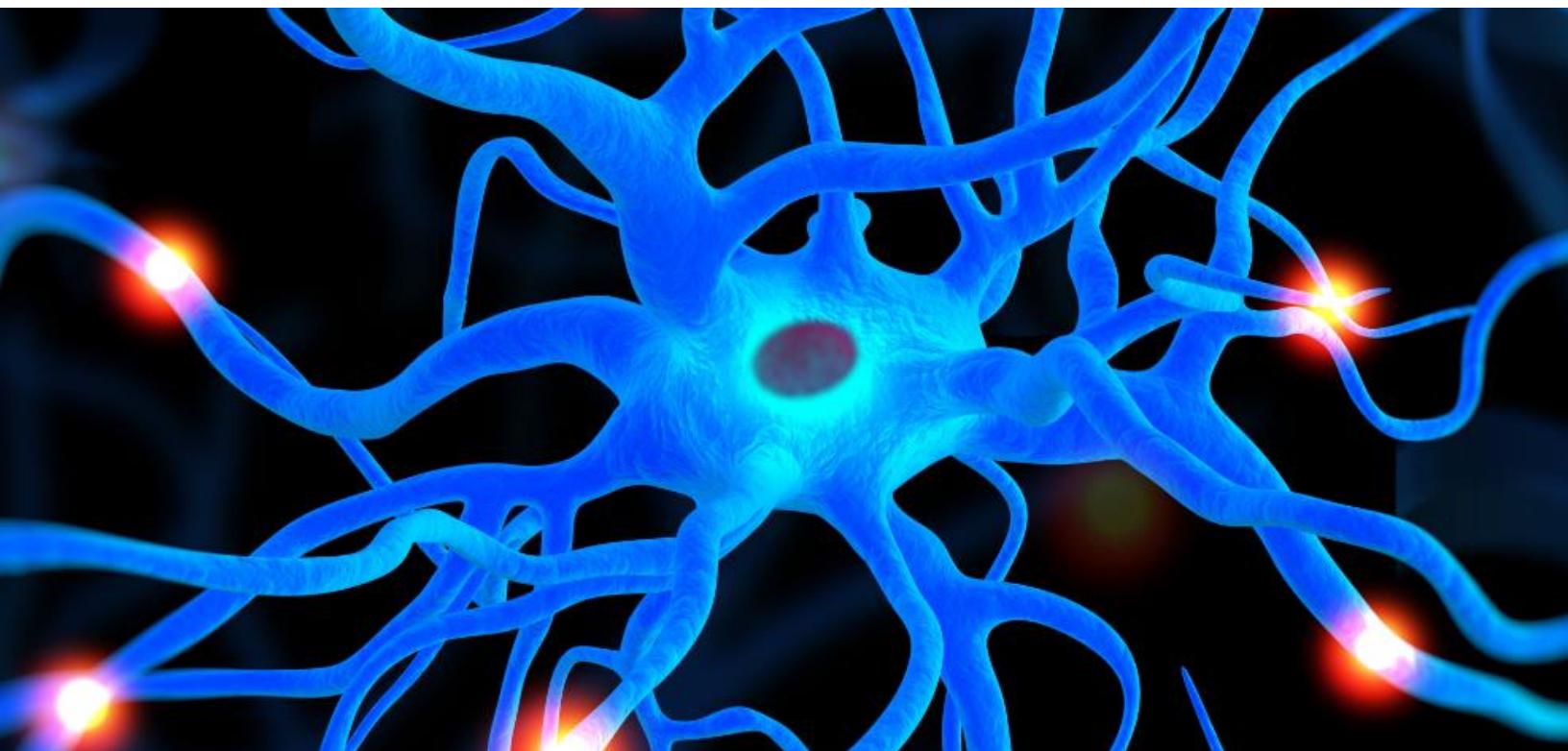




Interim Report January – September 2018  
Senzime AB (publ)



