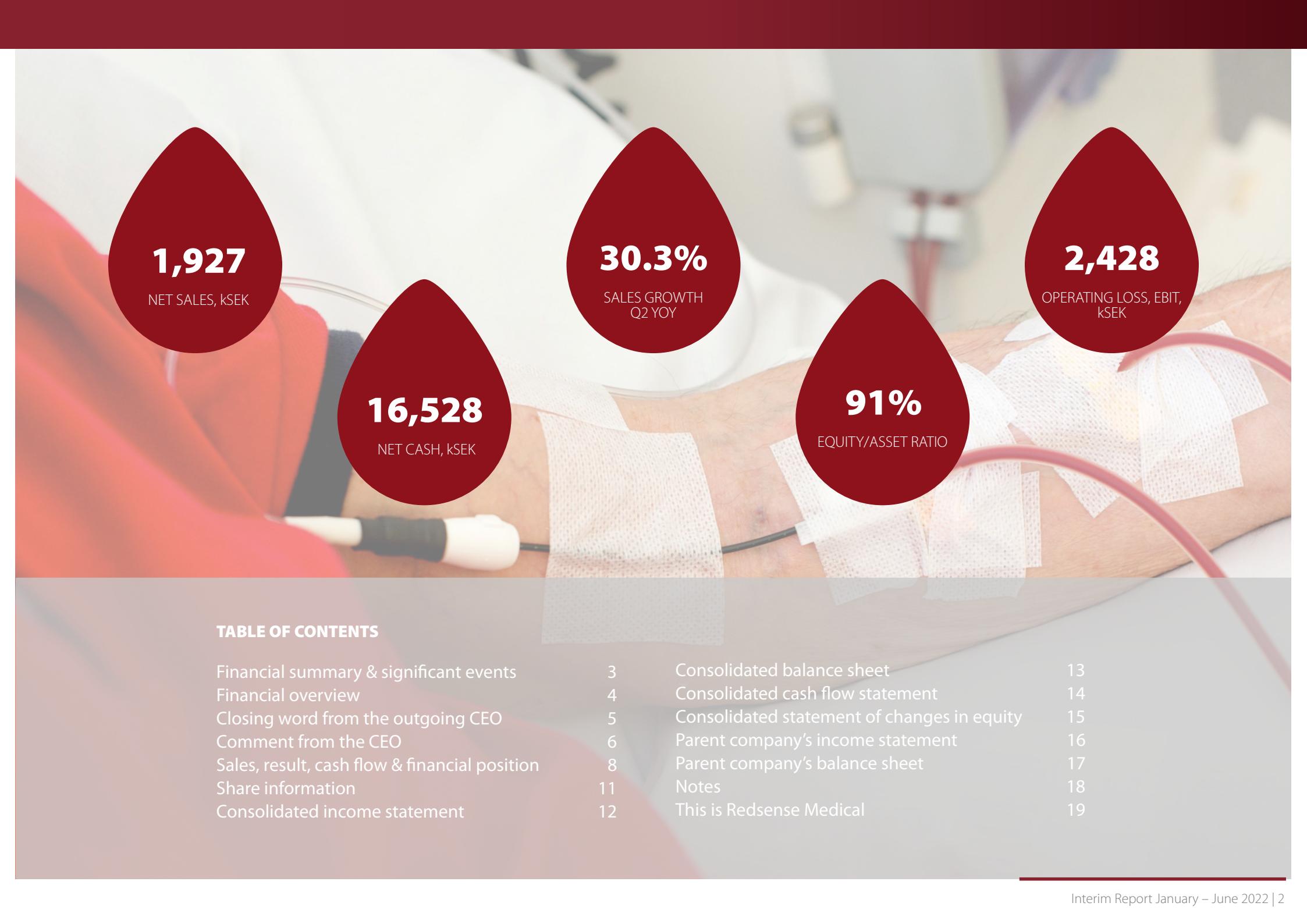




Redsense Medical AB (publ)

Interim Report January – June 2022





1,927

NET SALES, kSEK

30.3%

SALES GROWTH
Q2 YOY

2,428

OPERATING LOSS, EBIT,
kSEK



16,528

NET CASH, kSEK



91%

EQUITY/ASSET RATIO

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Year-on-year growth continues in Q2

April – June 2022

- Net sales amounted to kSEK 1,927 (1,479), an increase by 30.3 percent.
- Operating loss, EBIT amounted to kSEK 2,428 (2,874).
- Result after tax amounted to kSEK -2,137 (-3,221).
- Earnings per share was SEK -0.15 (-0.23) before and after dilution.

