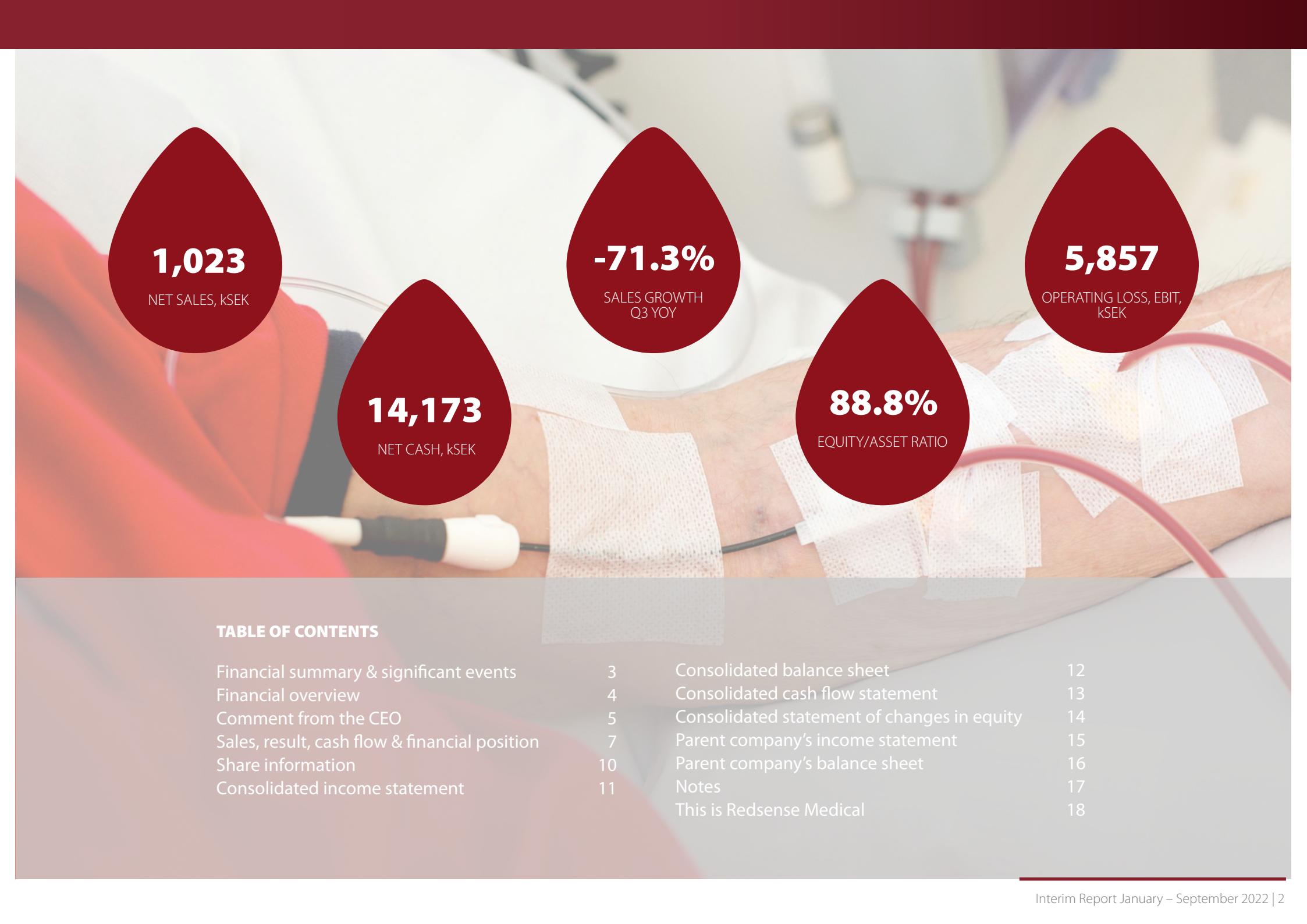




Redsense Medical AB (publ)

Interim Report January – September 2022





1,023

NET SALES, kSEK

-71.3%

SALES GROWTH
Q3 YOY

14,173

NET CASH, kSEK

88.8%

EQUITY/ASSET RATIO

5,857

OPERATING LOSS, EBIT,
kSEK

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Focus ahead as US purchasing patterns burden Q3

July – September 2022

- Net sales amounted to kSEK 1,023 (3,566), a decrease of 71.3 percent.
- Operating loss, EBIT amounted to kSEK 5,857 (2,852).
- Result after tax amounted to kSEK -2,372 (-2,547).
- Earnings per share was SEK -0.23 (-0.18) before and after dilution.

