6 millions (110.3), resulting in an equity ratio of 85.4% (93.6%).

Tangible and intangible assets

For tangible and intangible assets a depreciation period of 5 years is applied.

Tangible assets at period end amounted to SEK 9.2 millions (10.3).

The intangible assets consist of the product Inify Prostate™, a decision support tool for prostate cancer diagnosis. It was initially developed by ContextVision, and was acquired and further developed by Inify Laboratories. It now serves as a fully integrated component in the internally developed laboratory information system. Intangible assets at period end amounted to SEK 5.2 millions (7.2).

Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is calculated through the application of the first in, first out method (FIFO). Inventories at period end amounted to SEK 796 thousands (318).

Leasing

The company leases a combined office and laboratory facility on Campus Solna, which houses both the first laboratory and the Group's headquarters. Inify has also signed a lease for an office facility in Linköping, primarily intended for R&D activities. In addition, there are some smaller leasing commitments for vehicles, office equipment and laboratory equipment.

Employees

At June 30th, 2024 the group had 26 (21) employees in total, all located in Sweden. Of these, 20 (21) were employed by the parent company and 6 (0) by the subsidiary.

Incentive program

The Company's general meeting resolved on 9 May 2022 to implement a long-term incentive program for employees (the "Employee Incentive Program") and a long-term incentive program for board members (the "Board Member Incentive Program"). The long-term incentive program consists of a maximum of 3,935,599 options, divided between the Employee Incentive Program and the Board Member Incentive Program. Assuming that all options are exercised, this will correspond to a total dilution of approximately 8% based on the number of outstanding shares at the date of this report. Each option entitles the holder to acquire a new share or a warrant entitling to one share in the Company at an exercise price of NOK 4.80. The granted options vests over a 36-month period and may, as a general rule, only be exercised for the acquisition of new shares if the participant is still employed and the other conditions for qualified employee stock options under the Income Tax Act are met. The holder of options may exercise granted and vested options during the period from the end of the vesting period up to and including the tenth year from the date of grant.

Risks and uncertainties

The major risk factors and uncertainties for the company comprise, but are not limited to, risks related to the business and industry in which the Company operates, legal and regulatory risks, risks related to the Issuer's financial situation and risks relating to the shares and the listing of the shares on Euronext Growth Oslo. In addition to above, the management closely monitor and regularly evaluates any risk that could arise from inflation, increasing energy prices or international instability. For further details on the company's major risk factors, please see the Information Document that was published in connection with the listing on Euronext Growth in June 2022 and the An-

nual Report 2023 that was published on April 11, 2024. The risks and uncertainties have not changed significantly since then.

Related party transactions

Transactions between the parent company and its subsidiary arise naturally in the operations when, for example, premises and certain resources are shared between the companies. The group transactions have mainly concerned the invoicing of rents and services shared between the companies. During the second quarter, the total intra-group revenue of the Parent Company amounted to SEK xx.

Except from above, there has been no other significant transactions with related parties during the period.

Basis of preparation

The condensed financial statements for the second quarter 2024, ending June 30th 2024 have been prepared in accordance with the Swedish Accounting Board's general advice BFNAR 2012:1 Annual accounts and consolidated accounts ("K3"). The condensed financial statements do not include all the information and disclosures required in the annual financial statements.

The functional and reporting currency of the group is Swedish krona (SEK). All amounts, unless otherwise stated, are presented in SEK thousand.

New and changed accounting principles

No new or changed accounting principles have had effect on the accounting for the period.

Subsequent events

During the period between period-end and the issuance of this report no significant events have occurred.

