



Press Release

July 4th 2022

Ludocare, specialized in digital therapeutics dedicated to pediatrics,
announces a €4.2 million financing round



Paris, Lyon, July 4, 2022 - Ludocare, a French player in the digital therapy market, announces a fundraising of €4.2 million 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 diseases such as asthma, to address the major issue of treatment non-adherence 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 digital therapies market, a recent market in Europe but one that is growing rapidly worldwide (CAGR +75%). These new therapies (known as DTx) are digital tools whose objective is to **prevent, manage or treat** a medical disorder or disease.

Strongly supported by its ecosystem, Ludocare has won numerous awards including Digital Therapeutics of the Year at the MedInTechs 2022 conference and the 2019 i-Lab Innovation Competition.

While the overall cost of poor compliance with chronic diseases reaches nearly 9.4 Billion Euros in France, Ludocare is tackling the #1 chronic respiratory disease in children. Today 10.7% of children suffer from asthma in France (14% of children on average in the World); asthma represents a major public health issue with compliance estimated at barely 30% due in particular to the cumbersome nature of the treatments and the complexity in the proper use of devices. This low compliance has considerable medical and economic consequences.

Ludocare Digital Therapeutics provides children with essential personalized support to complement their drug treatments. It empowers the child in his or her treatment and acts on two levels:

- quantitative compliance, thanks to reminders of intake pre-recorded by the parents in an application connected to the robot, in order to include his treatment in a routine;
- the proper use of devices, by guiding the child in the right gestures to avoid misuse and maximize the effectiveness of the medication.

At the time of taking medication, the Ludocare's robot rings and calls the child. It accompanies him step by step by stating the name of the medicines and their dosage as well as showing the right gestures to make through animations on the screen. It motivates the child by unlocking daily multimedia rewards (song, story, game...) and personalized, thanks to a learning algorithm. The robot also transmits data on treatments taken to parents via the connected application, data which can be shared with doctors during consultations.

The empowerment of young patients from an early age maximizes their chances of optimal care and a serene life in better health despite the pathology.

Through this daily digital support, patients gain a better acceptance of their pathology, a form of beneficial resilience, a family pact around the patient. It encourages a destigmatization of the pathology. Thus, the child gains in autonomy and self-confidence.

This fundraising will allow Ludocare to :

- start a large-scale clinical study in France to confirm the very good follow-up results already obtained by Ludocare over the last 3 years on several hundred families;
- Implement a medical prescription strategy through commercial partnerships and the search for financial solutions for families;
- expand the existing team to (i) continue to make the therapeutic solution known in France, (ii) initiate developments on other pediatric chronic pathologies to constitute a real platform for supporting pediatric chronic diseases and (iii) prepare access to new international markets.

- **The global challenge: to respond to the problem of treatment non-adherence by acting from childhood onwards to have a positive long-term impact on patients' health.**

Chronic, non-curable diseases, requiring daily therapeutic follow-up, such as diabetes, stroke, psychiatry, respiratory diseases, and in part cancers, are constantly increasing 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 the respect by the patient of the medical instructions given by his doctor. Although it seems simple, the reality is much more complex, since worldwide compliance is less than 50%. According to the WHO, "solving the problem of non-adherence would be more effective than any medical progress".

For Ludocare, if we want to have a long-term positive impact, we must act from childhood. Compliance, beyond the strict respect of instructions, is above all a question of education, autonomy and habits. As with all other life lessons, it is in early childhood that we must guide, educate and accompany towards responsibility. A patient who is an actor is a committed patient, regardless of age.

Ludocare focuses primarily on asthma, which affects 10% of children, making it the number one chronic pediatric disease in the world. Compliance in asthmatic children is estimated at 30%. The treatments are heavy and complex to use, which leads to numerous misuses and therefore a lesser effectiveness of the treatment. However, poor compliance leads to un-controlled asthma, increased consumption of medication, numerous hospitalizations and school absenteeism. In the most critical cases, or when asthma attacks are poorly managed, the disease remains deadly: it kills nearly 1,000 people a year in France, including one teenager every 3 to 4 weeks!