January – September 2022

- Net sales amounted to kSEK 6,077 (6,008), an increase of 1 percent.
- Operating loss, EBIT amounted to kSEK 10,506 (9,218).
- Result after tax amounted to kSEK -6,205 (-6,937).
- Earnings per share was SEK -0.50 (-0.49) before and after dilution.
- Net cash at September 30 was kSEK 14,173 (26,900).
- Cash and cash equivalents amounted to kSEK 4,371 (4,277).
- Cash flow from operating activities amounted to kSEK 459 (16,578).

Significant events during the period

- On July 6, it was announced that newly appointed CEO Pontus Nobréus would take over the helm as of August 1, 2022. Outgoing CEO Patrik Byhmer took position as Chairman of the Board as of the same date.
- On September 15, Redsense disclosed that a scientific article recently published by the American Heart Association (AHA) recommends home hemodialysis over in-center hemodialysis for kidney patients with cardiovascular disease.
- On September 26, Redsense presented at Aktiespararna's event Aktiedagen Lund.

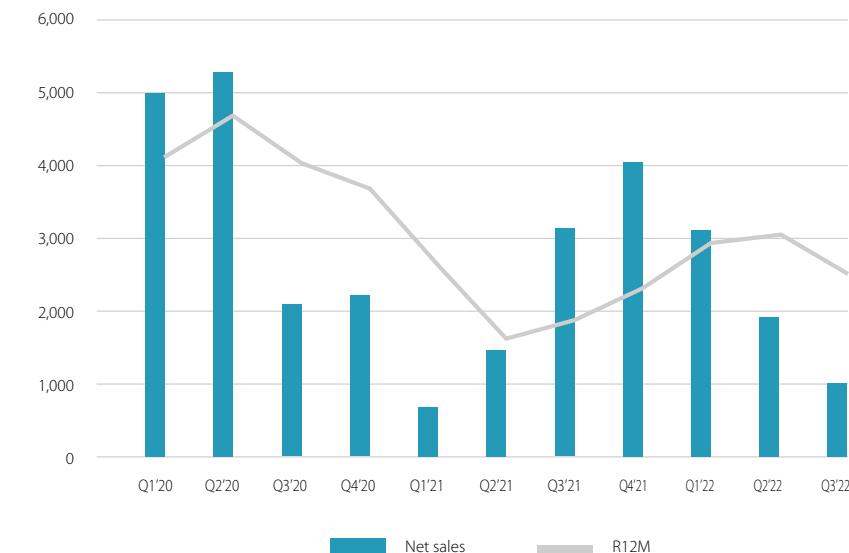
Significant events after the end of the period

- On October 18, it was announced that Redsense had received its highest value order to date.

Financial overview

kSEK	Third quarter		Nine-month period	
	Q3 2022	Q3 2021	Jan-Sep 2022	Jan-Sep 2021
Net sales	1,023	3,566	6,077	6,008
Change, YOY, %	-71.3%	69.3%	1.2%	-50.8%
Gross profit	493	1,384	2,425	2,170
Gross margin, %	48.2%	38.8%	39.9%	36.1%
Operating profit (EBIT)	-5,857	-2,852	-10,506	-9,218
Earnings per share before and after dilution, SEK	-0.23	-0.18	-0.50	-0.49
Cash flow from operating activities	1,806	13,163	459	16,578

Breakdown of net sales by quarter



See definitions on page 17.

Busy quarter with the US in focus

Overall, the third quarter of the year was characterized by intense forward-looking activities.