January – June 2022

- Net sales amounted to kSEK 5,054 (2,164), an increase by 134 percent.
- Operating loss, EBIT amounted to kSEK 4,503 (6,024).
- Result after tax amounted to kSEK -3,687 (-4,710).
- Earnings per share was SEK -0.26 (-0.34) before and after dilution.
- Net cash at June 30 was kSEK 16,528 (26,900).
- Cash and cash equivalents amounted to kSEK 6,133 (4,983).
- Cash flow from operating activities amounted to kSEK -1,347 (3,415).

Significant events during the period

- On May 2, the Annual General Meeting resolved to elect Patrik Byhmer, current CEO at the time, as new Chairman of the Board.
- On May 2, Redsense Medical announced the appointment of the experienced global life science leader Pontus Nobréus as new CEO, the date of his commencement to be determined.
- On May 19-22, Redsense Medical exhibited on the 59th ERA Congress in Paris, showcasing and promoting the Redsense Clamp.

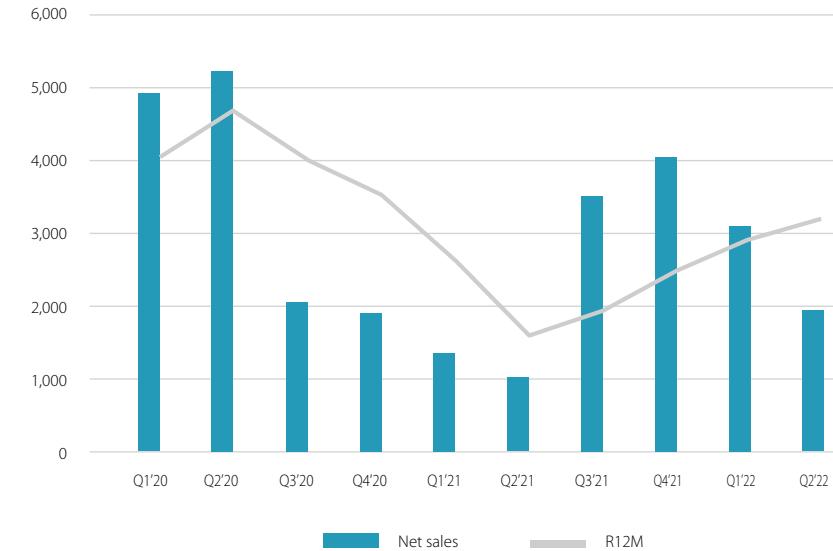
Significant events after the end of the period

- On July 6, it was announced that newly appointed CEO Pontus Nobréus will take over the helm as of August 1, 2022. Outgoing CEO Patrik Byhmer takes position as Chairman of the Board as of the same date, while outgoing Chairman Bo Unéus retains his seat on the board with a special focus on business development, investors and international business relationships.

Financial overview

kSEK	Second quarter		First half year	
	Q2 2022	Q2 2021	HY 2022	HY 2021
Net sales	1,927	1,479	5,054	2,164
Change, YOY, %	30.3%	-72.1%	133.5%	-78.8%
Gross profit	382	-76	1,939	198
Gross margin, %	19.8%	-5.1%	38.4%	9.1%
Operating profit (EBIT)	-2,428	-2,874	-4,503	-6,023
Earnings per share before and after dilution, SEK	-0.15	-0.23	-0.26	-0.34
Cash flow from operating activities	-698	2,630	-1,347	3,415

Breakdown of net sales by quarter



See definitions on page 18.

Closing word from the founder and outgoing CEO

Ever since founding Redsense as a born-global startup 16 years ago, I have served as the company's CEO. It has been an educational journey for me, an intense and fruitful experience for the company, and – as the technology we developed found its way into an ever growing number of treatment sessions – a rewarding opportunity to make a real difference for the hemodialysis community worldwide. We have consolidated our unique market position, and as the launch of the Redsense Clamp approaches, we now stand ready to scale up our international expansion and conquer new markets.

This means that the time is right for a leadership transition. I will continue to devote my time to building Redsense stronger, but as chairman, my focus will naturally shift towards the strategic perspective and the value creation in the longer term. Meanwhile, the day-to-day operations are in the best of hands, as Pontus assumes responsibility for the management of operations and of the team.

I look forward to tackling the future together with Pontus, and I have no doubt that his skills and fresh and eager outlook will revitalize Redsense with the resilience and energy it needs to reach the next step in its development.



Patrik Byhmer

Founder and new Chairman of the Board
Redsense Medical

Redsense welcomes Pontus Nobréus

As of August 1, 2022, Pontus Nobréus took over the helm of Redsense Medical as the company's newly appointed CEO. He succeeded former CEO and co-founder Patrik Byhmer, who was elected new Chairman of the Board by the general meeting of shareholders in May and subsequently stepped down as CEO to focus on that role.

