



Interim Report January - September 2017  
Senzime AB (publ)



# January – September 2017 in brief

Senzime AB (publ), 556565-5734

## Third quarter 2017

- Net sales amounts to KSEK 0 (900)
- Income after financial items amounts to KSEK -2,455 (-1,964).
- Earnings per share before dilution amounts to SEK -0.06 kr (-0.06).
- Cash and cash equivalents per Sept 30, 2017 equal SEK 14.8 million (15.8).
- Number of shares per Sept 30, 2017 amounts to 40,694,223 (32,153,460).

## January – September 2017

- Net sales amounts to KSEK 174 (1,443).
- Income after financial items amounts to KSEK -9,356 (-5,840).
- Earnings per share before dilution amounts to SEK -0.24 (-0.24).

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

## Financial overview

KSEK	July-sept 2017	July-sept 2016	Jan-sept 2017	Jan-sept 2016	Full year 2016
Sales revenue	-	900	174	1 443	1 628
Income after financial items	-2 455	-1 964	-9 356	-5 840	-9 412
Earnings per share before dilution (SEK)	-0,06	-0,06	-0,24	-0,24	-0,34
Solidity (%)	-	-	85,3	84,8	84,4

## Significant events during the period

- February 2017. Senzime signs distribution agreements for the TetraGraph in the UK, Ireland, Australia and New Zealand.
- April 2017. The rights issue was oversubscribed to approximately 103 percent. The company raised approximately SEK 24.4 million before issue costs. Senzime were listed at Nasdaq First North April 11th 2017.
- June 2017. Senzime receives ISO 13485 certification which is an important milestone in the CE labeling process.
- September 2017. Senzime signs distribution agreements for the TetraGraph in Switzerland.
- September 2017. Senzime submits a 510 (k) application to the FDA for approval of the TetraGraph in the United States.

## Significant events after the end of the period

- No significant events

# About Senzime

Senzime 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. Senzime operates in growing markets that in Europe and the United States are valued in excess of SEK 10 billion. The company's shares are listed on Nasdaq First North (ticker SEZI). FNCA is Certified Adviser for Senzime. [www.senzime.com](http://www.senzime.com)

## TetraGraph

The TetraGraph monitor stimulates, measures, analyzes and displays muscle function in surgical patients receiving neuromuscular blocking agents (NMBAs). The sequence is performed in real-time, and the system requires less than 30 sec. for set-up. The system includes the TetraGraph monitor, TetraSens disposable electrosensors and the TetraCord connecting cable.



## CliniSenz Analyzer

The CliniSenz Analyzer is the future for postoperative monitoring since the analyzer provides continuous unattended monitoring of patients and only requires small sample volumes for analysis. The result is specific and have high precision as the CliniSenz Analyzer works with enzyme-based heat flow detection integrated on a proprietary microfluid chip. CliniSenz Analyzer is used together with OnZurf Probe and other types of micro dialysis catheter.



## OnZurf Probe

The OnZurf Probe is used mainly for postoperative continuous sampling of substances that can be measured with CliniSenz Analyzer. OnZurf Probe is based on the micro dialysis technique. The OnZurf Probe has a unique attachment site, which allows the probe to be easily placed on the surface of an organ without penetrating the tissue and causing unnecessary stress to the organ.



## Statement of the CEO

The third quarter has been characterized by continued high activity with a number of important events before market launch of our ISO-certified monitoring systems - TetraGraph, OnZurf and CliniSenz. We previously assessed that we would have CE approvals before this report, but we can only state - CE processes are challenging with significantly higher requirements for medical device approvals in our markets. We have a continuous dialogue with all parties and the biggest challenge is processing time. Our assessment is still that we will receive approvals shortly. We will report on a regular basis. However, we are pleased that despite the long CE process, we have had an active third quarter.