First, let us note that the sales recovery is taking longer than expected. Redsense's third quarter falls clearly short of expectations in terms of sales, as net sales reached kSEK 1,023 in the quarter and kSEK 6,077 in the first nine months of the year. The latter figure is on a par with the corresponding period last year and while the overall situation has improved in the healthcare systems, it is apparent that some challenges remain in the pandemic aftermaths. We have experienced variations in purchasing patterns from our US distributors, which built up surplus inventories during the market slowdown and now reduce their stock levels to meet the current demand. As such, net sales for the quarter, while unimpressive, are not an accurate reflection of the demand on the market at present and should not be over-interpreted. Indeed—as communicated—Redsense early in the fourth quarter secured its largest single order to date, valued at MSEK 3.7, from one of the US distributors.

We continue our clear focus on the US market, with a high level of sales and marketing activities, and in addition we work with our distributors towards a more consistent purchase pattern which also will benefit the supply chain flow.

A busy quarter with many positive signs

In September, further proof of the relative benefits of home hemodialysis (HHD) was brought forward, as the American Heart Association (AHA), the largest US voluntary organization for matters related to cardiovascular health, published the findings of an extensive review. The AHA's statement clearly expressed that home treatment is associated with a much better clinical outcome for the large group of kidney patients with cardiovascular comorbidities, not least because the longer, slower, and more frequent HHD sessions better mimic the operation of a healthy kidney. This, of course, aligns with the strong commitment and plans among our main US customers to increase the proportion of HHD, which has numerous benefits for patients and is also the subject of political incentives.

For us, this is a major positive sign: The Redsense Alarm and Clamp are both particularly valuable in a home setting, as they, by design, compensate for the reduced access to nursing staff. Especially in light of the prevalent nursing shortage, HHD can act as a leverage to extend care to more patients without increasing staff requirements, as Redsense's technology provides the patient safety needed to unlock the benefits of home hemodialysis as well as for high-risk patients in clinics.

In regard to the ongoing process of US reimbursement, where the aim is to ensure that Redsense is included in the Medicare coverage, everything is moving on and discussions with key stakeholders are promising. In September, we exhibited at two US conferences, first at the California Dialysis Council's Annual Educational Conference, then at the National Kidney Foundation of Florida's Renal Professional Forum. These types of events are excellent opportunities to showcase our products and promote patient safety during hemodialysis.

Moving ahead in Europe

In Europe, we maintain our strategic focus on Germany as the prioritized market. Our goal is to get established with a large dialysis provider, with which we have had on-going discussions as well as a general product validation. As planned, we have performed training in two clinics in collaboration with this provider, and on-site evaluations of our products are now ongoing.

In parallel, the preparations to get the Clamp ready for launch have reached the final steps, which involves user studies to complete the CE marking process. We are working with Toronto General Hospital to finalize the documentation to get this study up and running. Going forward, countries such as Canada and Australia will be among the prioritized markets for launch, and the US regulatory process will also come into focus.

Looking forward

Our strategy going forward rests on three pillars: capitalizing on our strong HHD position in the US; focusing on markets with favorable conditions in the EU; and launching the Clamp in selected markets.

To achieve this, we will focus strongly on sales in the home hemodialysis segment in the US, looking especially at boosting sales efficiency as well as marketing activities such as conferences and exhibitions, where we showcase the products and raise awareness. Furthermore, it is important to continue to raise political awareness in regard to patient safety for home hemodialysis and how our products can contribute in this area. This work is important to lay the foundation for the reimbursement process for home hemodialysis. In parallel, the process in Germany will proceed, as will the user studies for the Clamp CE marking.

After having visited the United States and interacted with investors and stakeholders in various contexts during the quarter, my final reflection is that Redsense stands on a strong footing—stronger than the sales figures for the third quarter indicate. The fourth quarter is off to a good start. With an excellent team in place and the continued high level of activities, we are in a good position to grow our business. I see the beginnings of good things!



Pontus Nobréus

CEO, Redsense Medical



“Overall, the third quarter of the year was characterized by intense forward-looking activities.”



Net sales and result

Net sales in the third quarter amounted to kSEK 1,023 (3,566), a decrease of 71.3 percent. The US was the biggest market with 98.1 percent (98.7) of the net sales.

Gross profit for the third quarter amounted to kSEK 493 (1,384), corresponding to a gross profit margin of 48.2 percent (38.8).

Other external expenses for the quarter amounted to kSEK 2,481 (4,822).

Personnel expenses for the quarter amounted to kSEK 2,674 (1,913).

Depreciation/amortization for the quarter amounted to kSEK 14 (49).

