



Senzime signs license agreement with Fukuda Denshi

Uppsala, December 5, 2016. Senzime AB (publ) has signed an exclusive licensing agreement with Japanese Fukuda Denshi Co Ltd ("Fukuda"). The agreement gives Fukuda the exclusive right to license and commercialize Senzime's TetraGraph system in Japan with market launch expected by the end of 2017. Senzime's management and board expects this 10-year agreement to generate more than SEK 100 million in license revenue related to future milestone payments and royalties.

Fukuda Denshi is one of the global market leaders in the field of patient monitoring. The company was founded in 1939 and reported global revenues in excess of JPY 100 billion in 2015. Pursuant to the Agreement, Fukuda licenses the TetraGraph technology to exclusively commercialize a handheld monitoring system under its own brand on the Japanese market. Furthermore, Fukuda is granted rights to develop, at its own expense, an integrated modular system based on the TetraGraph technology. This latter solution is to be offered as an accessory to Fukuda's installed base of patient monitors in Japan.

"This is a major milestone for Senzime and the first major commercialization step in our journey to become a leader in patient monitoring. Fukuda is one of the world's leading companies in this field and the joint long-term commitment proves the competitiveness of our product offering. It's certainly a breakthrough for Senzime", says Lena Söderström, CEO of Senzime AB.

The Senzime TetraGraph is a monitoring system developed to meet today's high standards of usability and reliability. Objective and preventive monitoring of patients undergoing anesthesia with neuromuscular blocking agents was proven to reduce the risk of complications by more than 50%, resulting in great benefits for patients and healthcare providers.

The license agreement includes fixed milestone payments as well as fixed license fees based on actual sales. The license fees are not disclosed. The first products are expected to be launched in Japan in late 2017, and for the fiscal year of 2017, Senzime expects fixed license fees of SEK 4 million. The license fees are paid to Senzime on a quarterly basis. Fukuda will source components directly from designated suppliers; hence, Senzime will not carry any inventory for Fukuda, have any cost of goods sold related to the license fees, or have any other working capital needs in relation to the agreement.

In Japan, approximately 2.7 million patients undergo surgery and general anesthesia in approximately 13,500 operating rooms¹. This represents approximately 2% of the global market². The agreement with Fukuda spans 10 years and is expected by Senzime's management and board to generate more than 100 MSEK in license revenues in the form of fixed and variable royalty payments based on sales of products with Senzime's technology. The forecast is substantiated by Senzime's assumptions of increased volumes and the license fees agreed upon during the contract period, however, sales quota are not guaranteed by Fukuda.

For further information, please contact:

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¹. Yano Research Institute Ltd (report 2014), and Fukuda Denshi.

². There are 405,000 operating rooms worldwide (Lancet 2010: Global operating theatre distribution and pulse oximetry supply: an estimation from reported data Funk LM, et al.) and 234.2 million patients (Lancet 2008: An estimation of the global volume of surgery: a modelling strategy based on available data. Weiser TG et al.)

TO THE EDITORS**About Sensime**

Sensime develops unique patient-oriented monitoring systems that make it possible to assess patients' biochemical and physiological processes before, during and after surgery. The portfolio of technologies includes bedside systems that enable automated and continuous monitoring of life-critical substances such as glucose and lactate in both blood and tissues, as well as systems to monitor patients' neuromuscular function perioperatively and in the intensive care medicine setting. The solutions are designed to ensure maximum patient benefit, reduce complications associated with surgery and anesthesia, and decrease health care costs. Sensime operates in growing markets that in Europe and the United States are valued in excess of \$10 billion. The company's shares are listed on AktieTorget (ATORG: SEZI) www.sensime.com

About Fukuda Denshi

FUKUDA DENSHI, which succeeded in 1939 in developing the first electrocardiograph (ECG) ever produced in Japan, has continued enhancing its know-how as a pioneer of the electrocardiograph in this country while building a firm foundation in the medical equipment industry and continuing to grow along with the daily-evolving health and medicine fields. The FUKUDA DENSHI Group is a manufacturer specialized in medical instruments, which provides products and services utilizing our accumulated wide-ranging resources in the medical field to offer total support "from medical examination to medical treatment and first aid, and even home medical care." FUKUDA DENSHI is publicly traded on JASDAQ. <http://www.fukuda.co.jp>