



Year – end Bulletin 2017  
Senzime AB (publ)



# January – December 2017 in brief

Senzime AB (publ), 556565-5734

## Fourth quarter 2017

- Net sales amounts to KSEK 15 (185)
- Income after financial items amounts to KSEK -3,671 (-3,572).
- Earnings per share before dilution amounts to SEK -0.09 kr (-0.10).
- Cash and cash equivalents per Dec 31, 2017 equal SEK 8.7 million (10.0).
- Number of shares per Dec 31, 2017 amounts to 40,694,223 (36,172,643).

## January – December 2017

- Net sales amounts to KSEK 189 (1,628).
- Income after financial items amounts to KSEK -13,027 (-9,412).
- Earnings per share before dilution amounts to SEK -0.33 (-0.34).

**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                                     | oct-dec<br>2017 | oct-dec<br>2016 | Full year<br>2017 | Full year<br>2016 |
|--|-----------------|-----------------|-------------------|-------------------|
| Sales revenue                            | 15              | 185             | 189               | 1 628             |
| Income after financial items             | -3 671          | -3 572          | -13 027           | -9 412            |
| Earnings per share before dilution (SEK) | -0,09           | -0,10           | -0,33             | -0,34             |
| Solidity (%)                             | -               | -               | 84,6              | 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.
- December 2017. Senzime receives CE mark approval for the TetraGraph and the OnZurf Probe.

## Significant events after the end of the period

- January 2018. Senzime signs cooperation agreement with Philips.
- February 2018. Senzime proposes a direct issue to among others Segulah Venture AB of SEK 25 million.

# 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.



## 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 has high precision as the CliniSenz Analyzer works with enzyme-based heat flow detection integrated on a proprietary microfluidic chip. CliniSenz Analyzer is used together with OnZurf Probe and other types of microdialysis catheter.



## 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 microdialysis 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

Following years of hard work, we are finally moving from words to action. In December 2017, we received the CE approval for the TetraGraph system and the OnZurf Probe. Commercialization has started, and we have delivered our first systems to customers. Our monitoring solutions are based on many years of research and development and we have a strong team and a number of distributor and license agreements in place. Market demand and driving forces are clear and we focus on taking the lead in the multi-billion market for peri- and post-operative monitoring.

To accelerate the international market roll-out, today we have announced a proposed new issue of SEK 25 million, directed to among others the new institutional shareholder Segulah. The issue gives us room for maneuver and we welcome another strong and long-term owner in the company. The issue allows us to accelerate market rollout and it strengthens our position in negotiations with additional potential strategic partners.

The driving forces for our products are significant. This was highlighted not least, when the issue of patient safety and the necessary measures to reduce complications after surgery was given ample room at the annual Society of Anesthesiologists (ASA) - the world's largest anesthetic-related meeting where the most influential and significant individuals in anesthesiology, pain medication and medical care gathered.

Over 70 million patients undergo surgery every year using anesthesia and muscle relaxants. Research has clearly shown that over 30 percent of postoperative complications are due to the lack of objective monitoring to assess when it is safe to wake and extubate the patient. TetraGraph meets the needs and is a unique system developed to help reduce postoperative complications with a cost-effective and user-friendly solution.

After the reporting period, and in addition to our previous distribution and license agreements, we signed a license agreement with Philips. This is a strategically important agreement that enables TetraGraph to be integrated with Philips global patient monitoring systems.