With a range of leading business positions behind him, most recently as CEO of Pro Health Pharma Sweden AB, Nobréus brings extensive and long-standing experience in diagnostics, medtech, and international business development and sales strategy to Redsense, combined with resolve and determination. Drawing on first-hand experience of the US healthcare market and with an eye for innovation, marketing and growth factors, his priority will be to accelerate Redsense's ongoing journey of growth.



With 30 percent growth, the gap is closing

In the second quarter, Redsense continues to perform at a higher level than last year, reaching a revenue of kSEK 1,927 (1,479) for 30 percent growth.

Looking at the first six months of the year, net sales amounted to kSEK 5,054, compared with kSEK 2,164 in the corresponding period last year and kSEK 10,202 the year before. In other words: while the first half of 2021 saw a year-on-year decline of 78 percent, the first half of 2022 partially recuperated that downturn, showing year-on-year growth of 134 percent.

In the context of this comparison, it is vital to keep in mind that we recorded a record Q2 2020, marking Redsense's first net-profit half-year. Then, the impact of the pandemic on the demand and marketing environment in the healthcare sector was yet to appear. By contrast, a year thereafter, in Q2 2021, the market environment was in dire straits and Redsense had throughout the first half of the year felt the weight of the then prevailing standstill in the market and the mortality increase in the patient census.

At present, the global economy in general is burdened by a compounding impact of inflationary pressures, lingering supply chain disruptions, recent circulation of the easily spread BA.5 subvariant of COVID-19 and increased sociopolitical uncertainty emanating from the war in Ukraine, and it is against this backdrop the level of growth must be evaluated. Slow and steady wins the race, the saying goes, and while there is still some way to go to reach the pre-pandemic levels, it is gratifying to see that the gap is closing.

US slows down on inventory buildup, positive signs ahead

In our main market, the United States, an increase of inventory levels at our two distributors over the past year is now resulting in a slowdown in new orders. In addition, various sectors are currently experiencing constraints in the form of labor shortages, where the scarcity of skilled clinical staff and other healthcare workers is particularly prominent. On the flipside, this is prompting major dialysis operators such as DaVita and Fresenius to reiterate their ambition to reduce their cost base and drive growth in the less labor-intensive home dialysis segment. This adds to the demand increase in home hemodialysis arising from the COVID-19 pandemic and the political initiatives to incentivize at-home treatment in strengthening the relevance of Redsense's solution, especially in view of the Clamp's added capability to intervene on its own.

Moreover, we are seeing promising reverberations from the US congress briefing about venous needle dislodgement in March, where Redsense participated alongside various stakeholders in the kidney care community. Medicare payments to service providers include

a potential payment adjustment for new and innovative renal dialysis equipment and supplies, and the key issue here from our perspective is the applicability of this reimbursement model to Redsense's products. The briefing has sparked a productive discussion of reimbursement, and the sentiment is looking positive thus far.

Outside the United States, momentum is building

Looking to the European market, our long-standing discussions with a leading German dialysis provider, which operates a large chain of dialysis centers in Germany, are entering a more active stage. Following the deepened dialogue, we are planning to advance the evaluation with this provider in September, moving from general product validation to actual clinical testing in two clinics.

The introduction of Redsense Clamp remains central to the company's outlook. The launch commenced with the team's presentation of the device at the ERA Congress in Paris during the quarter, where it was met with positive acclaim, and we are now finalizing the details to perform the previously disclosed follow-up evaluation in Toronto, to date delayed by COVID-19 restrictions. All in all, we have a busy and exciting fall in front of us, which will also involve showcasing at several trade shows, meetings with selected stakeholders, and other activities, both in the United States and the EU.

Finally, the quarter also involved a CEO change. It is a great privilege to take the helm of Redsense at this pivotal time, as we are about to introduce a truly unique offering to the market with the Redsense Clamp. I want to thank all members of the team for their hard work in bringing us here. Let me also take this opportunity to pledge my commitment to the ideals on which Redsense was founded – to place patient safety above all – as I make it my dedication to relentlessly work for further growth and commercial success.

I invite you all to join the journey, as it has only just begun. Great opportunity lies before us!



Pontus Nobréus

CEO, Redsense Medical



A man with a beard and a red shirt is laughing heartily, holding a white, clamp-shaped device. The device is connected to a black pole with a circular control unit. The background is a blurred indoor setting.

"We are about to introduce a truly unique offering to the market with the RedSense Clamp."



Net sales and result

Net sales in the second quarter amounted to kSEK 1,927 (1,479), an increase of 30.3 percent. The US was the biggest market with 96 percent (58) of the net sales.

Gross profit for the second quarter amounted to kSEK 382 (-76), corresponding to a gross profit margin of 19.8 percent (-5.1).

Other external expenses for the quarter amounted to kSEK 2,898 (671).

Personnel expenses for the quarter amounted to kSEK 2,322 (1,474).

