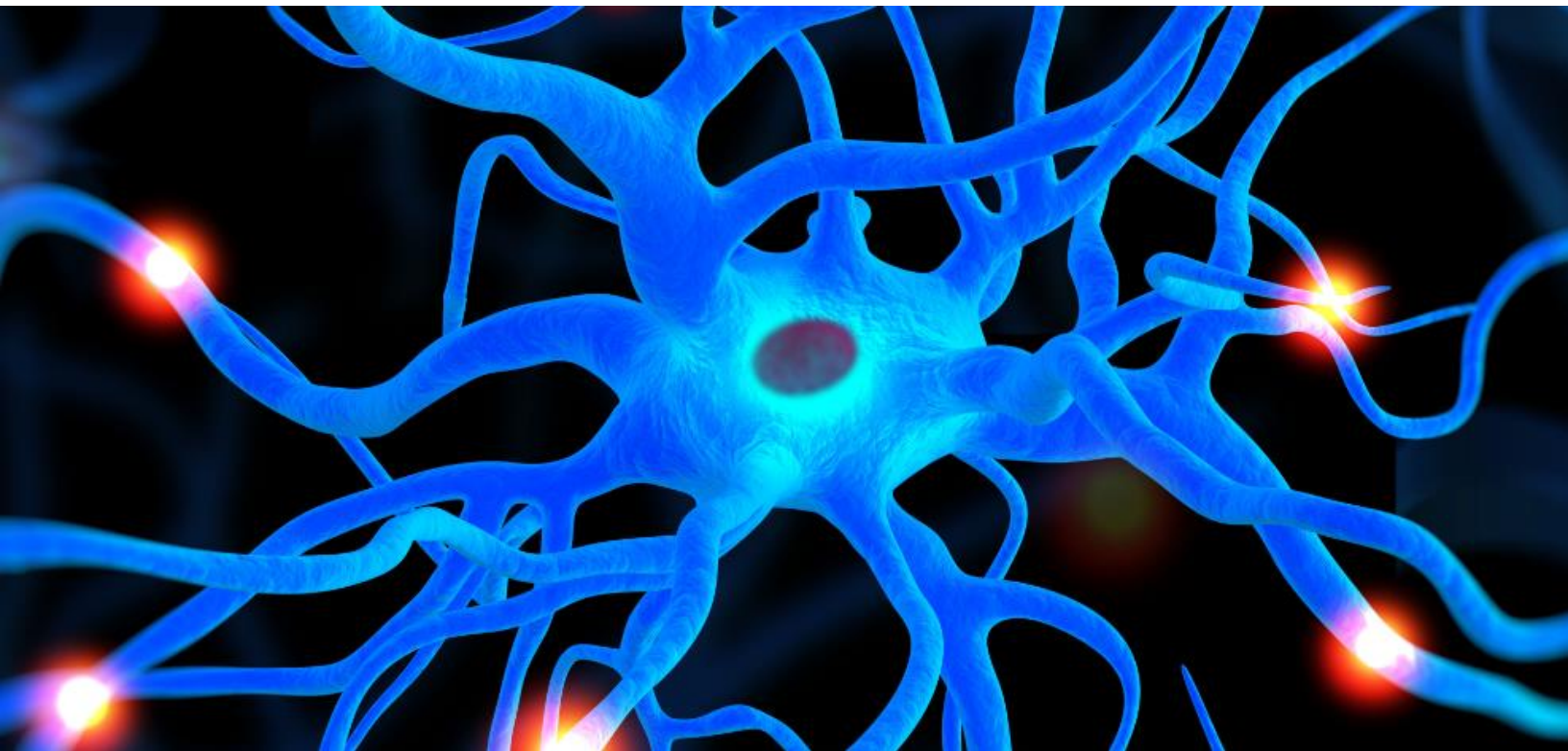




Interim Report January – June 2018  
Senzime AB (publ)



# January – June 2018 in brief

Senzime AB (publ), 556565-5734

## Second quarter 2018

- Net sales amounts to KSEK 381 (174)
- Income after financial items amounts to KSEK -5,543 (-2,930).
- Earnings per share before dilution amounts to SEK -0.12 SEK (-0.07).
- Cash and cash equivalents per June 30, 2018 equal SEK 20.2 million (19.5).
- Number of shares per June 30, 2018 amounts to 44,860,893 (40 694 223)

## January - June 2018

- Net sales amounts to KSEK 388 (174).
- Income after financial items amounts to KSEK -9,642 (-6,901).
- Earnings per share before dilution amounts to SEK -0.22 (-0.18).