Operating result in the quarter amounted to kSEK -5,857 (-2,852).

Loss in the quarter amounted to kSEK -2,372 (-2,547).

Net financial items for the quarter amounted to kSEK 3,485 (305) and primarily consist of change in value and net gains in short-term deposits and currency effects.

For the first nine months of 2022, net sales amounted to kSEK 6,077 (6,008), an increase of 1.2 percent. The US was the biggest market with 97.9 (91.7) percent of the net sales.

Gross profit for the nine-month period amounted to kSEK 2,425 (2,170), corresponding to a gross profit margin of 39.9 percent (36.1).

Other external expenses for the nine-month period amounted to kSEK 8,578 (10,880).

Personnel expenses for the nine-month period amounted to kSEK 6,956 (5,229).

Depreciation/amortization for the nine-month period amounted to kSEK 39 (147).

Operating result in the nine-month period amounted to kSEK -10,506 (-9,218).

Loss in the nine-month period amounted to kSEK -6,205 (-6,937).

Net financial items for the nine-month period amounted to kSEK 4,302 (2,281).

Balance sheet items

At September 30 the Group's cash and cash equivalents amounted to kSEK 4,371 (4,277).

Short-term deposits of kSEK 9,802 (21,917) relate to short-term investments. Net cash amounted to kSEK 14,173 (26,900). The company has a credit facility of kSEK 3,000, which as per September 30 remains undrawn.

Intangible fixed assets amounted to kSEK 11,888 (9,940) which is fully capitalized development costs.

As of September 30, the equity amounted to kSEK 28,235 (37,493).

Cash flow

The cash flow from operating activities after change in working capital in the quarter amounted to kSEK 1,806 (13,163).

Total investing activities for the period amounted to kSEK 332 (-25,582).

Financing activities for the period amounted to kSEK 0 (-27,358).

For the first nine months of the year, the cash flow from operating activities after change in working capital amounted to kSEK 459 (16,578).

Total investing activities for the nine-month period amounted to kSEK 10,491 (-398).

Financing activities for the nine-month period amounted to kSEK -2,395 (-27,358).

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 717 (2,200) in the third quarter, and the total operating expenses amounted to kSEK 5,624 (9,000). Operating loss was kSEK 6,087 (4,251) for the third quarter.

The parent company's net financial income in the quarter was kSEK 3,485 (836).

The result after financial items amounted to kSEK -2,602 (-3,415), and the result before and after tax amounted to kSEK -2,602 (-3,415) for the third quarter.

In the nine-month period, the parent company's net sales amounted to kSEK 4,685 (3,834) and the total operating expenses amounted to kSEK 19,361 (20,587). Operating loss in the nine-month period was kSEK 12,034 (11,886).

The parent company's net financial income in the nine-month period was kSEK 4,302 (2,812).

The result after financial items for the nine-month period amounted to kSEK -7,732 (-9,073), and the result before and after tax for the nine-month period amounted to kSEK -7,732 (-9,073).

The parent company's cash and cash equivalents and short term deposits amounted to kSEK 3,185 (2,116) at September 30 and net cash kSEK 12,987 (24,033). The company has a credit facility of kSEK 3,000, which as per September 30 remained undrawn.

Significant events during the reported period

- On July 6, it was announced that newly appointed CEO Pontus Nobréus would take over the helm as of August 1, 2022. Outgoing CEO Patrik Byhmer took position as Chairman of the Board as of the same date.
- On September 15, Redsense disclosed that a scientific article recently published by the American Heart Association (AHA) recommends home hemodialysis over in-center hemodialysis for kidney patients with cardiovascular disease.
- On September 26, Redsense presented at Aktiespararna's event Aktiedagen Lund.

Significant events after the reported period

- On October 18, it was announced that Redsense had received its highest value order to date.

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 September 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

Year-end report Q4 October - December 2022

February 27, 2023

Interim report Q1 January - March 2023

May 9, 2023

Annual General Meeting 2023

May 9, 2023

All financial reports are published at www.redsensemedical.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, November 9, 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 November 9, 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 September 30, 2022, the company's market capitalization was MSEK 124.

The IPO share price of Redsense Medical in 2015 was SEK 5 per share. On the last day of trading in September 2022, the closing share price was 8.80 SEK. Thus, the total shareholder return since the IPO is 76 percent.