In the beginning of the quarter we received US patents for TetraSens disposable electrodes. With its unique design, TetraSens enables quick application with effective function. The electrodes are used in conjunction with Senzime's monitor TetraGraph, which contributes to effective monitoring of patients receiving general anesthesia and muscle relaxation using neuromuscular blocking drugs (NMBAs). The TetraGraph makes it possible to easily and objectively determine when it is safe to allow the patient to breathe spontaneously after surgery, and ensure the correct dose of medication is administered during surgery.



We have also signed an exclusive distribution agreement with Leuag AG to enable TetraGraph's commercialization on the Swiss market. Leuag is a leading provider of medical products within patient monitoring, diagnostics and imaging. They are a perfect partner as they have a complementary product portfolio, the network and experience required for TetraGraph to become the market leader in Switzerland.

In addition, we filed a Premarket Notification 510(k) application to the US Food and Drug Administration (FDA) for approval of TetraGraph in the United States. The FDA application is part of Senzime's launch plan for TetraGraph in the United States, which is one of the key markets for monitoring patients undergoing surgery using both general anesthesia and neuromuscular blocking drugs. An approval from the FDA is expected within 12-15 months.

Also, it was both exciting and very positive to have been selected as one of ten companies to present at The MedTech Conference in San Jose, California, in their "Innovation Pavilion". The interest was great and given the response, I assess we have an exciting time to look forward to the time when we have all approvals in place.

Further, we had a booth at ASA's annual meeting in Boston in October – the largest anesthetic-related education meeting in the world – where the results of the TetraGraph study carried out at the University of Debrecen, Hungary were presented. The study shows that TetraGraph, in comparison with former market leader TOF-Watch, will provide anesthesiologists with precise and easy-to-use equipment that can prevent complications, avoid unnecessary patient suffering and save costs.

In summary – we are making great progress; the CE processes are challenging, but the assessment that CE approvals are imminent will remain and as soon as they are received, we will announce this, after which a broad market launch will begin.

Uppsala, November 2017

Lena Söderström, CEO of Senzime AB (publ)



*Ulls väg 29B, 756 51 Uppsala*  
*[www.senzime.com](http://www.senzime.com)*

## Consolidated Income Statement

KSEK	Note	July-sept 2017	July-sept 2016	Jan-sept 2017	Jan-sept 2016	Full year 2016
Sales revenue		-	900	174	1,443	1,628
Cost of goods sold		-126	-117	-440	-379	-526
Gross income		<b>-126</b>	<b>783</b>	<b>-266</b>	<b>1,064</b>	<b>1,102</b>
Selling and administrative expenses	1	-2,297	-2,800	-9,017	-6,874	-10,391
Other operating income		28	32	130	44	54
Other operating expenses		-59	22	-201	-73	-176
Operating income		<b>-2,454</b>	<b>-1,963</b>	<b>-9,354</b>	<b>-5,839</b>	<b>-9,411</b>
Financial income						
Financial expenses		-1	-1	-2	-1	-1
Total financial items		<b>-1</b>	<b>-1</b>	<b>-2</b>	<b>-1</b>	<b>-1</b>
Income after financial items		<b>-2,455</b>	<b>-1,964</b>	<b>-9,356</b>	<b>-5,840</b>	<b>-9,412</b>
Income tax						
Net income		<b>-2,455</b>	<b>-1,964</b>	<b>-9,356</b>	<b>-5,840</b>	<b>-9,412</b>
Average number of shares before dilution		40,694,223	32,153,460	38,932,363	23,936,465	27,799,346
Average number of shares after dilution		40,818,003	32,249,076	39,055,676	24,032,731	27,900,336
Earnings per share before dilution, SEK		-0.06	-0.06	-0.24	-0.24	-0.34
Earnings per share after dilution, SEK		-0.06	-0.06	-0.24	-0.24	-0.34