Depreciation/amortization for the quarter amounted to kSEK 13 (98).

Operating loss for the quarter, before and after tax, amounted to kSEK 2,428 (2,874).

Net financial items for the quarter amounted to kSEK 290 (-347) and primarily consist of change in value and net gains in short-term deposits and currency effects.

For the first half year of 2022, net sales amounted to kSEK 5,054 (2,164), an increase of 133.5 percent. The US was the biggest market with 97 (72) percent of the net sales.

Gross profit for the first half of the year amounted to kSEK 1,939 (198), corresponding to a gross profit margin of 38.4 percent (-9.1).

Other external expenses for the half year amounted to kSEK 6,131 (6,029).

Personnel expenses for the half year amounted to kSEK 4,312 (3,295).

Depreciation/amortization for the half year amounted to kSEK 25 (98).

Operating loss for the half year, before and after tax, amounted to kSEK 4,503 (6,023).

Net financial items for the half year amounted to kSEK 817 (1,314).

Balance sheet items

At June 30 the Group's cash and cash equivalents amounted to kSEK 6,133 (4,983). Short-term deposits of kSEK 10,395 (21,917) relate to short-term investments. Net cash amounted to kSEK 16,528 (26,900). The company has a credit facility of kSEK 3,000, which as per June 30 remains undrawn.

Intangible fixed assets amounted to kSEK 11,627 (5,324) which is fully capitalized development costs.

As of June 30, the equity amounted to kSEK 32,150 (41,146).

Cash flow

The cash flow from operating activities after change in working capital in the quarter amounted to kSEK -698 (2,630).

Total investing activities for the period amounted to kSEK -624 (29,940).

Financing activities for the period amounted to kSEK 176 (560).

For the first half of the year, the cash flow from operating activities after change in working capital amounted to kSEK -1,347 (3,415).

Total investing activities for the half year amounted to kSEK 10,158 (25,184).

Financing activities for the half year amounted to kSEK -2,395 (0).

Odinwell spin-off

During 2021, Redsense placed new technology for wound care in the spin-off company Odinwell. Odinwell was subsequently listed on Spotlight Stock Market with first day of trading on June 9, 2021. For more details on the spin-off, refer to the Annual report for 2021.

Parent company

The Group's parent company, Redsense Medical AB, has one wholly owned subsidiary in the United States.

The parent company's net sales amounted to kSEK 1,638 (622) in the second quarter, and the total operating expenses amounted to kSEK 6,833 (6,090). Operating loss was kSEK 2,772 (4,904) for the second quarter.

The parent company's net financial income in the quarter was kSEK 290 (285).

The result after financial items amounted to kSEK -2,482 (-4,620), and the result before and after tax amounted to kSEK -2,482 (-4,620) for the first quarter.

In the first half year, the parent company's net sales amounted to kSEK 3,968 (1,635) and the total operating expenses amounted to kSEK 13,737 (11,587). Operating loss in the first half year was kSEK 5,743 (7,634).

The parent company's net financial income in the first half of the year was kSEK 817 (1,976).

The result after financial items for the first half of the year amounted to kSEK -4,927 (-5,658), and the result before and after tax for the first half of the year amounted to kSEK -4,927 (-5,658).

The parent company's cash and cash equivalents amounted to kSEK 3,735 (2,116) at June 30 and net cash kSEK 14,130 (24,033). The company has a credit facility of kSEK 3,000, which as per June 30 remained undrawn.

Significant events during the reported period

- On May 2, the Annual General Meeting resolved, inter alia, to elect then current CEO Patrik Byhmer as new Chairman of the Board.
- On May 2, Redsense Medical announced the appointment of the experienced global life science leader Pontus Nobréus as new CEO, the date of his commencement to be determined.
- On May 19-22, Redsense Medical exhibited on the 59th ERA Congress in Paris, showcasing and promoting the Redsense Clamp.

Significant events after the reported period

- On July 6, it was announced that newly appointed CEO Pontus Nobréus will take over the helm as of August 1, 2022. Outgoing CEO Patrik Byhmer takes position as Chairman of the Board as of the same date, while outgoing Chairman Bo Unéus retains his seat on the board with a special focus on business development, investors and international business relationships.

Risks and uncertainties

As an international Group, Redsense is exposed to various risks that affect the possibilities to achieve the established targets. There are operational risks, such as the risk that competitive situations affect price levels and sales volumes, and the risk that the economic development in the markets and segments where the Group operates could develop unstable. There are also financial risks, such as currency risks, interest risks and credit risks.

No major changes in significant risks or uncertainty factors have occurred during the period regarding the COVID-19 pandemic and other geopolitical events. Other risks are unchanged compared to the description of Redsense's risks, uncertainty factors and the handling of these in the company's Annual Report for 2021.

