



Summary of Interim Report
January – June, 2016

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“We’re building a new global leader in the field of patient monitoring”

Financial information second quarter 2016.

- Net sales amounts to KSEK 521 (30)
- Income after financial items amounts to KSEK -2,024 (-2,167).
- Earnings per share before dilution amounts to SEK -0.09 kr (-0.15).
- Cash and cash equivalents per June 30, 2016 equal SEK 8.0 million (19.5).
- Number of shares per June 30, 2016 amounts to 32,153,460 (16,076,730).

Financial information January – June, 2016

- Net sales amounts to KSEK 543 (77).
- Income after financial items amounts to KSEK -3,876 (-3,801).
- Earnings per share before dilution amounts to SEK -0.20 (-0.28).

Definitions. Earnings per share: Net income for the period divided by the average numbers of shares during the period. In parentheses is describes comparative period last year. Unless otherwise stated, all information refer to the Group.

Significant events during the second quarter

- April 2016. Senzime receives research grant from Vinnova through BIO-X to conduct a study designed for clinical evaluation of OnZurf Probe and CliniSenz Analyzer for postoperative monitoring of patients with esophageal cancer. The grant also provides the ability to carry out activities prior to commercialization and CE marking of the products. The grant amounts to SEK 2 million, and the study will be conducted in Lund.
- May 2016. Senzime acquired Acacia Designs BV (“Acacia”), an international development company within anesthesia monitoring. The acquisition was financed by 16,076,730 newly issued shares in Senzime through a non-cash issue. After the acquisition, Acacia’s shareholders owned 50 percent of the shares in Senzime. In connection with the acquisition, a rights offering to existing shareholders was made, amounting to 15.2 million SEK before transaction expenses. The rights offering is fully guaranteed through subscription commitments and guarantees.
- June 2016. New shares issue with preferential rights for existing shareholders was performed and was subscribed to 92.6 percent of the original offer. The

remaining 7.5 percent of the shares is allocated to the underwriters. The proceeds in the issue totals SEK 15.3 million before transaction-related costs.

- June 2016. Senzime has hired Jessica Roxhed as new CFO and Catrin Molund as new Director of Business development. Jessica joins with experience from various financial positions within Life Sciences and most recently the Church of Sweden, where she was controller. Catrin joins with a long-term career in various management positions at Orexo AB, a publically traded specialty pharmaceutical company. Both will join Senzime starting on September 1.

Significant events after the period end

- July 2016. New share issue with preferential rights for existing shareholders that was performed during May – June is now registered with the Company’s Registration Office. The proceeds in the issue totals SEK 15.3 million before transaction costs.
- August 2016. Örebro University has been awarded SEK 11 million and will together with Senzime, Sandvik, Techtum and Nanoxis explore why the immune system reacts differently in different people after an operation, during an infection or because of polluted air.



Statement of the CEO

“We are building a new global leader in the field of patient monitoring”

Senzime develops unique medical devices that make it possible to monitor patients' biochemical and physiological processes before, during and after an operation. The solutions are designed to ensure maximum patient benefit, reduce complications associated with surgery and reduce health care costs.

During the second quarter of 2016, Senzime AB acquired Acacia BV, a medical device company that has developed a novel and reliable method of monitoring the depth of neuromuscular block and determine the adequacy of neuromuscular recovery during general anesthesia. The method of monitoring is designed to reduce perioperative complications in surgical patients. The merger between Senzime and Acacia creates a company with a broader market offering of patient monitoring systems of biological and physiological processes in perioperative surgical patients. The new company significantly increases Senzime's market potential and opportunities, and benefits from Acacia's existing international clinical network.

Senzime AB shall deliver products to the healthcare market that contribute to improved patient safety and reduce health care costs. This is Senzime's vision, and in 2015 and 2016, we have taken major steps forward, including the strategic acquisition of the company that developed OnZurf Probe, and most recently, Acacia monitoring company. The acquisitions are fully aligned with our strategy to build a global leader in patient monitoring. Through the merger, Senzime has expanded its international reach, as well as its range of medical devices designed to improve perioperative patient monitoring.

As previously announced, Acacia signed a letter of intent with one of the world's premiere developers of anesthesia monitoring devices during spring 2016. Acacia received an initial smaller down payment under this agreement, in which the rest of the amounts are reported in Senzime's results during the second quarter. The goal is to finalize a more comprehensive license during the latter part of 2016.