Shareholder information

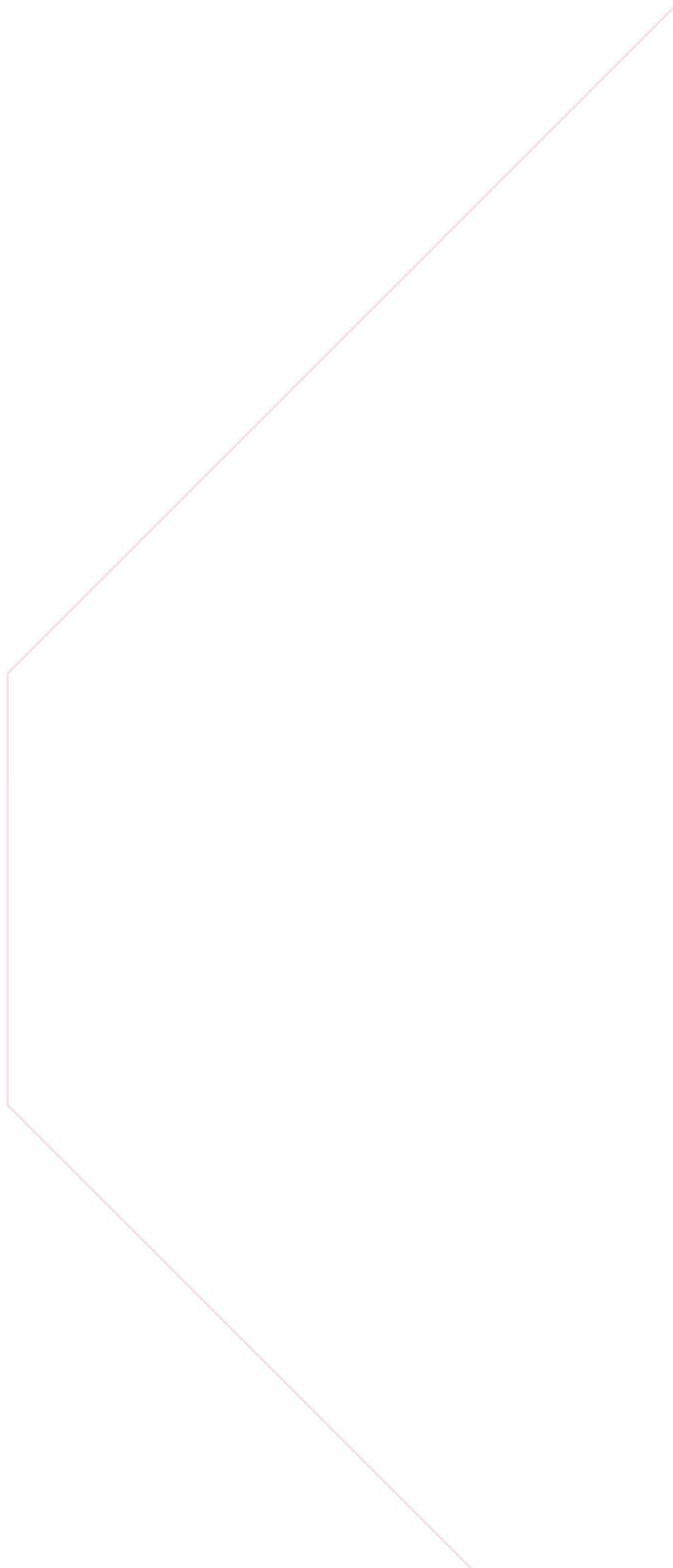
- Inify Laboratories AB is listed on Euronext Growth Oslo under the ticker INIFY (ISIN SE0017486103).
- The company has a total of 45,236,750 shares outstanding. All shares have equal rights and are freely transferable.
- At June 30th, Inify had a total of 1,096 share holders, whereof 2 share holders held more than 10% each of the shares.
- Detailed information on major shareholders can be found on the company's website www.inify.com.
- The 5 largest shareholders as of June 30th, 2024 are listed in the table below.

	No of shares	%	Shareholder
1	27,181,386	60.09	Gallivant S.á.r.l.
2	4,691,412	10.37	Tauri AS
3	1,964,768	4.34	Günther-Hanssen, Sven
4	1,885,683	4.17	Danske Bank A/S
5	1,382,243	3.06	MP Pensjon PK

Financial calendar

This interim report was published on the company's website on the 21st of August 2024. For further information, please visit www.inify.com.