Transactions with related parties

Transactions have taken place during the period between subsidiaries and remuneration was paid to senior executives in the Group and the parent company.

Human resources

The Group had 5 (5) employees (full time equivalents) at June 30 in comparison to last period.

Audit review

This report has not been reviewed by the company's auditors.

General information

In this interim report, the Group is referred to, unless otherwise stated. Figures in parentheses indicate the outcome for the corresponding period the previous year, apart from balance sheet items where figures in parentheses refer to December 31 the previous year. Unless otherwise stated, amounts are given in kSEK.

Calendar

Interim report Q3 June - September 2022

Year-end report Q4 October - December 2022

Annual General Meeting 2023

November 9, 2022

February 27, 2023

May 9, 2023

All financial reports are published at www.redsensemical.com

Declaration by the Board of Directors and CEO

The Board of Directors and the CEO certify that this interim report provides a true and fair overview of the Parent Company's and the Group's operations, financial position, results, and describes significant risks and uncertainties the Parent Company and the Group are exposed to. The report has not been reviewed by the company's auditors.

Halmstad, August 29, 2022

Redsense Medical AB (publ)

The Board of Directors and CEO

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This information is information that Redsense Medical AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact persons set out above, on August 29, 2022, at 08:30 CET.

The share

The Redsense Medical share is listed on Spotlight Stock Market under the ticker REDS. The share was originally listed on Aktietorget (today known as Spotlight Stock Market) on June 5, 2015, relisted on the Nasdaq First North Stockholm on October 2, 2017, before relisting on Spotlight Stock Market on May 3, 2019. As of June 30, 2022, the company's market capitalization was MSEK 210.

The IPO share price of Redsense Medical in 2015 was SEK 5 per share. On the last day of trading in June 2022, the closing share price was 14.95 SEK. Thus, the total shareholder return since the IPO is 199 percent.

The Annual General Meeting resolved that no dividend be paid to the shareholders for the fiscal year 2021.

Share turnover

In total, 191 thousand shares were traded in the second quarter, for a value of MSEK 3.4.

Share capital

On June 30, 2022, the share capital of Redsense Medical amounted to SEK 1,404,081, divided on 14,040,810 shares, each with a quota value of SEK 0.10. All shares carry the same voting rights.

Ownership

At the turn of the quarter, the ten major owners represented 49.14 percent of the share capital and voting rights. The largest individual shareholder at the end of the first quarter was Patrik Byhmer with a 14 percent ownership via companies.

The ten major owners as of 2022-06-30

Patrik Byhmer*	14.03%
Discover Capital GmbH	5.70%
Avanza Pension	5.10%
ÖstVäst Capital Management	5.08%
Nordnet Pensionsförsäkring	4.62%
Swedbank Robur Fonder	4.56%
Futur Pension	3.54%
Aktia Asset Management	2.21%
Martin Olausson	2.16%
Andra AP-fonden	2.14%

Total **49.14%**

*Shares held through companies

Consolidated income statement

SEK	2022-04-01 -2022-06-30	2021-04-01 -2021-06-30	2022-01-01 -2022-06-30	2021-01-01 -2021-06-30
Net sales	1,927,236	1,478,944	5,054,095	2,164,389
Capitalized development work	548,000	-1,437,204	1,686,666	2,317,562
Other operating income	1,874,961	882,029	2,338,667	882,569
Total operating income	4,350,197	923,769	9,079,428	5,364,520
Cost of goods sold	-1,544,903	-1,554,891	-3,115,032	-1,966,860
Other external expenses	-2,897,745	-670,635	-6,131,363	-6,029,061
Personnel costs	-2,322,411	-1,474,374	-4,311,647	-3,294,644
Depreciation/Amortization	-12,792	-97,672	-24,789	-97,800
Total operating costs	-6,777,851	-3,797,572	-13,582,831	-11,388,365
OPERATING RESULT	-2,427,655	-2,873,803	-4,503,403	-6,023,845
Net financial items	290,413	-347,047	816,757	1,313,806
Result from financial items	290,413	-347,047	816,757	1,313,806
PROFIT OR LOSS BEFORE TAX	-2,137,242	-3,220,850	-3,686,646	-4,710,039
PROFIT OR LOSS FOR THE PERIOD	-2,137,242	-3,220,850	-3,686,646	-4,710,039