During the second quarter of 2016, and as previously reported, we received a competitive research grant from Uppsala Bio, BIO-X, to conduct a clinical study designed to clinically evaluate OnZurf Probe and CliniSenz Analyzer. We have already conducted a clinical study that monitored the blood glucose levels in patients at risk for diabetes. The next steps will be to document the benefits of OnZurf Probe and CliniSenz Analyzer in patients with esophageal cancer, which is a large and growing patient population, and we will continue to seek partnerships to help us document the clinical benefits of our products.

We remain confident that we have highly attractive monitoring products and that we are capturing the perioperative market at the appropriate time. We have competitive solutions in a large and growing medical market; we will shortly introduce our products to the market, which of course is very exciting after all the years of development. As I wrote in the Q1 report, we look forward to a continually eventful 2016 and beyond.

Uppsala in August 2016

Lena Söderström
CEO



Consolidated Income Statement

KSEK	Note	Q 2 2016	Q 2 2015	Jan-jun 2016	Jan-jun 2015	Full year 2015
Sales revenue		521	30	543	77	153
Cost of goods sold		-134	-563	-262	-1,096	-1,730
<i>of which goods</i>		-22	-77	-31	-123	-228
<i>of which salaries</i>		-18	-134	-43	-183	-323
<i>of which external services</i>		-10	-24	-20	-133	-150
<i>of which depreciation</i>		-84	-328	-168	-657	-1,029
Gross income		387	-533	281	-1,019	-1,577
Selling and administrative expenses	1	-2,323	-1,848	-4,074	-3,002	-6,532
Other operating income		1	214	11	222	523
Other operating expenses		-89		-94	-1	-11
Operating income		-2,024	-2,167	-3,876	-3,800	-7,597
Financial income					1	17
Financial expenses					-2	-2
Total financial items		0	0	0	-1	15
Income after financial items		-2,024	-2,167	-3,876	-3,801	-7,582
Income tax						2
Net income		-2,024	-2,167	-3,876	-3,801	-7,580
Average number of shares before dilution		23,579,204	14,144,668	19,827,967	13,569,874	14,823,302
Average number of shares after dilution		23,692,247	14,220,332	19,924,661	13,607,706	14,921,053
Earnings per share before dilution, SEK		-0.09	-0.15	-0.20	-0.28	-0.51
Earnings per share after dilution, SEK		-0.09	-0.15	-0.19	-0.28	-0.51

Consolidated Balance sheet

KSEK	Note	30 Jun 2016	30 Jun 2015	31-dec-15
ASSETS				
Non-current assets				
Intangible assets	2	139,932	30,993	32,242
Machinery and equipment		54	6	30
Total non-current assets		139,986	30,999	32,272
Current assets				
Inventories		448	487	492
Accounts receivables		39	30	7
Other current assets		15,755	433	253
Prepaid expenses and accrued income		279	281	300
Cash and cash equivalents		7,971	19,490	14,479
Total current assets		24,492	20,721	15,531
TOTAL ASSETS		164,478	51,720	47,803
EQUITY AND LIABILITIES				
Equity		137,058	49,590	45,810
Provisions		21,133	512	510
Current liabilities				
Borrowings			74	37
Accounts payable		4,389	754	573
Other liabilities		327	199	238
Accrued expenses and prepaid income		1,571	591	635
Total current liabilities		6,287	1,618	1,483
TOTAL EQUITY AND LIABILITIES		164,478	51,720	47,803
Pledged assets				
For own liabilities and provisions				
Financial guarantees		3,038	3,038	3,038
Total pledged assets		3,038	3,038	3,038
Contingent liabilities		Inga	Inga	Inga

Consolidated Statement of
Changes in Equity

KSEK	Equity	Unregistered share issue	Statutory reserve	Development fund	Share premium reserve	Retained earnings	Total equity
Opening balance at January 1, 2015	27,556	12,866	3,839		24,866	-25,046	44,081
New share issue	12,636	-12,866			11,393		11,163
Issue expenses					-1,853		-1,853
Net income						-3,801	-3,801
Total equity at June 30, 2015	40,192	-	3,839	-	34,406	-28,847	49,590
Opening balance at January 1, 2016	40,192		3,839		34,406	-32,626	45,811
Change of Development fund				1,474	-1,474		-
Reduction equity	-38,182					38,182	-
Issue for non-cash consideration (Acquisition Acacia)	2,009				79,982		81,991
New share issue		15,273					15,273
Issue expenses		-2,323					2,323
Net income						-3,876	-3,876
Omräkningsdifferens						182	182
Total equity at June 30, 2016	4,019	12,950	3,839	1,474	112,914	1,862	137,058

