



Press release

July 4, 2022

Ludocare, specialist in digital therapies dedicated to pediatrics, announces a €4.2 M fund-raising round



Paris, Lyon, July 4, 2022 - Ludocare, a French player in the digital therapies market, announces that it has raised 4.2 million euros from Karista and Bpifrance, which is participating via its Patient Autonome fund and the French Tech Seed fund managed on behalf of the French government by Bpifrance as part of France 2030. Ludocare has developed a digital therapy in the form of a connected medical companion dedicated to very young children suffering from chronic illnesses such as asthma, in response to the major challenge of non-adherence to therapy in this type of pathology. This round of financing is intended to accelerate the company's development by enabling the launch of a clinical study, the implementation of a medical prescription strategy and the strengthening of its teams.

Based in Lyon, Ludocare is a French player in the market for digital therapies, a market that is recent in Europe but growing rapidly worldwide (CAGR +75%¹). These new therapies (known as DTx) are digital tools designed to **prevent, manage or treat** a medical disorder or disease.

Highly supported by its ecosystem, Ludocare has won numerous awards, including Digital Therapy of the Year at the MedInTechs 2022 Conference and the 2019 i-Lab innovation competition.

At a time when the overall cost of poor compliance with chronic illnesses is close to 9.4 billion euros² in France, Ludocare is tackling the #1 chronic respiratory illness in children. Today, 10.7% of children in France suffer from asthma³ (14% of children on average worldwide⁴); asthma represents a major public health issue, with compliance barely estimated at 30%⁵, mainly due to the cumbersome nature of treatments and the complexity of proper device use. This poor compliance has considerable medical and economic consequences.

Ludocare's Digital Therapy provides children with essential **personalized support** to complement their medication. It empowers children to take their medication, and works on two levels :

- quantitative compliance, thanks to reminders of doses pre-recorded by parents in an application connected to the robot, so that their treatment becomes part of a routine;
- proper use of devices, by guiding the child in the right gestures to avoid misuse and maximize the efficacy of medicines.

When it's time to take medication, Ludocare's robot rings and calls the child. It accompanies the child step by step, calling out the name of the medication and its dosage, and showing the correct gestures through on-screen animations. It motivates the child by unlocking personalized daily multimedia rewards (song, story, game, etc.), thanks to a learning algorithm. The robot also transmits treatment monitoring data to parents via the connected application, and to the doctor during consultations. Empowering young patients from an early age maximizes their chances of optimal care and a serene, healthier life, despite their pathology. Through this day-to-day digital support, patients gain greater acceptance of their pathology, a beneficial form of resilience and a family pact around the patient. It encourages destigmatization. As a result, children gain in autonomy and self-confidence.

¹ L'essor des thérapies digitales – Juniper Research 2019

² Améliorer l'observance – Traiter mieux et moins cher – IMS Health & Crips

³ Santé publique France 2019 – Prévalence et contrôle de l'asthme chez le jeune enfant en France

⁴ Global Asthma report 2018

⁵ Revue de pédiatrie Pulmonaire avril 2004 (Pubmed)

This round of financing will enable Ludocare to:

- launch a large-scale clinical study in France to confirm the excellent follow-up results already obtained by Ludocare over the past 3 years on several hundred families.
- implement a medical prescription strategy via commercial partnerships and the search for financial solutions for families.
- expand the existing team to (i) continue to raise the profile of the therapeutic solution in France, (ii) initiate developments in other pediatric chronic pathologies to create a genuine pediatric chronic disease support platform, and (iii) prepare access to new international markets.

❁ **The global challenge: to tackle the problem of non-compliance by taking action from childhood onwards, in order to have a positive long-term impact on patients' health.**

Chronic, non-curable diseases such as diabetes, stroke, psychiatry, respiratory illnesses and, in some cases, cancer, are on the increase worldwide. While 20% of deaths today are linked to the consequences of chronic pathologies and their poor management, one of the main issues is what is known as therapeutic non-adherence.

Compliance is defined as a patient's respect for the medical instructions given by his or her doctor. Although simple in practice, the reality is far more complex: worldwide compliance is less than 50%. According to the WHO, "solving the problem of non-adherence to treatment would be more effective than the advent of any medical progress".

In Ludocare's view, if we want to have a positive long-term impact, we need to take action right from childhood. Beyond strict compliance with instructions, compliance is above all a question of **education, autonomy and habits**. As with all life's other learning processes, it's from the earliest years that we need to guide, educate and support our patients towards a sense of responsibility. An active patient is a committed patient, whatever his or her age.

Ludocare focuses primarily on **asthma, which affects 10% of children**, making it the world's number 1 pediatric chronic disease. **Compliance** among asthmatic children is **estimated at 30%**. Treatments are complex and time-consuming, leading to misuse and reduced efficacy. **Poor compliance** leads to **poorer asthma control**, increased drug consumption, numerous hospitalizations and absenteeism. In the most critical cases, or when asthma attacks are poorly managed, the disease remains deadly: it kills **almost 1,000 people a year in France, including one teenager every 3 to 4 weeks !**

Pediatrician compliance rests 100% on the shoulders of parents, which is a source of tension and anxiety in the home. The phenomenon of pediatric non-compliance is particularly difficult to measure. It can be a real taboo for parents, who feel a sense of failure and guilt.