Consolidated balance sheet

SEK	2022-06-30	2021-06-30	2021-12-31	SEK	2022-06-30	2021-06-30	2021-12-31
ASSETS							
Fixed assets							
Intangible fixed assets							
Capitalized development costs	11,626,729	5,324,043	9,940,063	Share capital	1,404,081	1,404,081	1,404,081
Tangible fixed assets							
Technical equipment and tools	393,468	36,786	370,524	Restricted reserves/statutory reserve	598,390	10,728,390	-
Total fixed assets	12,020,197	5,360,829	10,310,587	Development fund	11,686,947	5,384,262	-
Current assets							
Inventory	1,323,774	3,908,566	1,300,614	Non-restricted equity			
Advances to suppliers	-	-	75,000	Balanced profits	-101,484,205	-95,331,741	-
Accounts receivable	4,359,196	1,415,468	3,532,939	Share premium reserve	123,631,079	123,318,577	123,631,079
Other short-term receivables	558,733	373,764	666,910	Profit or loss for the period	-3,686,647	-4,357,865	-
Receivables from associated companies	-	625	-	Other capital incl. Profit or loss for the period	-	-	-87,542,652
Prepayments and accrued income	366,989	402,154	411,079	Total equity	32,149,645	41,145,703	37,492,508
Short-term deposits	10,395,258	24,453,773	21,916,732	Liabilities			
Cash and cash equivalents	6,132,711	7,237,996	4,983,113	Short-term liabilities			
Total current assets	23,136,661	37,792,346	32,939,071	Credit facilities	-	-	2,571,749
TOTAL ASSETS	35,156,858	43,153,175	43,249,658	Accounts payable	1,536,234	850,427	1,326,085
TOTAL EQUITY & LIABILITIES							
				Other short-term liabilities	303,763	1,110,459	1,023,413
				Accruals and deferred income	1,167,216	46,586	835,902
				Total short-term liabilities	3,007,213	2,007,472	5,757,149
				Total liabilities	3,007,213	2,007,472	5,757,149
				TOTAL EQUITY & LIABILITIES	35,156,858	43,153,175	43,249,658

Consolidated cash flow statement

SEK	2022-04-01 -2022-06-30	2021-04-01 -2021-06-30	2022-01-01 -2022-06-30	2021-01-01 -2021-06-30
Cash flow from operating activities before changes in working capital	-2,589,722	-2,248,072	-5,266,407	-10,222,847
Cash flow from operating activities	-697,663	2,629,986	-1,347,081	3,414,961
Cash flow from investment activities	-623,993	29,939,418	10,158,433	25,183,830
Cash flow from financing activities	176,400	559,970	-2,395,349	-
Cash flow for the period	-3,734,978	-9,263,511	1,149,597	-21,768,869
Cash and cash equivalents closing balance	6,132,711	7,237,996	6,132,711	7,237,996

Consolidated statement of changes in equity in summary

SEK	Share capital	Other paid-in capital	Balanced profit	Total equity
Opening balance January 1, 2022	1,404,081	123,631,079	-87,542,652	37,492,508
Changes in equity between January 1 and June 30, 2022				
Year result	-	-	-3,686,647	-3,686,647
Warrant issuance	-	-	176,400	176,400
Exchange rate differences and other adjustments	-	-	-1,832,616	-1,832,616
Closing balance June 30, 2022	1,404,081	123,631,079	-92,885,515	32,149,645
Opening balance January 1, 2021	1 404,081	123,631,079	-51,836,498	73,198,662
Changes in equity between January 1 and June 30, 2021				
Exchange rate differences and other adjustments	-	-312,502	324,495	11,993
Dividend according to extra AGM	-	-	-27,354,913	-27,354,913
Year result	-	-	-4,710,039	-4,710,039
Closing balance June 30, 2021	1,404,081	123,318,577	-83,576,955	41,145,703

Parent company's income statement

SEK	2022-04-01 -2022-06-30	2021-04-01 -2021-06-30	2022-01-01 -2022-06-30	2021-01-01 -2021-06-30
Net sales	1,637,817	622,010	3,968,064	1,634,731
Capitalized development work	548,000	564,457	1,686,666	2,317,562
Other operating income	1,874,961	-	2,338,667	-
Total operating income	4,060,778	1,186,467	7,993,397	3,952,293
Cost of goods sold	-1,634,260	-1,226,408	-3,325,774	-1,655,149
Other external expenses	-2,182,940	-2,139,453	-4,641,119	-4,838,622
Personnel costs	-1,806,396	-1,479,162	-3,352,060	-2,602,025
Depreciation/Amortization	-1,209,363	-1,245,471	-2,417,931	-2,490,943
Total operating costs	-6,832,960	-6,090,494	-13,736,885	-11,586,739
OPERATING RESULT	-2,772,183	-4,904,027	-5,743,488	-7,634,446
Net financial items	290,413	284,505	816,757	1,976,375
Result from financial items	290,413	284,505	816,757	1,976,375
PROFIT OR LOSS BEFORE TAX	-2,481,770	-4,619,522	-4,926,731	-5,658,071
PROFIT OR LOSS FOR THE PERIOD	-2 481,770	-4,619,522	-4,926,731	-5,658,071