Consolidated Statement of Cash Flows

KSEK	Not	Q 2 2016	Q 2 2015	Jan-jun 2016	Jan-jun 2015	Full year 2015
Operating cash flow						
Income after financial items		-2,024	-2,167	-3,876	-3,801	-7,582
Adjustment for depreciations		169	384	338	712	1,252
Other adjustments for items not included in cash flow		182		182		
Cash flow after operating activities before changes in working capital		-1,673	-1,783	-3,356	-3,089	-6,330
Cash flow from changes in working capital						
Changes in inventories and work in progress		-4	-127	44	-125	-131
Changes in current receivables	3	-1,362	-394	-1,389	533	718
Changes in current liabilities		879	544	1,125	-572	-671
Cash flow from operating activities		-2,160	-1,760	-3,576	-3,253	-6,414
Investing activities						
Acquisition of intangible fixed assets		-988	-1,949	-2,074	-2,529	-4,316
Acquisition of tangible fixed assets		-28		-28		-26
Acquisition of subsidiaries net of cash and cash equivalents	2	-793		-793		
Cash flow from investing activities		-1,809	-1,949	-2,895	-2,529	-4,342
Financing activities						
New issue	3		10,556		22,177	22,177
New loan and loan amortisation				-37	-47	-84
Cash flow from financing activities		-	10,556	-37	22,130	22,093
Changes in cash and cash equivalents		-3,969	6,847	-6,508	16,348	11,337
Cash and cash equivalents at the start of the period		11,940	12,643	14,479	3,142	3,142
Cash and cash equivalents at the end of the period		7,971	19,490	7,971	19,490	14,479

Parent Company Income Statement

KSEK	Not	Q 2 2016	Q 2 2015	Jan-jun 2016	Jan-jun 2015	Full year 2015
Sales revenue		86	30	108	77	138
Cost of goods sold		-117	-563	-245	-1,096	-1,713
<i>of which goods</i>		-5	-77	-14	-123	-211
<i>of which salaries</i>		-18	-134	-43	-183	-323
<i>of which external services</i>		-10	-24	-20	-133	-150
<i>of which depreciation</i>		-84	-328	-168	-657	-1,029
Gross income		-31	-533	-137	-1,019	-1,575
Selling and administrative expenses		-2,192	-1,764	-3,811	-2,911	-5,839
Other operating income		1	1	12	2	4
Other operating expenses		-14		-19	-1	-11
Operating income		-2,236	-2,296	-3,955	-3,929	-7,421
Financial income					1	17
Financial expenses					-2	-2
Total financial items		0	0	0	-1	15
Income after financial items		-2,236	-2,296	-3,955	-3,930	-7,406
Income tax						
Net income		-2,236	-2,296	-3,955	-3,930	-7,406

Moderbolagets Balansräkning

KSEK	Not	30 Jun 2016	30 Jun 2015	42369
ASSETS				
Non-current assets				
Intangible assets		32,116	29,396	30,810
Machinery and equipment		54	6	30
Financial assets	2	85,118	1,754	1,754
Total non-current assets		117,288	31,156	32,594
Current assets				
Inventories		448	486	492
Accounts receivables		9	30	7
Other current assets		15,553	427	211
Prepaid expenses and accrued income		279	281	300
Cash and cash equivalents		7,351	19,180	14,345
Total current assets		23,640	20,404	15,355
TOTAL ASSETS		140,928	51,560	47,949
EQUITY AND LIABILITIES				
Equity		136,971	49,461	45,985
Provisions		500	500	500
Current liabilities				
Borrowings			74	37
Accounts payable		2,396	754	568
Other liabilities		327	180	225
Accrued expenses and prepaid income		734	591	634
Total current liabilities		3,457	1,599	1,464
TOTAL EQUITY AND LIABILITIES		140,928	51,560	47,949
Pledged assets				
For own liabilities and provisions				
Financial guarantees		3,038	3,038	3,038
Total pledged assets		3,038	3,038	3,038
Contingent liabilities				
		Inga	Inga	Inga

Parent Company Statement of Changes in Equity

KSEK	Unregistered share			Share premium		Retained earnings	Total equity
	Equity	issue	Statutory reserve	Development fund	reserve		
Opening balance at January 1, 2015	27,556	12,866	3,839		24,866	-25,046	44,081
New share issue	12,636	-12,866			11,393		11,163
Issue expenses					-1,853	-	1,853
Net income						-3,930	-3,930
Total equity at June 30, 2015	40,192	-	3,839	-	34,406	-28,976	49,461
Opening balance at January 1, 2016	40,192		3,839		34,406	-32,452	45,985
Change of Development fund				1,474	-1,474		-
Reduction equity	-38,182					38,182	-
Issue for non-cash consideration (Acquisition Acacia)	2,009				79,982		81,991
New share issue		15,273					15,273
Issue expenses		-2,323					-2,323
Net income						-3,955	-3,955
Total equity at June 30, 2016	4,019	12,950	3,839	1,474	112,914	1,775	136,971