Pediatric compliance rests 100% on the shoulders of the 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 president and founder, "Beyond the medical impact, chronic disease discriminates. Our commitment and motivation at Ludocare are more than ever to respond to this major public health issue that has not been addressed for so many years. We contribute to the improvement of the physical and psychological health of children and to the expected mental relief of their families. This fundraising will allow us to demonstrate the clinical and economic benefits of our digital therapy. Our strategy is to make France a springboard for international expansion.

According to Catherine Boule, GM of Karista, "Ludocare has a resolutely original and innovative approach, attempting to get to the root of the problem, i.e. from a very young age. The first results obtained with the robot in over 200 families are very encouraging and show a drastic improvement in compliance over time. These results must now be validated clinically. Ludocare's strength also lies in its platform, which can be adapted to several chronic diseases. We are delighted to support Ludocare and its team in this important new phase, which should open the door to reimbursement in France before entering other geographies."

Joséphine Marie, an investor at Bpifrance, said: "We were attracted by Ludocare's unique positioning, which addresses a major public health and social problem: the lack of compliance among children suffering from chronic diseases, starting with asthma, the leading chronic pediatric disease whose management can be significantly improved. The potential to create a platform that is 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 diseases through dedicated solutions. The team is mobilized to put technological innovation at the service of patients, their entourage and healthcare professionals. Its digital therapy JOE is CE DM class 1 certified. Ludocare, in addition to its public health mission, is strongly committed to its territory and to vulnerable populations by collaborating with an assembly workshop that works for the professional reintegration of people far from employment. The solution is 100% French and its industrial partners are located in the Auvergne-Rhône-Alpes region. www.ludocare.com

KARISTA

Karista is an early-stage innovation capital company that invests in ambitious projects. For the past 20 years, we have supported more than 100 companies from their creation to their success in the fields of Health, Digital, Technology and NewSpace. Because we believe that investment is not only a question of money but also 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 Fund

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

Bpifrance's Patient Autonomy fund, launched in early 2018, targets start-ups that develop innovations that enable

- Better care by strengthening 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 diseases and their complications, by facilitating the diagnosis of the disease and by monitoring its evolution in real time, particularly through artificial intelligence and deep/machine learning. www.Bpifrance.fr

The €500 million 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. The fund, which was created by France 2030 and is operated by Bpifrance, relies on accredited business introducers who are responsible for identifying and qualifying these start-ups and putting 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, in addition to the capital provided by private investors. In addition, €100 million will be dedicated to equity investments in addition to the conversion of the Convertible Bonds.

About France 2030

The France 2030 investment plan :

Translates a dual ambition: to sustainably transform key sectors of our economy (energy, automotive, aeronautics or even space) through technological innovation, and to position France not just as a player, but as a leader in the world of tomorrow. From basic 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 up to its industrialization.

It is unprecedented in its scope: €54 billion will be invested so that our companies, universities and research organizations can successfully make the transition in these strategic sectors. The challenge is to enable them to respond competitively to the ecological and attractiveness challenges of the coming world, and to create the future leaders of our fields of excellence. France 2030 is defined by two cross-cutting objectives: to devote 50% of its spending to decarbonizing the economy, and 50% to emerging, innovative players, without spending that is unfavorable to the environment (in the sense of 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 directions and key actions. Project leaders are invited to submit their applications via open, demanding and selective procedures in order to benefit from the State's support.

The program is managed by the General Secretariat for Investment on behalf of the Prime Minister and implemented by the French Agency for Ecological Transition (ADEME), the National Research Agency (ANR), Bpifrance, the Public Investment Bank and the Caisse des Dépôts et Consignations (CDC).

Plus d'informations sur : www.gouvernement.fr/secretariat-general-pour-l-investissement-sqpi