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

Share turnover

In total, 294 k shares were traded in the third quarter, for a value of MSEK 3.7.

Share capital

On September 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 49.4 percent of the share capital and voting rights. The largest individual shareholder at the end of the first quarter was Patrik Byhmer with a 14.0 percent ownership via companies.

The ten major owners as of 2022-09-30

Patrik Byhmer*	14.03%
Discover Capital GmbH	5.70%
Avanza Pension	5.16%
ÖstVäst Capital Management	5.08%
Nordnet Pensionsförsäkring	4.84%
Swedbank Robur Fonder	4.56%
Futur Pension	3.54%
Aktia Asset Management	2.21%
Martin Olausson	2.16%
Andra AP-fonden	2.14%

Total **49.42%**

*Shares held through companies

Consolidated income statement

SEK	2022-07-01 -2022-09-30	2021-07-01 -2021-09-30	2022-01-01 -2022-09-30	2021-01-01 -2021-09-30
Net sales	1,023,214	3,566,449	6,077,264	6,008,185
Capitalized development work	261,024	2,549,084	1,947,689	4,866,646
Other operating income	-1,441,519	-	694,207	-
Total operating income	-157,281	6,115,533	8,719,160	10,874,831
Cost of goods sold	-530,152	-2,182,773	-3,652,402	-3,837,923
Other external expenses	-2,481,277	-4,822,102	-8,578,129	-10,879,904
Personnel costs	-2,674,108	-1,913,444	-6,955,788	-5,228,601
Depreciation/Amortization	-14,382	-48,900	-39,171	-146,700
Total operating costs	-5,699,919	-8,967,219	-19,225,489	-20,093,128
OPERATING RESULT	-5,857,200	-2,851,686	-10,506,329	-9,218,297
Net financial items	3,485,040	304,954	4,301,798	2,281,330
Result from financial items	3,485,040	304,954	4,301,797	2,281,330
PROFIT OR LOSS BEFORE TAX	-2,372,160	-2,546,732	-6,204,532	-6,936,967
PROFIT OR LOSS FOR THE PERIOD	-2,372,160	-2,546,732	-6,204,532	-6,936,967

Consolidated balance sheet

SEK	2022-09-30	2021-09-30	2021-12-31	SEK	2022-09-30	2021-09-30	2021-12-31
ASSETS							
Fixed assets							
Intangible fixed assets							
Capitalized development costs	11,887,752	7,824,227	9,940,063	Share capital	1,404,081	1,404,081	1,404,081
Tangible fixed assets							
Technical equipment and tools	379,086	396,846	370,524	Restricted reserves/statutory reserve	598,390	18,612,836	-
Total fixed assets	12,266,838	8,221,073	10,310,587	Development fund	11,947,971	5,384,262	-
Current assets							
Inventory	2,096,427	3,271,170	1,300,614	Non-restricted equity			
Advances to suppliers	-	52,684	75,000	Balanced profits	-103,141,492	-97,494,734	-
Accounts receivable	1,530,149	3,010,358	3,532,939	Share premium reserve	123,631,079	123,318,577	123,631,079
Other short-term receivables	337,123	462,817	666,910	Profit or loss for the period	-6,204,532	-6,936,967	-
Receivables from associated companies	-	625	-	Other capital incl. Profit or loss for the period	-	-	-87,542,652
Prepayments and accrued income	1,400,394	247,757	411,079	Total equity	28,235,497	38,903,792	37,492,508
Short-term deposits	9,802,119	22,405,240	21,916,732	Liabilities			
Cash and cash equivalents	4,370,796	4,277,184	4,983,113	Short-term liabilities			
Total current assets	19,537,008	33,727,834	32,939,071	Credit facilities	-	-	2,571,749
TOTAL ASSETS	31,803,846	41,948,907	43,249,658	Accounts payable	2,113,236	1,146,924	1,326,085
TOTAL EQUITY & LIABILITIES							
				Other short-term liabilities	398,963	1,066,632	1,023,413
				Accruals and deferred income	1,056,152	831,558	835,902
				Total short-term liabilities	3,568,349	3,045,114	5,757,149
				Total liabilities	3,568,349	3,045,114	5,757,149
				TOTAL EQUITY & LIABILITIES	31,803,847	41,948,907	43,249,658