**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	Apr-june 2018	Apr-june 2017	Jan-june 2018	Jan-june 2017	Full year 2017
Sales revenue	381	174	388	174	189
Income after financial items	-5 543	-2 930	-9 642	-6 901	-13 027
Earnings per share before dilution (SEK)	-0,12	-0,07	-0,22	-0,18	-0,33
Solidity (%)	-	-	85,7	86,0	84,6

### Significant events during the period

- January 2018. Senzime signs cooperation agreement with Philips to allow the TetraGraph to communicate with Philips IntelliVue.
- February 2018. Directed new issue that includes Segulah Venture AB, amounting to a total of SEK 25 million.
- March 2018. Senzime signs additional distribution agreements for the TetraGraph in Spain, Portugal and South Korea.

- April 2018. Senzime signs exclusive distributions agreements for the TetraGraph in Belgium, Netherlands, Luxemburg, Austria, Czech Republic and Slovakia.

### Significant events after the end of the period

- No significant events after the end of the period.

# 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 CE-marked 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.



## OnZurf Probe

The CE-marked 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.



## 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



# Statement of the CEO

## Revenues are coming in

When I summarize the second quarter of 2018, it is gratifying to note that the sale revenue from our TetraGraph system is gaining momentum. We are still in the initial commercialization phase but given the great interest in our products we estimate that we will increase sales significantly in the future. Also gratifying is that we continue associating partners and distributors within new markets. This means that, counting previous distribution and license agreements, we have now started commercialization in 15 markets outside Sweden.

Our strategic goal is to be leaders of the digital transition within anesthesia monitoring that is the current trend within health care. Senzime's solutions are designed to ensure maximum patient benefit, reduce complications associated with surgery and anesthesia, and decrease health care costs. Based on signed agreements and planned expansion in additional markets, we estimate that Senzime is well positioned to achieve these above goals. Senzime operates in growing markets that in Europe and the United States are valued in excess of SEK 10 billion.



Senzime offers no sales estimates but, given the above context, it may still be useful to communicate that the company's working assumption is that our sales will increase from a few million SEK in 2018 to 100 MSEK within a three-year period. The sales will come from a combination of license fees from partner companies as well as from sales of instruments and disposable sensors through our distributors.

In parallel with our own sales, we conduct strategic partnerships. Our collaboration with Philips Healthcare is an example that offers the ability to expand volumes and further increase the intended market. Algorithm and solution upscaling also makes possible expanding the platforms to address further indications.

Overall, it is a very exciting time for Senzime—we have started to build a world-leading patient monitoring company.

Uppsala, August 2018

Lena Söderström, CEO of Senzime AB (publ)



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## Consolidated Income Statement

KSEK	Note	Apr-Jun 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	Full year 2017
Sales revenue		381	174	388	174	189
Cost of goods sold		-1 190	-82	-1 525	-213	-745
Gross income		<b>-809</b>	<b>92</b>	<b>-1 137</b>	<b>-39</b>	<b>-556</b>
Selling and administrative expenses	1	-4 756	-3 054	-8 672	-6 822	-12 456
Other operating income		77	67	262	91	257
Other operating expenses		-54	-35	-94	-130	-270
Operating income		<b>-5 542</b>	<b>-2 930</b>	<b>-9 641</b>	<b>-6 900</b>	<b>-13 025</b>
Financial income						
Financial expenses		-1		-1	-1	-2
Total financial items		<b>-1</b>	<b>0</b>	<b>-1</b>	<b>-1</b>	<b>-2</b>
Income after financial items		<b>-5 543</b>	<b>-2 930</b>	<b>-9 642</b>	<b>-6 901</b>	<b>-13 027</b>
Income tax						
Net income		<b>-5 543</b>	<b>-2 930</b>	<b>-9 642</b>	<b>-6 901</b>	<b>-13 027</b>
Average number of shares before dilution		44 860 893	39 930 222	43 009 040	38 051 432	39 372 828
Average number of shares after dilution		45 003 750	40 066 827	43 145 988	38 188 274	39 500 048
Earnings per share before dilution, SEK		-0,12	-0,07	-0,22	-0,18	-0,33
Earnings per share after dilution, SEK		-0,12	-0,07	-0,22	-0,18	-0,33