Now we look forward to continue reporting on Senzime's progress in 2018.  
Uppsala, February 2018

Lena Söderström, CEO of Senzime AB (publ)



**Consolidated Income Statement**

| KSEK                                     | Note | Oct - Dec<br>2017 | Oct - Dec<br>2016 | Full year<br>2017 | Full year<br>2016 |
|--|------|-------------------|-------------------|-------------------|-------------------|
| Sales revenue                            |      | 15                | 185               | 189               | 1,628             |
| Cost of goods sold                       |      | -305              | -145              | -745              | -526              |
| Gross income                             |      | <b>-290</b>       | <b>40</b>         | <b>-556</b>       | <b>1,102</b>      |
| Selling and administrative expenses      | 1    | -3,439            | -3,519            | -12,456           | -10,391           |
| Other operating income                   |      | 127               | 10                | 257               | 54                |
| Other operating expenses                 |      | -68               | -103              | -270              | -176              |
| Operating income                         |      | <b>-3,670</b>     | <b>-3,572</b>     | <b>-13,025</b>    | <b>-9,411</b>     |
| Financial income                         |      |                   |                   |                   |                   |
| Financial expenses                       |      | -1                | -                 | -2                | -1                |
| Total financial items                    |      | <b>-1</b>         | <b>0</b>          | <b>-2</b>         | <b>-1</b>         |
| Income after financial items             |      | <b>-3,671</b>     | <b>-3,572</b>     | <b>-13,027</b>    | <b>-9,412</b>     |
| Income tax                               |      |                   |                   |                   |                   |
| Net income                               |      | <b>-3,671</b>     | <b>-3,572</b>     | <b>-13,027</b>    | <b>-9,412</b>     |
| Average number of shares before dilution |      | 40,694,223        | 36,172,643        | 39,372,828        | 27,799,346        |
| Average number of shares after dilution  |      | 40,831,171        | 36,285,077        | 39,500,048        | 27,900,336        |
| Earnings per share before dilution, SEK  |      | -0.09             | -0.10             | -0.33             | -0.34             |
| Earnings per share after dilution, SEK   |      | -0.09             | -0.10             | -0.33             | -0.34             |

**Consolidated Balance sheet**

| KSEK                                | Note | 31 Dec 2017    | 31 Dec 2016    |
|-------------------------------------|------|----------------|----------------|
| <b>ASSETS</b>                       |      |                |                |
| <b>Non-current assets</b>           |      |                |                |
| Intangible assets                   |      | 154,599        | 144,809        |
| Machinery and equipment             |      | 238            | 47             |
| <b>Total non-current assets</b>     |      | <b>154,837</b> | <b>144,856</b> |
| <b>Current assets</b>               |      |                |                |
| Inventories                         |      | 1,063          | 373            |
| Accounts receivables                |      | 3              | 206            |
| Other current assets                |      | 667            | 482            |
| Prepaid expenses and accrued income |      | 724            | 368            |
| Cash and cash equivalents           |      | 8,738          | 10,027         |
| <b>Total current assets</b>         |      | <b>11,195</b>  | <b>11,456</b>  |
| <b>TOTAL ASSETS</b>                 |      | <b>166,032</b> | <b>156,312</b> |
| <b>EQUITY AND LIABILITIES</b>       |      |                |                |
| <b>Equity</b>                       |      | <b>140,459</b> | <b>131,871</b> |
| <b>Provisions</b>                   |      | <b>21,123</b>  | <b>21,133</b>  |
| <b>Current liabilities</b>          |      |                |                |
| Borrowings                          |      | -              | -              |
| Accounts payable                    |      | 2,485          | 1,685          |
| Other liabilities                   |      | 561            | 228            |
| Accrued expenses and prepaid income |      | 1,404          | 1,395          |
| <b>Total current liabilities</b>    |      | <b>4,450</b>   | <b>3,308</b>   |
| <b>TOTAL EQUITY AND LIABILITIES</b> |      | <b>166,032</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                    |                        | -32,627           | 45,810         |
| Net income   |              |                          |                           |                        | -9,412            | -9,412         |
| Exchange rate differences on translation of foreign subsidiaries |              |                          |                           | 544                    |                   | 544            |
| 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 Dec 31, 2016</b>                              | <b>4,521</b> | <b>-</b>                 | <b>130,663</b>            | <b>544</b>             | <b>-3,857</b>     | <b>131,871</b> |
| Opening balance at January 1, 2017                               | 4,521        |                          | 130,663                   | 544                    | -3,857            | 131,871        |
| Net income   |              |                          |                           |                        | -13,027           | -13,027        |
| Exchange rate differences on translation of foreign subsidiaries |              |                          |                           | 543                    |                   | 543            |
| Employee stock options   |              |                          |                           |                        | 41                | 41             |
| Rights issue   | 565          |                          | 23,835                    |                        |                   | 24,400         |
| Issue expenses   |              |                          | -3,369                    |                        |                   | -3,369         |
| <b>Total equity at Dec 31, 2017</b>                              | <b>5,086</b> | <b>-</b>                 | <b>151,129</b>            | <b>1,087</b>           | <b>-16,843</b>    | <b>140,459</b> |