Parent company's balance sheet

SEK	2022-06-30	2021-06-30	2021-12-31	SEK	2022-06-30	2021-06-30	2021-12-31				
ASSETS											
Fixed assets											
Intangible fixed assets											
Capitalized development costs	11,626,729	34,183,938	9,940,063	Share capital	1,404,081	1,404,081	1,404,081				
Patent	24,073,611	-	26,466,753	Restricted reserves/statutory reserve	598,390	10,728,390	598,390				
Tangible fixed assets											
Technical equipment and tools	393,468	36,786	370,524	Development fund	11,116,426	5,384,262	10,000,282				
Financial fixed assets											
Shares in subsidiaries	6,654	30,000,000	6,654	Equity							
Receivables from group companies	17,227,639	15,385,391	15,305,096	Restricted equity							
Total fixed assets	53,328,101	79,606,115	52,089,090	Share capital	1,404,081	1,404,081	1,404,081				
Current assets				Restricted reserves/statutory reserve	598,390	10,728,390	598,390				
Inventory	1,273,239	3,494,773	1,247,075	Development fund	11,116,426	5,384,262	10,000,282				
Advances to suppliers	-	52,684	75,000	Non-restricted equity							
Accounts receivable	141,844	1,688,725	2,802,751	Balanced profits	-61,041,022	-55,165,708	-59,781,728				
Receivables from group companies	3,997,880	625	-	Share premium reserve	123,631,079	123,318,577	-				
Tax claims	-	-	155,687	Profit or loss for the period	-4,926,731	-5,658,071	-10,449,550				
Other short-term receivables	558,733	364,932	169,464	Total equity	70,782,223	80,011,530	75,532,554				
Prepayments and accrued income	366,989	351,052	404,425	Liabilities							
Short-term deposits	10,395,258	24,453,773	21,916,732	Long-term liabilities							
Cash and cash equivalents	3,734,549	1,569,266	2,115,603	Liabilities to Group companies	-	29,543,563	-				
Total current assets	20,468,492	31,975,830	28,886,737	Total long-term liabilities	-	29,543,563	-				
TOTAL ASSETS	73,796,593	111,581,945	80,975,827	Short-term liabilities							
				Credit facilities	-	-	2,571,749				
				Accounts payable	1,543,391	856,393	1,332,421				
				Other short-term liabilities	303,763	1,110,459	628,970				
				Accruals and deferred income	1,167,216	60,000	910,133				
				Total short-term liabilities	3,014,370	2,026,852	5,443,273				
				Total liabilities	3,014,370	31,570,415	5,443,273				
				TOTAL EQUITY & LIABILITIES	73,796,593	111,581,945	80,975,827				

Notes

Note 1 Accounting principles

These interim financial statements have been prepared in accordance with the Swedish Annual Accounts Act as well as the Swedish Accounting Standards Board BFNAR 2012:1 annual report and consolidated (K3). The accounting policies are the same as the previous year. For further information, please refer to the Annual Report for 2021, page 27.

Note 2 Key ratios and financial metrics

Definitions of the key ratios and financial metrics used in the Group's financial reporting:

Net cash

In order for stakeholders and corporate management to be able to follow and analyze the Group's financial strength, information on the Group's net cash is reported defined as cash reduced by liabilities to credit institutions.

Net cash in kSEK	2022-06-30	2021-12-31
Cash	6,133	4,983
Short-term deposits	10,395	21,917
Net cash	16,528	26,900

Graphs of net sales and operating result

Redsense has chosen to report graphs of the net sales with a rolling 12-month basis as corporate management also follows the development over time on a rolling 12-month basis and believes that this provides supplementary information to the calendar-based interim data otherwise given in the report.

Operating profit/loss, operating margin, EBIT and EBIT margin

In this report Redsense uses the result measure EBIT, Earnings Before Interest and Taxes, as an alternative term for operating profit. EBIT margin is thus an alternative term for operating margin, calculated as operating profit divided by net sales. Operating profit is calculated as net sales decreased by costs of goods sold and operating costs.

Gross profit

Net sales less cost of goods sold.

Investments

Acquisition of property, plant and equipment, intangible assets and financial assets during the period.

Earnings per share

Net profit for the period divided by the average number of shares during the period.