For Alexandra de la Fontaine, Ludocare's founding CEO, **Beyond the medical impact, chronic illness discriminates. Our commitment and motivation at Ludocare are more than ever to respond to this major public health issue that has gone unaddressed for so many years. We are contributing in our own small way to improving the physical and psychological health of children, and to the mental relief expected by their families. This fundraising will enable us to demonstrate the clinical and economic benefits of our digital therapy. Our strategy is to make France a springboard for international expansion".**

For Catherine Boule, Managing Director of Karista, **"Ludocare's approach is resolutely original and innovative, attempting to get to the root of the problem, i.e. from an early age. The initial results obtained with the robot in over 200 families are very encouraging, showing a drastic improvement in compliance over time. These results now need to be validated clinically. Ludocare's strength also lies in its platform, which can be adapted to a number of chronic pathologies. We are delighted to support Ludocare and its team in this important new phase, which should open the door to reimbursement in France before we enter other geographies".**

According to Joséphine Marie, investor at Bpifrance: **"We were won over by Ludocare's unique positioning, which addresses a major public health and social problem - the lack of compliance among children suffering from chronic illnesses, starting with asthma, the leading pediatric chronic disease whose management can be significantly improved. The potential for creating a platform extended to other diseases and other countries seems to us to create value over time."**

About:

Ludocare

Founded in 2017, Ludocare is a Lyon-based start-up whose mission is to improve the health of children with chronic illnesses through dedicated solutions. The team mobilizes to put technological innovation at the service of patients, their families and healthcare professionals. Its JOE digital therapy is CE DM class 1 certified. In addition to its public health mission, Ludocare is strongly committed to its local area and to vulnerable populations, notably by collaborating with an assembly workshop that works to reintegrate people who are far from employment. The solution is 100% French, with

industrial partners based in the Auvergne-Rhône-Alpes region. www.ludocare.com

KARISTA

Karista is an early-stage innovation capital company investing in ambitious projects. Over the past 20 years, we have supported more than 100 companies from inception to success in the fields of Healthcare, Digital, Technology and NewSpace. Because we believe that investment is not just a question of money, but above all of people, we support our founders and entrepreneurs from the very beginning. www.karista.vc

About Bpifrance, the Patient Autonomy Fund and the French Tech Seed

Bpifrance's equity investments are managed by Bpifrance Investissement. Bpifrance finances companies - at every stage of their development - with credit, guarantees and equity. Bpifrance supports them in their innovation and international projects. Bpifrance now also supports their export activities through a wide range of products. Consulting, university, networking and acceleration programs for startups, SMEs and ETIs are also part of the range of services offered to entrepreneurs. Thanks to Bpifrance and its 50 regional offices, entrepreneurs benefit from a single, close and efficient contact to help them meet their challenges.

Bpifrance's Patient Autonome fund, launched in early 2018, targets start-ups developing innovations that enable.

- Optimization of healthcare costs, - Better care by helping to strengthen the relationship between a healthcare professional and his or her patient (telemedicine, remote monitoring, digital therapies),
- Improved quality and efficiency of care,
- Improvements in the care pathway, particularly for chronic diseases (diabetes, cancer, mental health, etc.), by helping to prevent illnesses and their complications, by facilitating the diagnosis of illnesses and monitoring their progress in real time, thanks in particular to artificial intelligence and deep/machine learning. www.Bpifrance.fr

The 500 million euro French Tech Seed Fund, operated on behalf of the French government by Bpifrance as part of France 2030, aims to support the fundraising of innovative start-ups and VSEs less than 3 years old with technology-intensive innovations. A product of France 2030 and operated by Bpifrance, the fund relies on accredited business introducers to identify and qualify these start-ups, and put them in touch with private investors. These business introducers, who guarantee the technological validity of the project, will enable public investment, in the form of Convertible Bonds of up to 400 million euros, to complement the capital provided by private investors. A further 100 million euros are earmarked for equity investment in addition to the conversion of Convertible Bonds.

About France 2030

The France 2030 investment plan:

Translates a dual ambition: to transform key sectors of our economy (energy, automotive, aeronautics and space) through technological innovation, and to position France not just as a player, but as a leader in the world of tomorrow. From fundamental research, to the emergence of an idea, to the production of a new product or service, France 2030 supports the entire life cycle of innovation, right through to industrialization.

The scale of the program is unprecedented: €54 billion will be invested so that our companies, universities and research organizations can successfully make the transition to these strategic sectors. The aim is to enable them to respond competitively to the ecological and attractiveness challenges of the world to come, and to nurture the future leaders of our sectors of excellence. France 2030 is defined by two cross-functional objectives: to devote 50% of its spending to decarbonizing the economy, and 50% to emerging, innovative players, without spending money that is detrimental to the environment (in line with the Do No Significant Harm principle).

Will be implemented collectively: designed and deployed in consultation with economic, academic, local and European players to determine the strategic orientations and flagship actions. Project leaders are invited to submit their applications via open, demanding and selective procedures, in order to benefit from government support.

The program is managed by the "Secrétariat Général pour l'Investissement" on behalf of the Prime Minister, and implemented by the Agence de la Transition Ecologique (ADEME), the Agence Nationale de la Recherche (ANR), Bpifrance, Banque Publique d'Investissement and the Caisse des Dépôts et Consignations (CDC).

For further information: www.gouvernement.fr/secretariat-general-pour-l-investissement-sgpi

Media Contacts:

LUDOCARE : Anna Lavorel

anna.lavorel@ludocare.com / +33 7 44 44 46 25

KARISTA : Anna Casal

anna.casal@strategieetmedias.com / +33 6 50 61 55 71

Bpifrance : Laure Schlagdenhauffen

laure.schlagdenhauffen@bpifrance.fr / +33 1 41 79 85 38