29 February 2024	Publication of Q4 and full year 2023 Financial report
11 April 2024	Publication of Annual Report 2023
24 April 2024	Publication of Q1 2024 Financial report
14 May 2024	Annual General Meeting
21 August 2024	Publication of Q2 2024 Financial report
23 October 2024	Publication of Q3 2024 Financial report
26 February 2025	Publication of Q4 and full year 2024 Financial report



Key figures SEK 1000

	Q2 2024	Q2 2023	Six months 2024	Six months 2023	Full year 2023
Number of shares at period end	45 236 750	45 236 750	45 236 750	45 236 750	45 236 750
Average number of shares	45 236 750	45 236 750	45 236 750	45 236 750	45 236 750
Earnings per share	-0,30	-0,32	-0,56	-0,62	-1,18
Solidity (percent)	85,4%	93,6%	85,4%	93,6%	91,4%
EBITDA	-12 914	-13 584	-24 253	-26 485	-51 401

The company use some figures that are considered as Alternative Performance Measures.
Please see description under section Alternative Performance Measures and Definitions.

Consolidated income statement in summary SEK 1000

	Q2 2024	Q2 2023	Six months 2024	Six months 2023	Full year 2023
Net sales	3 604	125	5 833	125	1 193
Other income	10	0	200	0	0
Total operating income	3 614	125	6 033	125	1 193
Cost of goods	-423	-52	-889	-52	-341
Other external costs	-6 057	-5 743	-11 378	-11 913	-22 911
Personnel costs	-10 049	-7 913	-18 019	-14 644	-29 342
Depreciation	-1 161	-1 099	-2 287	-2 152	-4 359
Operating results	-14 075	-14 683	-26 540	-28 637	-55 760
Interest income	504	381	1 061	538	2 435
Interest cost	-11	0	-11	0	0
Results after financial items	-13 582	-14 303	-25 489	-28 099	-53 325
Tax	0	0	0	0	0
Net results	-13 582	-14 303	-25 489	-28 099	-53 325

Consolidated statement of comprehensive income SEK 1000

	Q2 2024	Q2 2023	Six months 2024	Six months 2023	Full year 2023
Net result for the period	-13 582	-18 240	-25 489	-28 099	- 53 325
Other comprehensive income					
Other comprehensive income that may be reclassified to profit or loss in subsequent periods (net of tax)	0	0	0	0	0
Total comprehensive income	-13 582	-18 240	-25 489	-28 099	-53 325

Consolidated balance sheet in summary SEK 1000

	June 30, 2024	June 30, 2023		December 31, 2023
Assets				
Intangible fixed assets	5 214	7 232		6 223
Tangible assets	9 196	10 342		9 144
Other financial assets	875	875		875
Inventories and other current assets	796	318		272
Current receivables	7 529	3 403		5 633
Cash and bank	46 136	95 762		70 853
Total assets	69 746	117 932		93 000
Equity and liabilities				
Equity	59 558	110 273		85 046
Current liabilities	10 188	7 659		7 954
Total equity and liabilities	69 746	117 932		93 000

Consolidated change in equity in summary SEK 1000

	Q2 2024	Q2 2023		Full year 2023
Opening balance	73 140	124 574		138 372
Total comprehensive income for the period	-13 582	-14 303		-53 326
Contributed Capital	0	0		0
New shares issue	0	0		0
Total	59 558	110 273		85 046

Parent company income statement in summary SEK 1000

	Q2 2024	Q2 2023	Six months 2024	Six months 2023	Full year 2023
Net sales	622	0	1 167	0	946
Other income	9	0	200	0	0
Total operating income	631	0	1 367	0	946
Cost of goods	0	-7	0	-7	-102
Other external costs	-5 472	-5 582	-10 395	-11 636	-21 858
Personnell costs	-8 545	-7 913	-15 510	-14 644	-28 092
Depreciation	-1 145	-1 091	-2 264	-2 141	-4 333
Operating results	-14 531	-14 594	-26 801	-28 429	-53 439
Interest income	490	381	1 046	538	2 434
Interest cost	-9	0	-9	0	0
Other financial items	0	0	0	0	-2 321
Results after financial items	-14 050	-14 213	-25 764	-27 891	-53 326
Tax	0	0	0	0	0
Net results	-14 050	-14 213	-25 764	-27 891	-53 326