### Consolidated Statement of Cash Flows

| KSEK  | Note | Oct - Dec 2017 | Oct - Dec 2016 | Full year 2017 | Full year 2016 |
|---|------|----------------|----------------|----------------|----------------|
| <b>Operating cash flow</b>  |      |                |                |                |                |
| Income after financial items  |      | -3,671         | -3,572         | -13,027        | -9,412         |
| Adjustment for depreciations  |      | 94             | 170            | 357            | 678            |
| Other adjustments for items not included in cash flow                         |      | 20             | 173            | 264            | -213           |
| <b>Cash flow after operating activities before changes in working capital</b> |      | <b>-3,557</b>  | <b>-3,575</b>  | <b>-12,406</b> | <b>-8,947</b>  |
| <b>Cash flow from changes in working capital</b>                              |      |                |                |                |                |
| Changes in inventories and work in progress                                   |      | 18             | 55             | -690           | 119            |
| Changes in current receivables  |      | -291           | -278           | -338           | 678            |
| Changes in current liabilities  |      | 893            | 107            | 1,142          | -1,854         |
| <b>Cash flow from operating activities</b>                                    |      | <b>-2,937</b>  | <b>-3,691</b>  | <b>-12,292</b> | <b>-10,004</b> |
| <b>Investing activities</b>   |      |                |                |                |                |
| Acquisition of intangible fixed assets  |      | -2,935         | -2,049         | -9,817         | -6,528         |
| Acquisition of tangible fixed assets  |      | -211           | -              | -211           | -28            |
| Acquisition of subsidiaries net of cash and cash equivalents                  |      | -              | -              | -              | -793           |
| <b>Cash flow from investing activities</b>                                    |      | <b>-3,146</b>  | <b>-2,049</b>  | <b>-10,028</b> | <b>-7,349</b>  |
| <b>Financing activities</b>   |      |                |                |                |                |
| New issue   |      | -              | -              | 21,031         | 12,938         |
| New loan and loan amortisation  |      | -              | -              | -              | -37            |
| <b>Cash flow from financing activities</b>                                    |      | <b>0</b>       | <b>0</b>       | <b>21,031</b>  | <b>12,901</b>  |
| <b>Changes in cash and cash equivalents</b>                                   |      | <b>-6,083</b>  | <b>-5,740</b>  | <b>-1,289</b>  | <b>-4,452</b>  |
| Cash and cash equivalents at the start of the period                          |      | 14,821         | 15,767         | 10,027         | 14,479         |
| Cash and cash equivalents at the end of the period                            |      | 8,738          | 10,027         | 8,738          | 10,027         |