Consolidated cash flow statement

SEK	2022-07-01 -2022-09-30	2021-07-01 -2021-09-30	2022-01-01 -2022-09-30	2021-01-01 -2021-09-30
Cash flow from operating activities before changes in working capital	-3,899,766	-3,328,837	-9,166,173	-13,551,684
Cash flow from operating activities	1,805,736	13,162,824	458,655	16,577,785
Cash flow from investment activities	332,116	-25,581,710	10,490,549	-397,880
Cash flow from financing activities	-	-27,357,902	-2,395,349	-27,357,902
Cash flow for the period	-1,761,914	-43,105,625	-612,318	-24,729,681
Cash and cash equivalents closing balance	4,370,796	4,277,184	4,370,796	4,277,184

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 September 30, 2022				
Year result	-	-	-6,204,532	-6,204,532
Warrant issuance	-	-	176,400	176,400
Exchange rate differences and other adjustments	-	-	-3,228,879	-3,228,879
Closing balance September 30, 2022	1,404,081	123,631,079	-96,799,663	28,235,497
Opening balance January 1, 2021	1 404,081	123,781,529	-51,986,948	73,198,662
Changes in equity between January 1 and September 30, 2021				
Exchange rate differences and other adjustments	-	-462,952	459,962	-2,990
Dividend according to extra AGM	-	-	-27,354,913	-27,354,913
Year result	-	-	-6,936,967	-6,936,967
Closing balance September 30, 2021	1,404,081	123,318,577	-85,818,866	38,903,792

Parent company's income statement

SEK	2022-07-01 -2022-09-30	2021-07-01 -2021-09-30	2022-01-01 -2022-09-30	2021-01-01 -2021-09-30
Net sales	717,325	2,199,600	4,685,389	3,834,331
Capitalized development work	261,024	2,549,084	1,947,689	4,866,646
Other operating income	-1,441,519	-	694,207	-
Total operating income	-463,170	4,748,684	7,327,285	8,700,977
Cost of goods sold	-569,232	-2,182,773	-3,895,004	-3,837,923
Other external expenses	-1,746,449	-4,102,805	-6,387,571	-8,941,428
Personnel costs	-2,097,455	-1,468,724	-5,449,513	-4,070,749
Depreciation/Amortization	-1,210,953	-1,245,471	-3,628,884	-3,736,414
Total operating costs	-5,624,087	-8,999,773	-19,360,971	-20,586,514
OPERATING RESULT	-6,087,257	-4,251,089	-12,033,686	-11,885,537
Net financial items	3,485,041	835,941	4,301,797	2,812,317
Result from financial items	3,485,041	835,941	4,301,797	2,812,317
PROFIT OR LOSS BEFORE TAX	-2,602,216	-3,415,148	-7,731,889	-9,073,220
PROFIT OR LOSS FOR THE PERIOD	-2,602,216	-3,415,148	-7,731,889	-9,073,220