**Consolidated Balance sheet**

KSEK	Note	30 sept 2017	30 sept 2016	31 dec 2016
<b>ASSETS</b>				
<b>Non-current assets</b>				
Intangible assets		151,193	142,896	144,809
Machinery and equipment		37	50	47
<b>Total non-current assets</b>		<b>151,230</b>	<b>142,946</b>	<b>144,856</b>
<b>Current assets</b>				
Inventories		1,081	428	373
Accounts receivables		81	98	206
Other current assets		515	398	482
Prepaid expenses and accrued income		507	282	368
Cash and cash equivalents		14,821	15,767	10,027
<b>Total current assets</b>		<b>17,005</b>	<b>16,973</b>	<b>11,456</b>
<b>TOTAL ASSETS</b>		<b>168,235</b>	<b>159,919</b>	<b>156,312</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>		<b>143,555</b>	<b>135,585</b>	<b>131,871</b>
<b>Provisions</b>		<b>21,123</b>	<b>21,133</b>	<b>21,133</b>
<b>Current liabilities</b>				
Borrowings		-	-	-
Accounts payable		1,340	2,044	1,685
Other liabilities		441	453	228
Accrued expenses and prepaid income		1,776	704	1,395
<b>Total current liabilities</b>		<b>3,557</b>	<b>3,201</b>	<b>3,308</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>168,235</b>	<b>159,919</b>	<b>156,312</b>

**Consolidated Statement of Changes in Equity**

KSEK	Equity	Unregistered share issue	Other contributed capital	Acc exchange rate diff	Retained earnings	Total equity
Opening balance at January 1, 2016	40,192		38,245		-32,626	45,811
Net income					-5,840	-5,840
Exchange rate differences on translation of foreign subsidiaries				685		685
Reduction equity	-38,182				38,182	-
Issue for non-cash consideration (Acquisition Acacia)	2,009		79,982			81,991
Rights issue	502		14,771			15,273
Issue expenses			-2,335			-2,335
<b>Total equity at Sept 30, 2016</b>	<b>4,521</b>	<b>-</b>	<b>130,663</b>	<b>685</b>	<b>-284</b>	<b>135,585</b>
Opening balance at January 1, 2017	4,521		130,663	544	-3,857	131,871
Net income					-9,356	-9,356
Exchange rate differences on translation of foreign subsidiaries				9		9
Rights issue	565		23,835			24,400
Issue expenses			-3,369			-3,369
<b>Total equity at Sept 30, 2017</b>	<b>5,086</b>	<b>-</b>	<b>151,129</b>	<b>553</b>	<b>-13,213</b>	<b>143,555</b>

**Consolidated Statement of Cash Flows**

KSEK	Note	July-sept 2017	July-sept 2016	Jan-sept 2017	Jan-sept 2016	Full year 2016
<b>Operating cash flow</b>						
Income after financial items		-2,455	-1,964	-9,356	-5,840	-9,412
Adjustment for depreciations		89	170	263	508	678
Other adjustments for items not included in cash flow		117	222	244	40	-213
<b>Cash flow after operating activities before changes in working capital</b>		<b>-2,249</b>	<b>-2,016</b>	<b>-8,849</b>	<b>-5,372</b>	<b>-8,947</b>
<b>Cash flow from changes in working capital</b>						
Changes in inventories and work in progress		-10	20	-708	64	119
Changes in current receivables		-350	2,345	-47	956	678
Changes in current liabilities		876	-3,086	249	-1,961	-1,854
<b>Cash flow from operating activities</b>		<b>-1,733</b>	<b>-2,737</b>	<b>-9,355</b>	<b>-6,313</b>	<b>-10,004</b>
<b>Investing activities</b>						
Acquisition of intangible fixed assets		-2,928	-2,405	-6,882	-4,479	-6,528
Acquisition of tangible fixed assets					-28	-28
Acquisition of subsidiaries net of cash and cash equivalents					-793	-793
<b>Cash flow from investing activities</b>		<b>-2,928</b>	<b>-2,405</b>	<b>-6,882</b>	<b>-5,300</b>	<b>-7,349</b>
<b>Financing activities</b>						
New issue		-	12,938	21,031	12,938	12,938
New loan and loan amortisation		-	-	-	-37	-37
<b>Cash flow from financing activities</b>		<b>0</b>	<b>12,938</b>	<b>21,031</b>	<b>12,901</b>	<b>12,901</b>
<b>Changes in cash and cash equivalents</b>		<b>-4,661</b>	<b>7,796</b>	<b>4,794</b>	<b>1,288</b>	<b>-4,452</b>
Cash and cash equivalents at the start of the period		19,482	7,971	10,027	14,479	14,479
Cash and cash equivalents at the end of the period		14,821	15,767	14,821	15,767	10,027