Parent company balance sheet in summary SEK 1000

	June 30, 2024	June 30, 2023	December 31, 2023
Assets			
Intangible fixed assets	5 214	7 232	6 223
Tangible assets	8 842	10 199	9 016
Other financial assets	1 117	875	925
Inventories and other current assets	0	94	0
Current receivables	8 716	5 005	7 721
Cash and bank	43 686	94 185	68 527
Total assets	67 576	117 838	92 412
Equity and liabilities			
Equity	59 283	110 480	85 046
Current liabilities	8 293	7 358	7 366
Total equity and liabilities	67 576	117 838	92 412

Parent company change in equity in summary SEK 1000

	Q2 2024	Q2 2023		Full year 2023
Opening balance	73 332	124 692		138 372
Total comprehensive income for the period	-14 050	-14 213		-53 326
Contributed Capital	0	0		0
New shares issue	0	0		0
Total	59 283	110 480		85 046

Signatures

The board and the CEO certify that this interim report for the period 1 April – 30 June 2024 to the best of our knowledge, includes a fair and true review of the company's significant events, operations, financial position, results and related party transactions, and also describes the significant risks and uncertainties that the company faces. This report has not been reviewed by the company's auditors.

Stockholm, 20 August, 2024

Olof Sandén
Chairman of the board

Fredrik Palm
CEO

Martin Ingvar
Boardmember

Magne Jordanger
Boardmember

Alternative performance measures and definitions

In its financial reports, the company presents certain financial measures, including Key Figures, which are considered as Alternative Performance Measures (APM). The company believes that these figures provide useful supplementary information to investors and the company's board and management as they enable a better evaluation of the company's financial performance. Because not all companies calculate the financial figures in the same way, these are not always comparable to measures used by other companies.

Key figure	Definition	Motivation for usage
Earnings per share after tax (Return on equity)	Net result for the period divided by the number of outstanding shares at period end.	Earnings per share shows the company's results in relation to shares, and provides additional information regarding the company's profitability.
Solidity (Equity ratio)	Equity at period end as a percentage of total assets.	The equity ratio shows the company's long term ability to pay its debts and is a complement to other key figures. It helps assess the possibility of dividends.
EBITDA	Earnings before interest, taxes, depreciation and amortization. Operating profit/loss before interest, taxes, impairment and depreciation/amortization.	EBITDA shows the company's underlying development, which is valuable as an indication of the company's underlying cash-generating capacity.

Definitions

Accreditation

Accreditation is a formal recognition that an organization is competent to perform specified tasks in testing, inspection and certification.

Artificial Intelligence (AI)

Artificial Intelligence is the intelligence exhibited by machines or software.

Biopsy

A small tissue sample taken with a hollow needle.

Digital Pathology

Digital pathology refers to the digital images of histopathology samples. The digitalization is achieved by scanning the prepared samples.

Histopathology

Examination of tissue specimens to study the visible manifestations of disease.

Image analysis

Processing a digital image in order to describe/classify its contents or to extract quantitative measurements.

LIS

Laboratory Information System

Machine Learning

Machine learning is the study of computer algorithms that automatically improve through experience.

Pathology report

A medical report provided to the referring physician that describes the characteristics of a piece of tissue, blood, or body organ that has been removed from the body.

Referral/request

Order from a physician for a diagnostic examination of a specimen of tissue or other samples from a patient.

Specimen

Part of a human body (e.g., Biopsy Specimen) or organ that is to be examined by the laboratory.



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Inify Laboratories provides cancer diagnostics through ultra-modern laboratory services within histopathology. Fully digital, standardized and AI-supported workflow is applied to optimize quality and response times, initially for prostate cancer. The concept is scalable and extendable to other diagnosis. The company origins from ContextVision and became independent in February 2022. The company is based in Sweden and listed on Euronext Growth Oslo under the ticker INIFY.