Parent company's balance sheet

SEK	2022-09-30	2021-09-30	2021-12-31	SEK	2022-09-30	2021-09-30	2021-12-31
ASSETS							
Fixed assets							
Intangible fixed assets							
Capitalized development costs	11,887,752	35,487,551	9,940,063	Share capital	1,404,081	1,404,081	1,404,081
Patent	22,877,040	-	26,466,753	Restricted reserves/statutory reserve	598,390	18,612,836	598,390
Tangible fixed assets							
Technical equipment and tools	379,086	396,846	370,524	Development fund	11,947,971	-	10,000,282
Financial fixed assets							
Shares in subsidiaries	6,654	30,000,000	6,654	Non-restricted equity			
Receivables from group companies	14,301,323	15,802,990	15,305,096	Balanced profits	-61,872,567	-57,665,892	-59,781,728
Total fixed assets	49,451,855	81,687,387	52,089,090	Share premium reserve	123,631,079	123,318,577	-
Current assets				Profit or loss for the period	-7,731,889	-9,073,220	-10,449,550
Inventory	2,042,210	2,549,758	1,247,075	Total equity	67,977,065	76,596,381	75,532,554
Advances to suppliers	-	52,684	75,000	Liabilities			
Accounts receivable	155,430	1,295,177	2,802,751	Long-term liabilities			
Receivables from group companies	4,980,133	625	-	Liabilities to Group companies	-	29,543,563	-
Tax claims	-	-	155,687	Total long-term liabilities	-	29,543,563	-
Other short-term receivables	337,123	453,985	169,464	Short-term liabilities			
Prepayments and accrued income	1,400,394	196,685	404,425	Credit facilities	-	-	2,571,749
Short-term deposits	9,802,119	22,405,240	21,916,732	Accounts payable	1,921,612	1,144,292	1,332,421
Cash and cash equivalents	3,184,527	554,299	2,115,603	Other short-term liabilities	389,963	1,066,632	628,970
Total current assets	21,901,936	27,508,453	28,886,737	Accruals and deferred income	1,056,152	844,972	910,133
TOTAL ASSETS	71,353,791	109,195,840	80,975,827	Total short-term liabilities	3,376,726	3,055,896	5,443,273
				Total liabilities	3,376,726	32,599,459	5,443,273
				TOTAL EQUITY & LIABILITIES	71,353,791	109,195,840	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	2022-09-30	2021-12-31
Cash	4,371	4,983
Short-term deposits	9,802	21,917
Net cash	14,173	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.

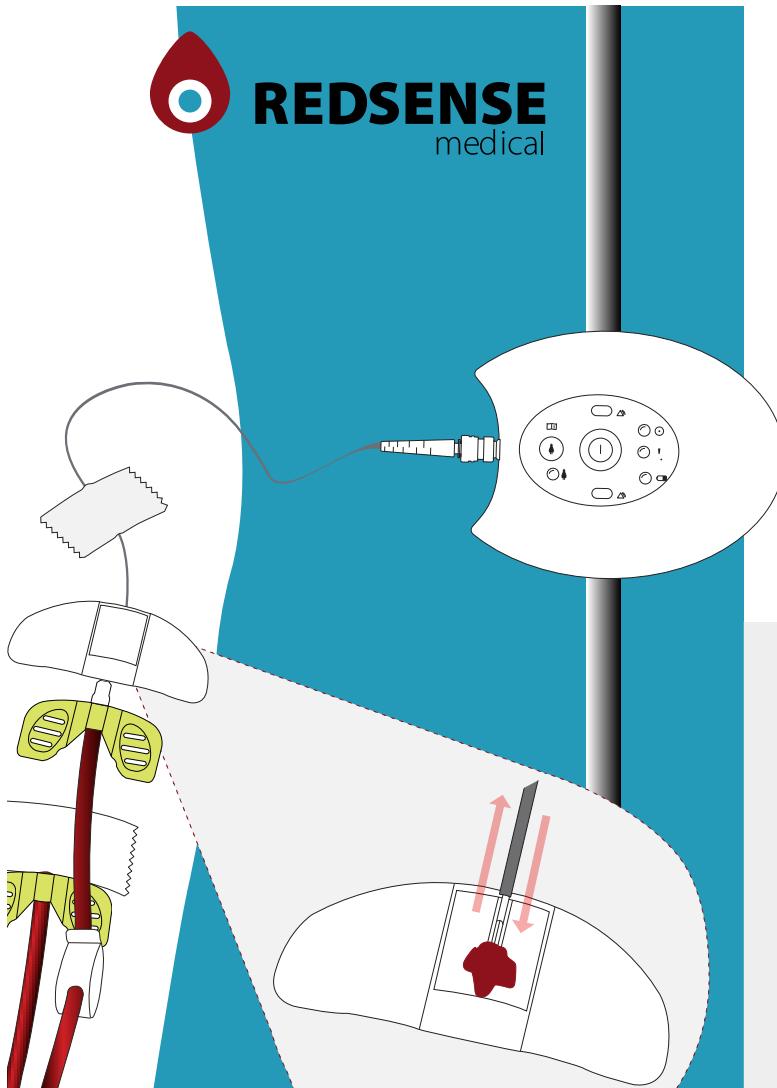
Equity/assets ratio

Equity divided by total assets.

Note 3 Pledged assets and contingent liabilities

Pledged assets amounted to MSEK 1.5 as per September 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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