

Emotra AB (publ)

Short translation of Interim Report

January 1 – June 30 2013

The Board and President of Biolight AB herewith present the interim report for the first six months 2013.

- **Net sales for the first six months were SEK 81 thousand (300)**
- **Net operating loss for the first six months was SEK -191 thousand (5)**
- **Loss per share was SEK -0,15 thousand (0,01) after full dilution**
- **Issue of new shares completed**
- **Liquid acid at the end of the period was SEK 2 659 thousand (160)**

Net sales

There have been no sales activities and no sales during 2013. All income consists of contribution from research funds. So far all activities within the company have been focusing on preparing and completing the issue of new shares, as described below.

Words from the president; Launch of EDOR in Europe

All that matters for Emotra during the next few years are the preparation of the coming launch of Emotra's test method, EDOR, on primarily markets in Europe and secondly on a few other markets outside of Europe. 15 internationally leading clinical teams, of which 5 will be Swedish, will evaluate EDOR clinically. The Company is in direct negotiations with a number of institutions in Europe. They have all declared their interest to participate in these clinical evaluations. The interest from foreign clinical centers is catalyzed by the fact that some of the leading German scientists in the field are already involved in research related to the method, in close collaboration with Lars-Håkan Thorell, the inventor behind EDOR. These well recognized scientists are all behind Emotra's test method.

The purpose with further clinical evaluations is that psychiatric specialists, with positive experiences from using EDOR in routine clinical diagnostic procedures, should become ambassadors for the technique and participate in spreading scientific facts about the high efficacy and accuracy, this approach offers to its users. The company counts on that these will open doors to many other psychiatric specialist clinics, which constitutes the primary target group and one of the most important for Emotra's marketing efforts. According to the planned time schedule, the CE-marking of the method/product will be completed in 4-6 months from now. This activity is accounted for in the budget.

Issue of new shares and listing of the share at AktieTorget

During the Extra Shareholders Meeting, January 11 2013, the Board of Emotra was authorized to decide on issues of new shares, to be carried out not later than at the date of the next Annual General Meeting. Based on this authorization the Board decided to issue 1 382 690 new shares at 7,20 SEK per shares and at the same time apply to AktieTorget for listing of the share.

The issue of new shares has now been finalized and strengthened the liquidity of the company. In total 499 145 new shares were issued for a total sum of 3,6 MSEK, before cost. The share has been accepted for listing at AktieTorget.

It is the opinion of the Board that the financial situation is under control and that the company has the economic resources that is necessary for completing the above mentioned clinical evaluations. Emotra lacks resources for the financing of an international launch of EDOR. The Board has ongoing discussions about how to solve this problem and how to finance the future activities but the fact that all cost except the costs for clinical studies are kept at very low level, reduces the risk for acute liquidity problems.

About the suicide problem

The annual number of suicides in our country is 1500 and the number of suicide attempts in Sweden is 15000. Suicide is the most frequent cause of death among young people, 15-44 years of age. The majority of those who try to commit suicide have been in contact with the hospital care, often only a short while before the suicide attempt. On average a suicide attempt implies a direct cost for hospital care and rehabilitation of 0,1 MEUR (enligt Räddningsverket, 2004).

The most common reason for suicides is deeper depressions. Around 150 000 Swedes are treated for depression every year and it is a well-known fact that this can happen to anybody. The frequency of depression is similar all over the industrialized world. Between 5 million and 10 million people in Europe and the US are treated every year for depression. Globally one million people commit suicide every year.

Emotra's test method - EDOR

Emotras technique, EDOR (ElectroDermal Orientation Reactivity), is a psychophysiological test, which has been developed from many years of research work in experimental psychiatry by doctor Lars-Håkan Thorell, at the Linköping University.

The diagnostic method, EDOR, is used to test depressed patients and measures the tested person's reactivity, or rather responses to a series of sound signals. The normal behaviour is to react instantaneous to the first signal, the Orientation reaction and then learn that these signals are of no importance. As a consequence the response to the signals, which follows after the first one, will be reduced.

This is in contrast to how hyporeactive patients react. Instead their responses disappear almost immediately after the first signal and in some cases they do not even react to that.

In reality the reactions are measured, as momentary electrical current amplitudes, resulting from immediate and short pulses of transpiration. The optimal way to measure this electrical current is by establishing an electrical circuit with the help of a weak source of 0,5 V, two fingers and a pair of gold electrodes attached to a specially designed electronic device, EDOR Box.