**Consolidated Balance sheet**

KSEK	Note	30 June 2018	30 June 2017	31 Dec 2017
<b>ASSETS</b>				
<b>Non-current assets</b>				
Intangible assets		159 925	148 683	154 599
Machinery and equipment		208	40	238
<b>Total non-current assets</b>		<b>160 133</b>	<b>148 723</b>	<b>154 837</b>
<b>Current assets</b>				
Inventories		1 125	1 071	1 063
Accounts receivables		161	195	3
Other current assets		834	304	667
Prepaid expenses and accrued income		617	254	724
Cash and cash equivalents		20 248	19 482	8 738
<b>Total current assets</b>		<b>22 985</b>	<b>21 306</b>	<b>11 195</b>
<b>TOTAL ASSETS</b>		<b>183 118</b>	<b>170 029</b>	<b>166 032</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>		<b>156 985</b>	<b>146 225</b>	<b>140 459</b>
<b>Provisions</b>		<b>21 123</b>	<b>21 123</b>	<b>21 133</b>
<b>Current liabilities</b>				
Borrowings		-	-	-
Accounts payable		2 677	1 226	2 485
Other liabilities		479	314	561
Accrued expenses and prepaid income		1 854	1 141	1 404
<b>Total current liabilities</b>		<b>5 010</b>	<b>2 681</b>	<b>4 450</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>183 118</b>	<b>170 029</b>	<b>166 042</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, 2017	4 521		130 663	544	-3 857	131 871
Net income					-6 901	-6 901
Exchange rate differences on translation of foreign subsidiaries				224		224
Reduction equity						-
Issue for non-cash consideration (Acquisition Acacia)						0
Rights issue	565		23 835			24 400
Issue expenses			-3 369			-3 369
<b>Total equity at June 30, 2017</b>	<b>5 086</b>	<b>-</b>	<b>151 129</b>	<b>768</b>	<b>-10 758</b>	<b>146 225</b>
Opening balance at January 1, 2018	5 086		151 129	1 087	-16 883	140 419
Net income					-9 642	-9 642
Exchange rate differences on translation of foreign subsidiaries				996		996
Employee stock options					375	375
Rights issue	521		24 479			25 000
Issue expenses			-163			-163
<b>Total equity at June 30, 2018</b>	<b>5 607</b>	<b>-</b>	<b>175 445</b>	<b>2 083</b>	<b>-26 150</b>	<b>156 985</b>

**Consolidated Statement of Cash Flows**

KSEK	Note	Apr-Jun 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	Full year 2017
<b>Operating cash flow</b>						
Income after financial items		-5 542	-2 930	-9 641	-6 901	-13 027
Adjustment for depreciations		161	87	279	174	357
Other adjustments for items not included in cash flow		161	38	282	127	264
<b>Cash flow after operating activities before changes in working capital</b>		<b>-5 220</b>	<b>-2 805</b>	<b>-9 080</b>	<b>-6 600</b>	<b>-12 406</b>
<b>Cash flow from changes in working capital</b>						
Changes in inventories and work in progress		-90	-715	-62	-698	-690
Changes in current receivables		-307	272	-219	303	-338
Changes in current liabilities		480	141	560	-627	1 142
<b>Cash flow from operating activities</b>		<b>-5 137</b>	<b>-3 107</b>	<b>-8 801</b>	<b>-7 622</b>	<b>-12 292</b>
<b>Investing activities</b>						
Acquisition of intangible fixed assets		-1 898	-2 224	-4 526	-3 954	-9 817
Acquisition of tangible fixed assets		-	-	-	-	-211
Acquisition of subsidiaries net of cash and cash equivalents		-	-	-	-	-
<b>Cash flow from investing activities</b>		<b>-1 898</b>	<b>-2 224</b>	<b>-4 526</b>	<b>-3 954</b>	<b>-10 028</b>
<b>Financing activities</b>						
New issue		-27	21 031	24 837	21 031	21 031
New loan and loan amortisation		-	-	-	-	-
<b>Cash flow from financing activities</b>		<b>-27</b>	<b>21 031</b>	<b>24 837</b>	<b>21 031</b>	<b>21 031</b>
<b>Changes in cash and cash equivalents</b>		<b>-7 062</b>	<b>15 700</b>	<b>11 510</b>	<b>9 455</b>	<b>-1 289</b>
Cash and cash equivalents at the start of the period		27 310	3 782	8 738	10 027	10 027
Cash and cash equivalents at the end of the period		20 248	19 482	20 248	19 482	8 738