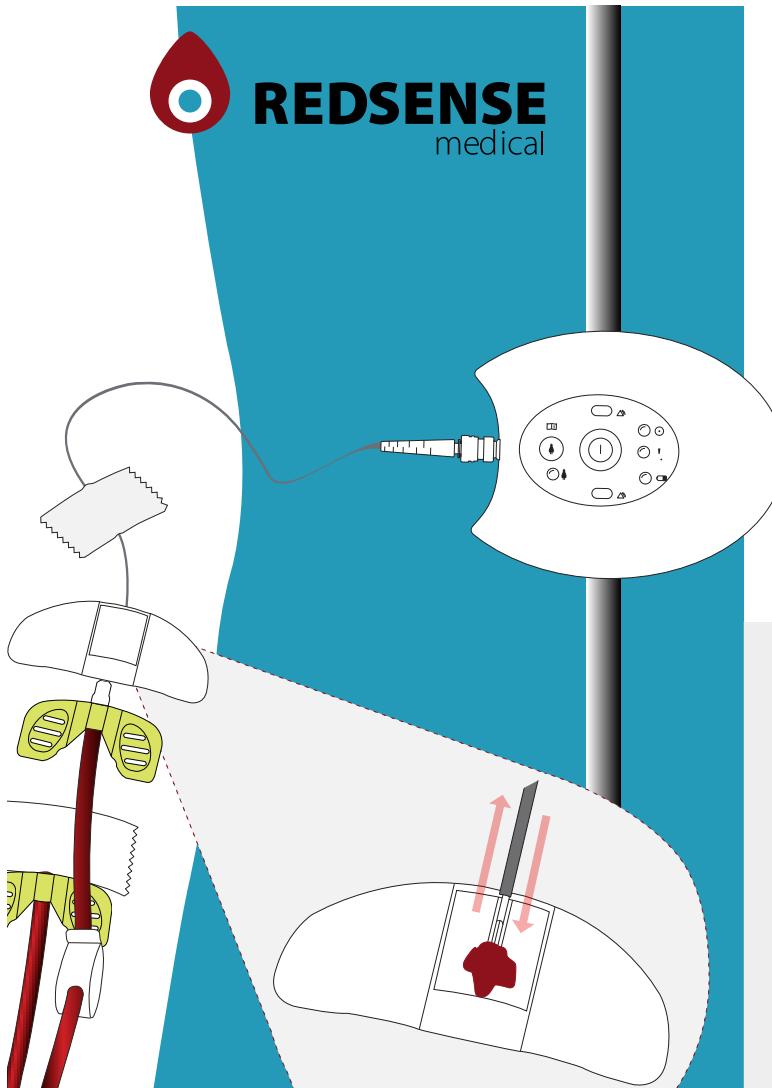
Equity/assets ratio

Equity divided by total assets.

Note 3 Pledged assets and contingent liabilities

Pledged assets amounted to MSEK 1.5 as per June 30, 2022. There are no contingent liabilities in the group.

This is Redsense Medical



Saving lives

Redsense Medical AB is born-global medical device innovator established in Sweden in 2006. Redsense's mission is to improve the safety and quality of life for dialysis patients worldwide. The group has its main market in the United States and additional operations in Europe, Oceania and Canada.

Early, reliable warning – without false alarms

Redsense promotes patient safety through highly cost-efficient fiber-optic monitoring of the blood access site during hemodialysis. The Redsense System immediately detects Venous Needle Dislodgement (VND) – a potentially life-threatening complication that causes 21 avoidable deaths per week worldwide. In essence, the Redsense alarm provides patients, nurses, and caregivers an extra pair of eyes; always alert, focused on one thing only, never looking away.

- During **hemodialysis**, blood is pumped from the patient at a rate of about 300-500 ml/min per minute to be cleaned in a **dialyzer** outside the body.
- With Redsense, a fiber-optic **sensor layer** integrated in a disposable patch is attached to the access where the blood is returned to the body via the venous needle.
- **Red light** is carried back and forth to the sensor from an **alarm unit**. If blood is absorbed in the patch, the device observes a reduced level of red light in the return signal, indicating that the venous needle have dislodged, resulting in bleeding.

Key to at-home safety

Redsense is used in both clinics and at home, daily and nocturnally. Today, the majority of treatments are performed in clinical settings, but home treatment is gaining popularity thanks to lower cost, increased convenience for the patient, improvements in technology and political initiative. This is where Redsense's solution adds safety.

A standard element of dialysis care

The number of patients undergoing hemodialysis several times per week due to chronic kidney disease is approaching 3,5 million, worldwide. The projected growth rate is six percent annually, driven by ageing population and other factors. Every hemodialysis treatment carries the risk of VND. In the last years, more than 1,000,000 treatments with the Redsense System have been conducted worldwide.

- A **visual and audible alarm** is triggered. This alerts the attention of the nursing staff, so that they can clamp the bloodline and **stop the dialysis machine's pump** and prevent further blood loss from the patient.
- Redsense can be **integrated** with dialysis machines implementing a certain standard. In such cases, the alarm unit can stop the machine's blood pump **without human intervention**.
- **Redsense Clamp** is a novel accessory product, currently in clinical validation, which equips the Redsense System with the ability to **automatically**, as prompted by the alarm unit, **clamp the bloodline** to prevent bleeding and stop the blood pump.



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