The psychiatric care has relevant preventive actions and resources to use when risk for suicide has been identified. Unfortunately there are today no accurate methods for the identification of risk patients, with the use of EDOR, this difficult diagnostic problem can be solved. The test does not take more than 15 minutes. With necessary preparations, the total time is 30 minutes. The introduction of

EDOR as a clinical routine procedure has the potential to substantially reduce the number of suicides and suicide attempts in the world.

Clinical studies

In a series of studies, Lars-Håkan Thorell has shown the extraordinary high accuracy that EDOR offers to the evaluation of suicide risks. Follow up and documentation of 279 patients has shown a 97 per cent correlation between hyporeactivity and suicide risk among depressed patients. During 2012 Lars-Håkan Thorell has in collaboration with German

The article, which reports on the results from the Swedish- German study, has now been accepted for publication in the prestigious international scientific *"Journal of Psychiatric Research"*. In the study, test results from 783 German patients have been analyzed with Emotra's (Lars-Håkan Thorell's) accurate methods. All previous results about the strong relationship between hyporeactivity and suicide risk have been confirmed.

The German teams, involved in the study are all leading research groups within the German and international suicide research. One of the co-authors, is Manfred Wolfersdorf, Professor in psychiatry in Bayreuth. Two other co-authors are Wolfgang Kaschka, Professor in psychiatry and the well-recognized psychologist, Roland Straub, in Ravensburg. They are all leading scientists within the field of suicide prevention and electrodermal reactivity.

Products

EDOR is the name of Emotra's test method but on the product system as well, of which one has already been sold to the Karolinska Institute in Stockholm.

The product, EDOR, consists of hard- and software, which together constitute a complete diagnostic test device. In more details the system is comprised by a specially designed communication control device, a headset for the transfer of sound signals to the ears, a laptop with a software program designed for this specific purpose, software, training and education programs and expert services over internet.

EDOR Box is placed on a table in front of the test person. Sensors in the form of gold electrodes, for the measurement of elektrodermal activity and diodes for measuring blood flow in the fingers, are mounted on the upper side of the device.

Many years of research and long-term field experience have been the basis for the construction of the product system.

Benefits from the use of EDOR

- The method identifies, with high accuracy, patients that are at risk for suicide
- The same high accuracy in identifying patients, not at risk (they need no preventive actions)
- Suicide preventive actions to those, who need them
- Objective and quantitative measurement results
- Many lives can be saved and major suffering can be avoided
- Reduced costs for care and rehabilitation
- Leading scientists behind the method
- Fast and easy to use
- Clinical evidences published

Outlook for 2014 and 2015

After the issue of new shares has been completed, the clinical evaluations will be initiated with the objective to present the first results during the autumn 2014. According to the planned time schedule, most of the evaluations will be completed before the end of 2015. After that, launch in Europe will be initiated.

Risks and uncertainties

Emotra is a company characterized by high risks and this is true for the business as well as for the financial situation. The company is constantly occupied with the identification of risks in order to decide on the best way to deal with and minimize them. The market for Emotra's products is characterized by being conservative and has slow decision making processes.

The company is acting on a market with large potential but also with inhomogeneous sales development. A more complete description of risks, is presented in the section "Riskfaktorer och särskilda överväganden" in the Investment Memorandum from 2013. This is unfortunately only in Swedish but it can be found at the website www.emotra.se.

Total number of shares

The share capital is divided on 1 749 000 shares. The share quote value is 0,36 SEK. The share is for sale at AktieTorget (www.aktietorget.se) under the naming EMOT.

Occurrences after the last date of this period

During July 2013, the last part of the issue of new shares, was completed and registered. This part consisted of 132 835 shares and added 956 412 SEK to the company the costs unaccounted for.

The article about the Swedish-German study was in August 2013 accepted for publication in the Journal of Psychiatric Research. An agreement of cooperation about clinical evaluation was undersigned with Institute II for Psychiatry and Neurology in Warsaw in August.

Transaction with related persons

Emotra has signed a contract with Jonebrant Ekonomikonsult AB about bookkeeping and financial reporting. This consulting company is partly owned by Roy Jonebrant, who is a member of the board in Emotra.

Accounting principles

The making of this report has been done using the same accounting and calculation principles as for the 2012 Annual report. The company applies the accounting principles formulated in the law for Annual reports and according to the general advices from "Bokföringsnämnden" in Sweden.



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In addition

This Interim report has not been controlled by the company's auditor.