**Parent Company Income Statement**

KSEK	Note	July-sept 2017	July-sept 2016	Jan-sept 2017	Jan-sept 2016	Full year 2016
Sales revenue		-	78	174	186	368
Cost of goods sold		-126	-117	-440	-362	-509
<b>Gross income</b>		<b>-126</b>	<b>-39</b>	<b>-266</b>	<b>-176</b>	<b>-141</b>
Selling and administrative expenses	1	-2,195	-2,569	-8,702	-6,380	-9,643
Other operating income		28	32	130	44	54
Other operating expenses		-62	-9	-146	-28	-115
<b>Operating income</b>		<b>-2,355</b>	<b>-2,585</b>	<b>-8,984</b>	<b>-6,540</b>	<b>-9,845</b>
Financial income						
Financial expenses		-1	-1	-2	-1	-1
<b>Total financial items</b>		<b>-1</b>	<b>-1</b>	<b>-2</b>	<b>-1</b>	<b>-1</b>
<b>Income after financial items</b>		<b>-2,356</b>	<b>-2,586</b>	<b>-8,986</b>	<b>-6,541</b>	<b>-9,846</b>
<b>Net income</b>		<b>-2,356</b>	<b>-2,586</b>	<b>-8,986</b>	<b>-6,541</b>	<b>-9,846</b>

## Parent Company Balance sheet

KSEK	Note	30 sept 2017	30 sept 2016	31 dec 2016
<b>ASSETS</b>				
<b>Non-current assets</b>				
Intangible assets		42,187	33,496	35,558
Machinery and equipment		37	50	47
Financial assets		88,092	86,928	87,839
<b>Total non-current assets</b>		<b>130,316</b>	<b>120,474</b>	<b>123,444</b>
<b>Current assets</b>				
Inventories		1,081	428	373
Accounts receivables		81	98	202
Other current assets		506	339	457
Prepaid expenses and accrued income		507	282	368
Cash and cash equivalents		14,790	15,587	9,949
<b>Total current assets</b>		<b>16,965</b>	<b>16,734</b>	<b>11,349</b>
<b>TOTAL ASSETS</b>		<b>147,281</b>	<b>137,208</b>	<b>134,793</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>		<b>143,112</b>	<b>134,373</b>	<b>131,068</b>
<b>Provisions</b>		<b>500</b>	<b>500</b>	<b>500</b>
<b>Current liabilities</b>				
Borrowings				
Accounts payable		1,625	1,265	1,821
Other liabilities		485	454	226
Accrued expenses and prepaid income		1,559	616	1,178
<b>Total current liabilities</b>		<b>3,669</b>	<b>2,335</b>	<b>3,225</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>147,281</b>	<b>137,208</b>	<b>134,793</b>

**NOTE 1 - Selling and administrative expenses**

	July-sept 2017	July-sept 2016	Jan-sept 2017	Jan-sept 2016	Full year 2016
<b>KSEK</b>					
Salaries	950	856	3,311	2,451	3,542
Office expenses	99	99	296	299	396
Consultants	960	1,438	4,072	2,890	4,808
Travelling expenses	43	118	438	331	524
Marketing expenses	61	120	366	395	423
Depreciation	86	86	258	256	342
Other expenses	98	83	276	252	356
<b>Total selling and administrative expenses</b>	<b>2,297</b>	<b>2,800</b>	<b>9,017</b>	<b>6,874</b>	<b>10,391</b>



Ulls väg 29B, 756 51 Uppsala  
[www.senzime.com](http://www.senzime.com)

*This information is insider information that Senzime AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication through the agency of the contact person set out above, on November 28th 2017.*