# January – September 2018 in brief

Senzime AB (publ), 556565-5734

## Third quarter 2018

- Net sales amounts to KSEK 155 (0)
- Income after financial items amounts to KSEK -5,834 (-2,455).
- Earnings per share before dilution amounts to SEK -0.12 SEK (-0.06).
- Cash and cash equivalents per Sept 30, 2018 equal SEK 13.0 million (14.8).
- Number of shares per Sept 30, 2018 amounts to 45,077,503 (40 694 223)

## January - September 2018

- Net sales amounts to KSEK 543 (174).
- Income after financial items amounts to KSEK -15,474 (-9,356).
- Earnings per share before dilution amounts to SEK -0.34 (-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 2018	July-sept 2017	Jan-sept 2018	Jan-sept 2017	Full year 2017
Sales revenue	155	543	388	174	189
Income after financial items	-5 834	-2 455	-15 474	-9 356	-13 027
Earnings per share before dilution (SEK)	-0,12	-0,06	-0,34	-0,24	-0,33
Solidity (%)	-	-	86,0	85,3	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.
- September 2018. Senzime signs exclusive distributions agreements for the TetraGraph in Italy, Ukraine, Moldavia and Georgia.

### 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

The launch of TetraGraph continues and although sales initially may be a bit uneven between quarters, it does not affect our estimated sales of SEK 100 million within three years. The installed base of monitors continues to increase, which in the long run means increased sales of disposable electrodes, where we will see significant sales growth as well as higher margins.

During the third quarter we have contracted with distributors in additional markets, including Italy. During the current quarter, distributors, salespeople, doctors and nurses are being trained. Educational efforts take time and resources, but they are necessary for a successful market introduction of the system.

An important event in October was ASA's annual meeting – the largest anaesthesia-related education event in the world, bringing together the most influential and important persons within anaesthesiology, pain medicine and critical care. During the meeting, our distributors from Australia, New Zealand and South Korea participated, and there was great interest in our technology and solutions.

Our long-term ambition is to ensure maximum patient benefit and reduce complications associated with surgery and anaesthesia, resulting in significant medical benefits as well as commercial potential. So far we do not anticipate any obstacles to reaching our goals. On the contrary, we see increased interest in our products and we have put together an organization that can meet continued sales growth.

We have begun the commercialization of our patient monitoring system, and so far we feel secure with our product as well as stated sales targets. We are committed to become world leader within our important segment, and we look forward to continued reporting of our progress.

Uppsala in November 2018  
Lena Söderström, CEO of Senzime AB (publ)



**Consolidated Income Statement**

KSEK	Note	Jul-Sept	Jul-Sept	Jan-Sept	Jan-Sept	Full year
		2018	2017	2018	2017	2017
Sales revenue		155	-	543	174	189
Cost of goods sold		-2 609	-126	-4 134	-440	-745
<b>Gross income</b>		<b>-2 454</b>	<b>-126</b>	<b>-3 591</b>	<b>-266</b>	<b>-556</b>
Selling and administrative expenses	1	-3 331	-2 297	-12 002	-9 017	-12 456
Other operating income		63	28	325	130	257
Other operating expenses		-112	-59	-205	-201	-270
<b>Operating income</b>		<b>-5 834</b>	<b>-2 454</b>	<b>-15 473</b>	<b>-9 354</b>	<b>-13 025</b>
Financial income						
Financial expenses		-	-1	-1	-2	-2
<b>Total financial items</b>		<b>0</b>	<b>-1</b>	<b>-1</b>	<b>-2</b>	<b>-2</b>
<b>Income after financial items</b>		<b>-5 834</b>	<b>-2 455</b>	<b>-15 474</b>	<b>-9 356</b>	<b>-13 027</b>
Deferred tax		457		457		
<b>Net income</b>		<b>-5 377</b>	<b>-2 455</b>	<b>-15 017</b>	<b>-9 356</b>	<b>-13 027</b>
Average number of shares before dilution		45 077 503	32 153 460	43 698 527	38 932 363	39 372 828
Average number of shares after dilution		45 077 503	32 249 076	43 698 527	39 055 676	39 500 048
Earnings per share before dilution, SEK		-0,12	-0,06	-0,34	-0,24	-0,33
Earnings per share after dilution, SEK		-0,12	-0,06	-0,34	-0,24	-0,33