Dates for coming financial reports

| | |
|---|------------------|
| Interim report January – September 2013 | November 7 2013 |
| Financial closure communiqué for 2013 | February 13 2014 |

Income statement

| Amounts in SEK thousands | <i>apr - jun</i> | | <i>jan - jun</i> | | <i>jan - dec</i> |
|--|------------------|-------------|------------------|-------------|------------------|
| | 2013 | 2012 | 2013 | 2012 | 2012 |
| Net sales | 75 | 172 | 81 | 300 | 300 |
| Operating expenses | -228 | -227 | -272 | -295 | -1 063 |
| Operating loss | -153 | -55 | -191 | 5 | -763 |
| Net financial items | 0 | -3 | -1 | -4 | -10 |
| Loss before taxes | -153 | -58 | -192 | 1 | -773 |
| Taxes | - | - | - | - | - |
| Net result | -153 | -58 | -192 | 1 | -773 |
| Earnings per share, SEK | -0,11 | -0,42 | -0,15 | 0,01 | -0,36 |
| Earnings per share after dilution, SEK | -0,11 | -0,42 | -0,15 | 0,01 | -0,36 |
| Average number of shares | 1 407 111 | 138 269 | 1 241 020 | 138 269 | 138 269 |

Balance sheet

| Amounts in SEK thousands | 2013-06-30 | 2012-06-30 | 2012-12-31 |
|---|-------------------|-------------------|-------------------|
| Tangible assets | 3 799 | 3 884 | 3 799 |
| Inventories | 0 | 1 | 0 |
| Other current assets | 29 | 578 | 359 |
| Liquid assets | 2 659 | 160 | 31 |
| Total assets | 6 487 | 4 623 | 4 189 |
| Shareholders' equity | 4 337 | 3 027 | 2 253 |
| Long-term liabilities | 550 | 550 | 550 |
| Current liabilities | 1 600 | 1 046 | 1 386 |
| Total shareholders' equity and liabilities | 6 487 | 4 623 | 4 189 |

| Change in equity | Share capital | Added capital | Profit/loss brought forward | Net loss of the year | Total |
|----------------------------------|-----------------------|-----------------------|-----------------------------|-----------------------|-----------------------|
| Shareh. equity 2012-01-01 | 138 | 3 589 | 367 | -508 | 3 587 |
| According to AGM | | | -367 | -194 | -561 |
| Net loss of the year | | | | | -773 |
| Shareh. equity 2012-12-31 | 138 | 3 589 | 0 | -702 | 2 253 |
| Fund issue | 362 | -362 | | | |
| Issue of new shares | 132 | | 2 505 | | 2 637 |
| Costs for issue of new shares | | | -361 | | -361 |
| According to AGM | | | | -773 | 0 |
| Net loss for the period | | | | | -192 |
| Shareh. equity 2013-06-30 | 632 | 3 227 | 2 144 | -1 475 | 4 337 |
| Key figures | Apr – Jun 2013 | Apr – Jun 2012 | Jan – Jun 2013 | Jan – Jun 2012 | Jan – Dec 2012 |
| Net sales, SEK thousand | 75 | 172 | 81 | 300 | 300 |
| Operating loss, SEK thousand | -153 | -58 | -192 | 1 | -773 |
| Loss this period, SEK thousand | -153 | -58 | -192 | 1 | -773 |
| Loss per share, SEK | -0,11 | -0,42 | -0,15 | 0,01 | -0,01 |
| Shareh. equity per share, SEK | 2,48 | 21,89 | 2,28 | 21,89 | 16,29 |
| Return on shareh. equity, % | neg | Neg | neg | neg | neg |
| Solidity, % | 66,9 | 65,5 | 66,9 | 65,5 | 53,8 |
| Average no of employees | 2 | 1 | 2 | 1 | 1 |

The Board of the Company and the CEO state that this Interim Report gives a fare brief description of the business, the company's position and result as well as it describes the relevant risks and uncertainties the company is facing.

Gotheburg August 28 2013

Emotra AB (publ)

The Board and the CEO

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Emotra AB is a Swedish medical device company focusing on research, development, clinical trials and marketing within the field of suicide prevention. The company's method, EDOR, is an objective and quantitative diagnostic psychophysiological test of hyporeactivity. During the test, the patients listen and react to a series of sound signals. The response is measured as minimal fluctuations in the dermal electrical conductivity and analyzed. With research and clinical documentation an extremely sensitive and accurate test, with the purpose of evaluating suicide risk, has been developed.

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