

**Emotra AB (publ)**

Interim report

January 1 – June 30, 2015

The Board of Directors and the Chief Executive Officer of Emotra AB (publ) hereby present the interim report for the first six months 2015.

Summary of the period January – June, 2015

- **Net sales were SEK 0 thousand (200)**
- **Operating loss was SEK –2,574 thousand (–3,378)**
- **Loss per share after dilution was SEK –0.56 (–1.42)**
- **At the end of the period, liquid assets amounted to SEK 2,040 thousand (7,326)**
- **More than 600 people have now been tested in our clinical multi-centre study**

Summary of the period April – June, 2015

- **Net sales were SEK 0 thousand (0)**
- **Operating loss was SEK –1,322 thousand (–2,308)**
- **Loss per share after dilution was SEK –0.25 (–0.89)**

**Net sales**

No sales activities have been carried out during the year. Our revenue has been entirely comprised of contributions.

**A word from our CEO: Increased inflow of EDOR trial test data**

We can verify that the pace of our multi-centre study continues to increase. The number of tests performed per month has been increasing steadily since February. So far, data from more than 600 EDOR tests have been analysed. All of the participating clinics are respected opinion leaders, both within their respective countries and internationally. Their opinions weigh heavily when they all express immense satisfaction about how easy the test is to administer, as well as about the transfer of EDOR test data and the return of analysis results. If the goal of the trial is achieved and if the trial results show that the method is safe, reliable and reproducible, we see a strong chance that the participating clinics will be willing to actively contribute to spreading the word about our method to the psychiatric care sector as quickly as possible.

Emotra maintains a dialog with the European Psychiatric Association's Suicide Section, EPA-SS, with which the Company has previously signed a collaboration agreement, about how we should launch our method on the market and how to shape the user training sessions.

Lars-Håkan Thorell, the creator of EDOR and Emotra's research manager, will present EDOR and the research behind the method at a major international summit, IASR/AFSP International Summit on Suicide Research, on October 11–14, 2015, at the Astoria Hotel, New York City. The summit is organised by two leading organisations in the field, the International Academy of Suicide Research and the American Foundation for Suicide Prevention. The conference brings together many of the world's foremost researchers in the field of suicide.

September 16–18, a conference will be held in Rome with the aim of facilitating the exchange of experiences between the clinics participating in our clinical multi-centre study.

On September 29–30, Emotra's CEO, Claes Holmberg, will present the company and the EDOR method in conjunction with the 21st MedTech Investing Europe Conference, The King's Fund, London, UK.

In addition to these activities, we will be presenting EDOR and Emotra at various national and international conventions this autumn.

Emotra will not be working the media, since media activities are expensive and only have a short-term effect. When we have come to the point where we have strong clinical results to support us and when our clinical trial partners have decided to become ambassadors for EDOR, we will be giving high priority to various types of media activities.

The Company's financial planning is long-term. In order to keep operating costs down, all business is carried out by a small organisation with low fixed costs.

## **Multi-centre study**

In the autumn of 2014, the multi-centre study was hit by technical problems regarding the transfer of EDOR test data from the clinics. In collaboration with technical experts, the Company developed a new data transfer method that quickly solved these problems. Since the new data transfer software was implemented in mid-February 2015, the transfer of EDOR test data has worked smoothly. From that point until the end of the period, Emotra received 350 new sets of test data. One month later, another approximately 200 tests have been submitted. As of early August 2015, a total of more than 600 tests have been analysed.

It is important to note that our study has been designed in such a way that patients that prove to be hyporeactive will be checked and compared from a suicide and suicide attempt perspective with patients who have demonstrated normal reactivity (the control group). Emotra and the participating clinics have chosen not to use patients who have only been evaluated through interviews as a control group, since this would more or less require a doubling of the number of patients in our study. The entire study group agrees that such an approach would not provide any significant advantages compared with the chosen methodology. It would, however, lead to the trial taking twice as long to complete or, alternatively, that we would need to involve twice as many clinics. Furthermore, it would also conflict with the ethical principle of not denying patients access to the best clinical care available. Naturally, the cost of carrying out such a trial would also increase significantly. None of the participating clinics felt that this extra effort was worth it. The chosen methodology is the norm when documenting medical devices, as opposed to the approach used for pharmaceutical trials.