### Parent Company Income Statement

| KSEK                                    | Note | Oct - Dec<br>2017 | Oct - Dec<br>2016 | Full year<br>2017 | Full year<br>2016 |
|---|------|-------------------|-------------------|-------------------|-------------------|
| Sales revenue                           |      | 15                | 182               | 187               | 368               |
| Cost of goods sold                      |      | -305              | -145              | -745              | -509              |
| <b>Gross income</b>                     |      | <b>-290</b>       | <b>37</b>         | <b>-558</b>       | <b>-141</b>       |
| Selling and administrative expenses     | 1    | -3,064            | -3,265            | -11,766           | -9,643            |
| Other operating income                  |      | 127               | 10                | 258               | 54                |
| Other operating expenses                |      | -66               | -87               | -213              | -115              |
| <b>Operating income</b>                 |      | <b>-3,293</b>     | <b>-3,305</b>     | <b>-12,279</b>    | <b>-9,845</b>     |
| Write-down of shares in group companies |      | -64,975           | -                 | -64,975           | -                 |
| Financial income                        |      | -                 | -                 | -                 | -                 |
| Financial expenses                      |      | -1                | -                 | -1                | -1                |
| <b>Total financial items</b>            |      | <b>-64,976</b>    | <b>0</b>          | <b>-64,976</b>    | <b>-1</b>         |
| <b>Income after financial items</b>     |      | <b>-68,269</b>    | <b>-3,305</b>     | <b>-77,255</b>    | <b>-9,846</b>     |
| <b>Net income</b>                       |      | <b>-68,269</b>    | <b>-3,305</b>     | <b>-77,255</b>    | <b>-9,846</b>     |



## Parent Company Balance sheet

| KSEK                                | Note | 31 Dec 2017   | 31 Dec 2016    |
|-------------------------------------|------|---------------|----------------|
| <b>ASSETS</b>                       |      |               |                |
| <b>Non-current assets</b>           |      |               |                |
| Intangible assets                   |      | 45,038        | 35,558         |
| Machinery and equipment             |      | 238           | 47             |
| Financial assets                    |      | 23,267        | 87,839         |
| <b>Total non-current assets</b>     |      | <b>68,543</b> | <b>123,444</b> |
| <b>Current assets</b>               |      |               |                |
| Inventories                         |      | 1,063         | 373            |
| Accounts receivables                |      | 3             | 202            |
| Other current assets                |      | 664           | 457            |
| Prepaid expenses and accrued income |      | 724           | 368            |
| Cash and cash equivalents           |      | 8,674         | 9,949          |
| <b>Total current assets</b>         |      | <b>11,128</b> | <b>11,349</b>  |
| <b>TOTAL ASSETS</b>                 |      | <b>79,671</b> | <b>134,793</b> |
| <b>EQUITY AND LIABILITIES</b>       |      |               |                |
| <b>Equity</b>                       |      | <b>74,885</b> | <b>131,068</b> |
| <b>Provisions</b>                   |      | <b>500</b>    | <b>500</b>     |
| <b>Current liabilities</b>          |      |               |                |
| Borrowings                          |      |               |                |
| Accounts payable                    |      | 2,371         | 1,821          |
| Other liabilities                   |      | 586           | 226            |
| Accrued expenses and prepaid income |      | 1,329         | 1,178          |
| <b>Total current liabilities</b>    |      | <b>4,286</b>  | <b>3,225</b>   |
| <b>TOTAL EQUITY AND LIABILITIES</b> |      | <b>79,671</b> | <b>134,793</b> |

**NOTE 1 - Selling and administrative expenses**

|  | Oct - Dec    | Oct - Dec    | Full year     | Full year     |
|--|--------------|--------------|---------------|---------------|
| KSEK   | 2017         | 2016         | 2017          | 2016          |
| Salaries   | 1,235        | 1,091        | 4,546         | 3,542         |
| Office expenses                                  | 161          | 98           | 457           | 396           |
| Consultants                                      | 1,470        | 1,917        | 5,542         | 4,808         |
| Travelling expenses                              | 239          | 193          | 677           | 524           |
| Marketing expenses                               | 147          | 28           | 513           | 423           |
| Depreciation                                     | 95           | 86           | 357           | 342           |
| Other expenses                                   | 92           | 106          | 364           | 356           |
| <b>Total selling and administrative expenses</b> | <b>3,439</b> | <b>3,519</b> | <b>12,456</b> | <b>10,391</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 February 16th 2018.*