Parent Company Statement of Cash Flows

KSEK	Not	Q 2 2016	Q 2 2015	Jan-jun 2016	Jan-jun 2015	Full year 2015
Operating cash flow						
Total financial items		-2,236	-2,296	-3,955	-3,930	-7,406
Adjustment for depreciations		86	329	172	659	1,033
Cash flow after operating activities before changes in working capital		-2,150	-1,967	-3,783	-3,271	-6,373
Cash flow from changes in working capital						
Changes in inventories and work in progress		-4	-126	44	-125	-131
Changes in current receivables	3	-2,326	-388	-2,373	539	760
Changes in current liabilities		1,765	525	2,030	-591	-689
Cash flow from operating activities		-2,715	-1,956	-4,082	-3,448	-6,433
Investing activities						
Acquisition of intangible fixed assets		-388	-809	-1,474	-1,390	-3,177
Acquisition of tangible fixed assets		-28		-28		-26
Acquisition of financial assets		-507		-507		
Acquisition of subsidiaries	2	-866	-1,254	-866	-1,254	-1,254
Cash flow from investing activities		-1,789	-2,063	-2,875	-2,644	-4,457
Financing activities						
New issue	3		10,556		22,177	22,177
New loan and loan amortisation				-37	-47	-84
Cash flow from financing activities		0	10,556	-37	22,130	22,093
Changes in cash and cash equivalents		-4,504	6,537	-6,994	16,038	11,203
Cash and cash equivalents at the start of the period		11,855	12,643	14,345	3,142	3,142
Cash and cash equivalents at the end of the period		7,351	19,180	7,351	19,180	14,345

NOTE 1

Selling and administrative expenses	Q 2	Q 2	Jan-jun	Jan-jun	Full year
KSEK	2016	2015	2016	2015	2015
Salaries	699	726	1,596	1,211	2,762
Office expenses	96	53	200	105	286
Consultants	1,007	765	1,452	1,103	2,371
Travelling expenses	134	56	212	104	199
Marketing expenses	216	156	275	330	454
Depreciation	85	56	170	57	224
Other expenses	86	36	169	92	236
Total selling and administrative expenses	2,323	1,848	4,074	3,002	6,532

NOTE 2

Acquisition of subsidiaries

KSEK

On May 17, 2016 Senzime acquired 100% of the stocks in Acacia Designs B.V. The acquisition have been financed by newly issued shares in Senzime through a non-cash issue. The purchase price amounts to 16,076,730 new shares in Senzime at a price of SEK 5.10 per share, thereby SEK 81,991,323. In addition transaction expenses of SEK 866,039.

The table below summarizes the purchase price for Acacia Designs B.V. and the fair value of assets acquired and liabilities taken over.

Purchase price per May 17, 2016

Equity instruments (16,076,730 ordinary shares)	81,991
Paid acquisition expenses	866
Total purchase price paid	82,857

Amounts of identifiable assets acquired and liabilities taken over

Cash and cash equivalents	73
Intangible assets	105,950
Accounts receivables and other current assets	1,173
Accounts payable and other current liabilities	-3,716
Deferred tax	-20,623
Total identifiable net assets	82,857

As the acquisition is financed through a non-cash issue, there is no cash flow effect, other than for paid acquisition costs and cash equivalents in the acquired company.

NOTE 3

Adjustment in cash flow	Q 2	Q 2	Jan-jun	Jan-jun	Full year
KSEK	2016	2015	2016	2015	2015

The subscription period for Senzime AB's new share issue with preferential rights for existing shareholders expired on 15 June 2016. The share issue totals SEK 15.3 million before transaction costs, SEK 2.3 million, which is registered with the Companies Registration Office and paid to the company in July 2016. As of June 30, 2016, the Company booked up the issue as a short-term debt and equity. The Company makes an adjustment in the cash flow, this is compiled below.

Cash flow from changes in working capital

Changes in current receivables	-14,312		-14,339	13,794	13,584
Adjustment for new issue claim	12,950		12,950	-12,866	-12,866
Cash flow from changes in working capital	-1,362	-	-1,389	928	718

Financing activities

New issue	12,950		12,950	-1,246	9,310
Adjustment for new issue claim	-12,950		-12,950	12,866	12,866
Cash flow from financing activities	-	-	-	11,620	22,176