## **Emotra's application for EU Horizon 2020 financial support denied**

On March 18, 2015, we reported that Emotra had submitted an application for financial support from the EU's Horizon 2020 program.

The application was for a €50K grant to finance a phase 1 feasibility study to demonstrate the potential to broaden the EDOR indication range to include children and young people up to 20 years of age. The subject of our ongoing multi-centre study is adults 18 years or older. In May, Emotra was notified by EU Horizon 2020 that the company would not be granted financial support. Unless

otherwise decided, this means that we will wait with such a study until after we have launched the method for adults 18 years or older.

### **Enthusiastic reception at Vienna convention**

Emotra's CEO, Claes Holmberg, its Chief of Research, Lars-Håkan Thorell, and Professor Marco Sarchiapone participated in a number of activities at the Vienna convention on March 28–31, 2015. The special seminar on EDOR was carried out and was met with enthusiasm. Both Lars-Håkan Thorell and Marco Sarchiapone later received invitations to address various national conventions across Europe.

### **Researchers in training**

Our two newly employed researchers, who have both defended theses on electrodermal reactivity and autonomous functions in the nervous system, are completing their training with us. Their training is mainly comprised of analysing submitted test results and comparing their respective analyses with those made by Lars-Håkan Thorell, EDOR's inventor.

### **Share split**

Following the resolution at the Extraordinary General Meeting on February 13, 2015, a split of the share was carried out, turning one old share into two new shares. The purpose was to increase the number of shares in the Company in order to facilitate further trade in the share. The number of shares after the split is 5,191,560.

### **Extraordinary General Meeting**

The company has sent out notice for an extraordinary general meeting to be held at 10 a.m. on September 1 at the restaurant John Scott's Pub at 15, Kungssportsavenyn in Göteborg, Sweden. The Board recommends that the general meeting pass the motion to change the Company's articles of association and grant the Board the authority to decide on a new share issue. Shareholders may register their intent to participate by telephone by calling +46 708 25 45 47, or by sending an e-mail to [claes@emotra.se](mailto:claes@emotra.se). The registration notice must contain the shareholder's full name, personal or corporate ID number, number of shares in possession, address, daytime telephone number and, where appropriate, information about any deputies or counsel (2 at the most). Where appropriate, the registration notice must be accompanied by proxy letters, certificates of registration as well as other necessary credentials. For further information on the extraordinary general meeting and the proposals for resolution, please refer to the notice published on July 31, 2015, at the AktieTorget web site ([www.aktietorget.se](http://www.aktietorget.se)) and the Company's web site ([www.emotra.se](http://www.emotra.se)).

### **The Problem of Suicide**

Suicide is the most common cause of death for people aged 15–44. The number of suicides worldwide is almost 1 million per year, and 1,500 in Sweden. The vast majority of people that try to commit suicide suffer from depression and have been in contact with a health care provider, in many cases shortly before the suicide attempt. The average direct treatment cost for the health care system of each suicide attempt is SEK 0.9 million in Sweden (Source: Rådningverket, 2004). The proportion of the general population that suffers from depression is relatively the same throughout the industrialised world. Each year, about 150,000 Swedes and between 5 and 10 million people in Europe and the USA respectively, are treated for depression.

### **EDOR – Emotra's Testing Method**

The electro-dermal measurements that are made using the Emotra method, EDOR, examine the skin's (derma) variable, sweat-dependent conductivity of low-voltage current. The more a person reacts to a signal, the higher the conductivity. By emitting carefully selected sound stimuli at well-tested intervals and during a well-defined test situation, key survival reactions in the brain can be measured as a short and unnoticeable increase in perspiration of the fingers. By testing patients' reactions to these signals, we can determine which patients are so-called electrodermally hyporeactive.