**Consolidated Balance sheet**

KSEK	Note	30 Sept 2018	30 Sept 2017	31 Dec 2017
<b>ASSETS</b>				
<b>Non-current assets</b>				
Intangible assets		161 131	151 193	154 599
Machinery and equipment		193	37	238
<b>Total non-current assets</b>		<b>161 324</b>	<b>151 230</b>	<b>154 837</b>
<b>Current assets</b>				
Inventories		848	1 081	1 063
Accounts receivables		187	81	3
Other current assets		607	515	667
Prepaid expenses and accrued income		673	507	724
Cash and cash equivalents		13 047	14 821	8 738
<b>Total current assets</b>		<b>15 362</b>	<b>17 005</b>	<b>11 195</b>
<b>TOTAL ASSETS</b>		<b>176 686</b>	<b>168 235</b>	<b>166 032</b>
<b>EQUITY AND LIABILITIES</b>				
Equity		<b>152 054</b>	<b>143 555</b>	<b>140 459</b>
Provisions		20 166	21 123	21 123
<b>Current liabilities</b>				
Accounts payable		2 496	1 340	2 485
Other liabilities		633	441	561
Accrued expenses and prepaid income		1 337	1 776	1 404
<b>Total current liabilities</b>		<b>4 466</b>	<b>3 557</b>	<b>4 450</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>176 686</b>	<b>168 235</b>	<b>166 032</b>

**Consolidated Statement of Changes in Equity**

KSEK	Equity	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				-9 356	-9 356
Exchange rate differences on translation of foreign subsidiaries			9		9
Reduction equity					-
Issue for non-cash consideration (Acquisition Acacia)				0	0
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>151 129</b>	<b>553</b>	<b>-13 213</b>	<b>143 555</b>
Opening balance at January 1, 2018	5 086	151 129	1 087	-16 883	140 419
Net income				-15 017	-15 017
Exchange rate differences on translation of foreign subsidiaries			794		794
Employee stock options				522	522
Rights issue	549	24 951			25 500
Issue expenses		-164			-164
<b>Total equity at Sept 30, 2018</b>	<b>5 635</b>	<b>175 916</b>	<b>1 881</b>	<b>-31 378</b>	<b>152 054</b>

**Consolidated Statement of Cash Flows**

KSEK	Jul-Sept	Jul-Sept	Jan-Sept	Jan-Sept	Full year
	2018	2017	2018	2017	2017
<b>Operating cash flow</b>					
0	-5 834	-2 455	-15 474	-9 356	-13 027
Adjustment for depreciations	2 119	89	2 398	263	357
Other adjustments for items not included in cash flow	-221	117	60	244	264
<b>Cash flow after operating activities before changes in working capital</b>	<b>-3 936</b>	<b>-2 249</b>	<b>-13 016</b>	<b>-8 849</b>	<b>-12 406</b>
<b>Cash flow from changes in working capital</b>					
Changes in inventories and work in progress	277	-10	215	-708	-690
Changes in current receivables	146	-350	-73	-47	-338
Changes in current liabilities	-544	876	16	249	1 142
<b>Cash flow from operating activities</b>	<b>-4 057</b>	<b>-1 733</b>	<b>-12 858</b>	<b>-9 355</b>	<b>-12 292</b>
<b>Investing activities</b>					
Acquisition of intangible fixed assets	-3 644	-2 928	-8 170	-6 882	-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>-3 644</b>	<b>-2 928</b>	<b>-8 170</b>	<b>-6 882</b>	<b>-10 028</b>
<b>Financing activities</b>					
New issue	500	-	25 337	21 031	21 031
New loan and loan amortisation	-	-	-	-	-
<b>Cash flow from financing activities</b>	<b>500</b>	<b>0</b>	<b>25 337</b>	<b>21 031</b>	<b>21 031</b>
<b>Changes in cash and cash equivalents</b>	<b>-7 201</b>	<b>-4 661</b>	<b>4 309</b>	<b>4 794</b>	<b>-1 289</b>
Cash and cash equivalents at the start of the period	20 248	19 482	8 738	10 027	10 027
Cash and cash equivalents at the end of the period	13 047	14 821	13 047	14 821	8 738