## Parent Company Income Statement

KSEK	Note	Apr-Jun 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	Full year 2017
Sales revenue		381	174	388	174	187
Cost of goods sold		-1 190	-82	-1 525	-213	-745
<b>Gross income</b>		<b>-809</b>	<b>92</b>	<b>-1 137</b>	<b>-39</b>	<b>-558</b>
Selling and administrative expenses	1	-4 668	-2 955	-8 473	-6 608	-11 766
Other operating income		77	67	262	91	258
Other operating expenses		-54	-35	-94	-73	-213
<b>Operating income</b>		<b>-5 454</b>	<b>-2 807</b>	<b>-9 442</b>	<b>-6 629</b>	<b>-12 279</b>
Write-down of shares in group companies		-	-	-	-	-64 975
Financial income		-	-	-	-	-
Financial expenses		-1	-	-	-	-1
<b>Total financial items</b>		<b>-1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-64 976</b>
<b>Income after financial items</b>		<b>-5 455</b>	<b>-2 807</b>	<b>-9 442</b>	<b>-6 629</b>	<b>-77 255</b>
<b>Net income</b>		<b>-5 455</b>	<b>-2 807</b>	<b>-9 442</b>	<b>-6 629</b>	<b>-77 255</b>



## Parent Company Balance sheet

KSEK	Note	30 June 2018	30 June 2017	31 Dec 2017
<b>ASSETS</b>				
<b>Non-current assets</b>				
Intangible assets		49 315	39 344	45 038
Machinery and equipment		208	40	238
Financial assets		24 101	88 101	23 267
<b>Total non-current assets</b>		<b>73 624</b>	<b>127 485</b>	<b>68 543</b>
<b>Current assets</b>				
Inventories		1 125	1 071	1 063
Accounts receivables		161	195	3
Other current assets		651	297	664
Prepaid expenses and accrued income		617	254	724
Cash and cash equivalents		20 006	19 453	8 674
<b>Total current assets</b>		<b>22 560</b>	<b>21 270</b>	<b>11 128</b>
<b>TOTAL ASSETS</b>		<b>96 184</b>	<b>148 755</b>	<b>79 671</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>		<b>90 614</b>	<b>145 469</b>	<b>74 885</b>
<b>Provisions</b>		<b>500</b>	<b>500</b>	<b>500</b>
<b>Current liabilities</b>				
Borrowings				
Accounts payable		2 509	1 512	2 371
Other liabilities		547	352	586
Accrued expenses and prepaid income		2 014	922	1 329
<b>Total current liabilities</b>		<b>5 070</b>	<b>2 786</b>	<b>4 286</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>96 184</b>	<b>148 755</b>	<b>79 671</b>

**NOTE 1 - Selling and administrative expenses**

	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Full year
KSEK	2018	2017	2018	2017	2017
Salaries	1 840	1 037	3 512	2 361	4 546
Office expenses	137	94	275	197	457
Consultants	2 135	1 423	3 537	3 215	5 542
Travelling expenses	137	214	385	396	677
Marketing expenses	156	137	287	306	513
Depreciation	97	86	195	172	357
Other expenses	254	63	481	175	364
<b>Total selling and administrative expenses</b>	<b>4 756</b>	<b>3 054</b>	<b>8 672</b>	<b>6 822</b>	<b>12 456</b>



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*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 August 22 2018.*