Hyporeactive people lack the capacity to generate a certain type of reaction to these signals. Once we have determined that a patient is hyporeactive, we can assume this condition will last for at least 1–2 years and sometimes be very long-term. Hyporeactivity, in combination with serious depression, implies a significantly higher risk of suicide.

The test itself takes 15 minutes, while the entire examination, including preparation and closing, takes less than 30 minutes to carry out. Together with the rest of the risk evaluation, these objectively measured values provide valuable information about the extent to which a tested person will need special suicide-prevention measures.

### Clinical Studies

Earlier studies have shown a 97% reliability of the hyporeactivity test when establishing depressed patients' suicidal risk.

More recent results of trials on 783 German patients, published in September 2013 in the Journal of Psychiatric Research, confirm our previously achieved good results.

### Products

EDOR is the name of Emotra's testing method, but also the name of our product system. The product has not yet been launched, although a prototype has been sold to and used by researchers at the Karolinska Institute in Stockholm, Sweden. The EDOR product is comprised of both hardware and software that together make up a complete measuring system. The measurement system itself is an instrument that the Company has developed, the "EDOR Box", which is comprised of a pair of headphones, a specially-equipped laptop computer, software, as well as training packages and expert services via the Internet.

The EDOR Box is the size of an eyeglass case. It is placed on the table in front of the person being tested. The top of the box has sensors for measuring electro-dermal activity and blood flow in the fingers. The product system's design is based on many years' research and experience in the field.

### Risks and Uncertainties

Emotra's operations are subject to both operational and financial risks. Identifying potential risks and evaluating how to manage them is a continuous process within the Company. The markets for Emotra's products are characterised by lengthy sales processes. The Company is active on markets with great potential, but with erratic sales growth.

### Advantages of EDOR

- The test enables the high-precision identification of patients who are at risk of attempting suicide
- Suicide prevention measures are directed at those who are at risk
- Objective and quantitative measurement results
- Many lives can be saved
- Reduced health care costs
- Leading researchers behind the method
- Quick and easy test
- Published clinical results



### Certification

The Board of Directors and the Chief Executive Officer do hereby certify that this full-year report contains a fair representation of the Company's operations, financial position and results, as well as describes any significant risks and uncertainties the Company faces.

All statements of a forecasting nature in this report are based on the Company's best assessments on the report's publishing date. As with all forecasts, such statements contain risks and uncertainties and the actual results can differ.

Göteborg, August 19, 2015  
Emotra AB (publ)

The Board of Directors and CEO

For more information, please contact Claes Holmberg, CEO, Emotra AB, at +46 708 25 45 47 or [claes@emotra.se](mailto:claes@emotra.se)

### Income statement

Amounts in SEK thousands	April–June		Jan. – June	
	2015	2014	2015	2014
Net revenue	0	0	0	200
Operating costs	-1,322	-2,308	-2,574	-3,578
<b>Operating loss</b>	<b>-1,322</b>	<b>-2,308</b>	<b>-2,574</b>	<b>-3,378</b>
Net financial items	-2	-	-3	-
<b>Loss before taxes</b>	<b>-1,324</b>	<b>-2,308</b>	<b>-2,577</b>	<b>-3,378</b>
Taxes	40	-	79	-
<b>Net loss of the period</b>	<b>-1,284</b>	<b>-2,308</b>	<b>-2,498</b>	<b>-3,378</b>
Earnings per share, SEK	-0.25	-0.89	-0.56	-1.42
Earnings per share after dilution, SEK	-0.25	-0.89	-0.56	-1.42
Average number of shares*)	5,191,560	2,595,780	4,480,811	2,386,676

\*) Split registered on February 18, 2015; two new shares for one old share; the comparison periods have not been recalculated.