**Parent Company Income Statement**

KSEK	Note	Jul-Sept	Jul-Sept	Jan-Sept	Jan-Sept	Full year
		2018	2017	2018	2017	2017
Sales revenue		155	-	543	174	187
Cost of goods sold		-782	-126	-2 307	-440	-745
<b>Gross income</b>		<b>-627</b>	<b>-126</b>	<b>-1 764</b>	<b>-266</b>	<b>-558</b>
Selling and administrative expenses	1	-3 223	-2 195	-11 699	-8 702	-11 766
Other operating income		63	28	325	130	258
Other operating expenses		-112	-62	-201	-146	-213
<b>Operating income</b>		<b>-3 899</b>	<b>-2 355</b>	<b>-13 339</b>	<b>-8 984</b>	<b>-12 279</b>
Write-down of shares in group companies		-	-	-	-	-64 975
Financial income		-	-	-	-	-
Financial expenses		-	-1	-1	-2	-1
<b>Total financial items</b>		<b>0</b>	<b>-1</b>	<b>-1</b>	<b>-2</b>	<b>-64 976</b>
<b>Income after financial items</b>		<b>-3 899</b>	<b>-2 356</b>	<b>-13 340</b>	<b>-8 986</b>	<b>-77 255</b>
<b>Net income</b>		<b>-3 899</b>	<b>-2 356</b>	<b>-13 340</b>	<b>-8 986</b>	<b>-77 255</b>

**Parent Company Balance sheet**

KSEK	Note	30 Sept 2018	30 Sept 2017	31 Dec 2017
<b>ASSETS</b>				
<b>Non-current assets</b>				
Intangible assets		52 681	42 187	45 038
Machinery and equipment		193	37	238
Financial assets		24 088	88 092	23 267
<b>Total non-current assets</b>		<b>76 962</b>	<b>130 316</b>	<b>68 543</b>
<b>Current assets</b>				
Inventories		848	1 081	1 063
Accounts receivables		187	81	3
Other current assets		604	506	664
Prepaid expenses and accrued income		661	507	724
Cash and cash equivalents		12 793	14 790	8 674
<b>Total current assets</b>		<b>15 093</b>	<b>16 965</b>	<b>11 128</b>
<b>TOTAL ASSETS</b>		<b>92 055</b>	<b>147 281</b>	<b>79 671</b>
<b>EQUITY AND LIABILITIES</b>				
Equity		87 362	143 112	74 885
Provisions		-	500	500
<b>Current liabilities</b>				
Accounts payable		2 692	1 625	2 371
Other liabilities		708	485	586
Accrued expenses and prepaid income		1 293	1 559	1 329
<b>Total current liabilities</b>		<b>4 693</b>	<b>3 669</b>	<b>4 286</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>92 055</b>	<b>147 281</b>	<b>79 671</b>

**NOTE 1 - Selling and administrative expenses**

	Jul-Sept 2018	Jul-Sept 2017	Jan-Sept 2018	Jan-Sept 2017	Full year 2017
KSEK					
Salaries	1 885	950	5 397	3 311	4 546
Office expenses	147	99	422	296	457
Consultants	891	960	4 811	4 072	5 542
Travelling expenses	117	43	502	438	677
Marketing expenses	117	61	405	366	513
Depreciation	97	86	292	258	357
Other expenses	77	98	173	276	364
<b>Total selling and administrative expenses</b>	<b>3 331</b>	<b>2 297</b>	<b>12 002</b>	<b>9 017</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 November 8 2018.*