### Balance sheet

Amounts in SEK thousands	June 30, 2015	June 30, 2014	Dec. 31, 2014
Intangible assets	2,813	3,590	3,202
Tangible assets	53	67	60

Other current assets	782	750	554
Liquid assets	2,040	7,326	4,331
<b>Total assets</b>	<b>5,688</b>	<b>11,733</b>	<b>8,147</b>
Shareholders' equity	3,983	9,100	6,507
Provisions	592	790	671
Long-term liabilities	245	350	280
Current liabilities	868	1,493	689
<b>Total shareholders' equity and liabilities</b>	<b>5,688</b>	<b>11,733</b>	<b>8,147</b>

### Cash-flow analysis, an overview

Amounts in SEK thousands

	<i>Jan. – June 2015</i>	<i>Jan. – June 2014</i>	<i>Jan. – Dec. 2014</i>
Cash flow from operating activities	-2,230	-3,166	-6,126
Cash flow from investing activities	-	-69	-69
Cash flow from financing activities	-61	8,797	8,762
Period's cash flow	-2,291	5,562	2,567
Liquid assets at beginning of period	4,331	1,764	1,764
<b>Liquid assets at end of period</b>	<b>2,040</b>	<b>7,326</b>	<b>4,331</b>

### Changes in shareholders' equity

Amounts in SEK thousands

	Share capital	Revaluation reserve	Share premium reserve	Accumulated loss brought forward	Total shareholders' equity
<b>Shareholders' equity on Dec. 31, 2013</b>	<b>704</b>	<b>2,437</b>	<b>3,423</b>	<b>-2,889</b>	<b>3,675</b>
New share issue	234		9,500		9,734
Issue expenses			-931		-931
Bonus issue	22		-22		
According to AGM			-2,889	2,889	
Net loss of the period		-161		-3,217	-3,378
<b>Shareholders' equity on June 30, 2014</b>	<b>960</b>	<b>2,276</b>	<b>9,081</b>	<b>-3,217</b>	<b>9,100</b>
Dissolution of write-up		-204		204	0
Net loss of the period				-2,593	-2,593
<b>Shareholders' equity on Dec. 31, 2014</b>	<b>960</b>	<b>2,072</b>	<b>9,081</b>	<b>-5,606</b>	<b>6,507</b>

Issue expenses			-26		-26
Dissolution of write-up		-244		244	0
Net loss of the period				-2,498	-2,498
<b>Shareholders' equity on June 30, 2015</b>	<b>960</b>	<b>1,828</b>	<b>9,055</b>	<b>-7,860</b>	<b>3,983</b>

<b>Key ratios</b>		<b>Jan. – June 2015</b>	<b>Jan. – June 2014</b>	<b>Jan – Dec 2014</b>
Net sales, SEK thousands		0	200	280
Operating loss, SEK thousands		-2,574	-3,378	-6,111
Result of the period, SEK thousands		-2,498	-3,378	-6,090
Earnings per share, SEK		-0.56	-1.42	-2.44
Shareholders' equity per share, SEK		0.77	3.81	2.77
Return on equity, %		neg.	neg.	neg.
Equity ratio in %		70.0	84.3	88.1
Average number of employees		3	3	3
Average number of shares*)		4,480,811	2,386,676	2,491,228
Number of shares at end of period		5,191,580	2,595,780	2,595,780

\*) Split registered on February 18, 2015; two new shares for one old share; the comparison periods have not been recalculated.

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**Emotra AB (publ)** is a medical technology company that carries out research, development, clinical studies and marketing in the area of suicide prevention. The Company's method, EDOR, is a proprietary, objective and quantitative diagnostic, psychophysiological test for detecting hyporeactivity in patients suffering from depression. During the test, the patient listens to a series of audio signals. The patient's response, in the form of very small changes in dermal electric conductivity, is measured and analysed. This extremely sensitive and specific test of suicidal risk has been developed as the result of research.