

Emotra AB (publ)

Interim report

January 1 – March 31, 2016

The Board and President of Emotra AB (publ) hereby present the interim report for the first quarter 2016.

Summary of the period January – March, 2016:

- **Net sales were 273 kSEK (0)**
- **Operating loss was -1,428 kSEK (-1,252)**
- **Loss per share after dilution was -0.15 SEK (-0.32)**
- **At the end of the period, liquid assets amounted to 9,124 kSEK (3,211)**
- **Phase 1 of our clinical multi-centre study completed – appr. 1,540 patients tested**
- **Emotra granted financial support from the EU Horizon 2020**
- **The PRV has approved Emotra's patent application**
- **EDOR™ registered trademark in Sweden**
- **Successful seminar about EDOR™ in Madrid**

Net sales

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

A word from our CEO: Operations according to plan

Emotra's operations have continued to evolve according to schedule. We have now completed Stage 1 of our EUDOR-A study and approximately 1,540 patients have been tested and analysed. The data analysis from the first stage of our study will result in a "Baseline publication". The publication will focus on the relationship between hyporeactivity and previous suicide attempts, but also study the factors which are fundamental for theories of the reasons why some people commit suicide. Our follow-up of the last tested patient will end on March 10, 2017. After that, we should be able to present conclusive evidence of the method's reliability.

On January 21st, Emotra announced that we had been granted Horizon 2020 funding by the European Commission (EC) for a feasibility study. The Grant Agreement was signed on March 3, and on March 7 the study participants from Emotra, Inspiralia in Madrid, the Karolinska Institute in Stockholm and Molise in Italy met in Munich to kick off this project. The goal is to carry out the feasibility study this spring and then submit an application for an additional 2.5 MEUR funding for Phase 2. This application will be submitted to the EC in October 2016. Planning for Phase 2 is under

way. One of the greatest challenges is identifying suitable clinics for the task of testing and monitoring children and adolescents up to 20 years of age.

Emotra has previously announced that the Company has been granted Swedish patent protection. During this period, we have submitted patent applications in the EU, USA, Canada, and Japan. The Company has been granted trademark protection for EDOR™ and we have also applied for EU-wide trademark protection during the spring. Emotra's strongest product protection, however, is its software and analysis tools, which we have chosen not to patent.

EUDOR-A, multi-centre study

The submission of new test data progressed at a high rate until the very end, with about 1,540 patients being tested with EDOR™ since the trial was launched in the autumn of 2014.

Research centres and clinics in a large number of European countries have participated in the first stage of our study by regularly submitting test data to Emotra for analysis. All of this clinical patient data is now being compiled in Rome into a clinical database. At the same time, and without knowledge of the data in the clinical database, all of the test results are being compiled in an EDOR™ Test database in Linköping. These two databases will then be merged into a single, large BASELINE DATABASE. This work will enable us to study the relationship between hyporeactivity and previous suicide attempts, but also study the factors which are fundamental for theories of the reasons why some people commit suicide. The data analysis from the first stage of our study will result in a "Baseline publication".

Our study has now progressed to stage two. In this stage, the patients are monitored for signs of suicidal behaviour. This stage of our study will be finalised by March 10, 2017. After that we will move on to analysing the test results. We will be comparing the frequency of failed and successful suicide attempts among those patients we identified as hyporeactive and those who showed normal reactivity. After that, the material will be processed statistically. We have already secured the services of statistics experts and they have been continuously monitoring the progress of our study. They should therefore be able to begin their calculations with a minimum of delay. After this, we will gather all of the participating research groups to a consensus meeting to evaluate the results and compose a joint statement that everyone approves.

Emotra granted financial support from the European Commission Horizon 2020

On January 21 this year, Emotra AB announced that the Company had been granted financial support from the European Commission Horizon 2020 programme. In the first stage, the Company was granted €50K 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 feasibility study will also include a review of the conditions to further develop the hardware and software, and to develop "EDOR™ Interconnect", a global communication platform that will facilitate Emotra's communication with clinical departments and serve them in different parts of the world. Broadening the indication range for EDOR™ to younger people and developing EDOR™ Interconnect have long-term strategic importance for Emotra. The goal of this first task is to significantly increase the future market for EDOR™, but most importantly to find a remedy for a growing problem among European youth. More and more young Europeans are committing suicide, with catastrophic consequences for their families and loved ones. Developing EDOR™ Interconnect would mean significantly strengthening customer relations. The feasibility study may take a maximum of 6 months and if it

shows good potential, an application for a full phase 2 study will be submitted. The EU can finance a phase 2 study with up to €2.5M (23 MSEK).

Growing international interest

On March 16, the Company reported on its successful participation at an international conference in Madrid. A big crowd filled the room to hear about EDOR™ at the symposium and the specially arranged workshop. We have noticed steadily increasing interest among researchers and specialists who want to learn more about Emotra's unique testing method.

Emotra has previously announced that our Chief of research and the inventor of EDOR™, Lars-Håkan Thorell, has been invited to be one of the keynote speakers at the international "Bipolar Disorders" conference, to be held August 22–23, 2016, in Sao Paulo, Brazil. This conference has been moved to Chicago, USA, however, and will be held on October 26–27, 2016 instead. This Chicago conference is an important forum, since previous studies have found that the risk of committing suicide is especially high among patients diagnosed with bipolar disorders. Thorell, Emotra's scientific adviser Professor Sarchiapone, and Emotra's CEO, Claes Holmberg, will be holding presentations at a number of national and international conferences in the year ahead.

Looking forward, Emotra's CEO will be presenting the Company and its operations at Aktiespararna's (the Swedish Shareholders' Association) meeting in Stockholm on May 2, 2016. A growing number of researchers are presenting their clinical experiences of working with EDOR™, as well as their study results, which is completely in line with the Company's plans for how we want to spread the knowledge about our method.

The number of EDOR™ presentations, seminars and workshops is steadily increasing and in 2017, once the results of our multi-centre study have been published, we should witness a further increase in the number of EDOR™ presentations at many scientific conferences in this area.

Patent granted by PRV, and international patent applications

On September 22, 2015, Emotra announced that the PRV, the Swedish Patent and Registration Office, had notified the Company of their intention to approve Emotra's Swedish patent application, No. 1300614-3, "Apparatus for use in evaluation of suicide risk". Emotra has now received final proof of the patent's approval. So far this year, we have submitted patent applications in the EU, USA, Canada, and Japan.

Swedish trademark protection has been granted

The Company has now received Swedish trademark protection for EDOR™. Naturally, a protected trademark provides a considerable advantage for our coming EDOR™ launch. It also further reinforces Emotra's position vis-à-vis future competitors to have protected the obvious acronym for "Electro Dermal Orienting Reactivity".

The Company has also applied for trademark protection in the EU and expects an answer to this application during the spring of 2016.

Emotra's financial status

The Company's successful new share issue last autumn has given Emotra the financial resilience needed to complete the ongoing clinical multi-centre study. Our liquidity situation is made significantly easier by the fact that the Company's costs, aside from the costs associated with clinical studies and continued development of our EDOR™ software, are kept at a low level. However, it is

the Board's opinion that the Company does not have sufficient funds to finance an international launch of EDOR™. The Board will continue to discuss solutions for securing the further funds needed to finance a broad, international market launch of EDOR™.

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, the inventor of EDOR™.

Our goal with these new analysts is to increase our analytical capacity once the product has been launched commercially.

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 often 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 0.9 MSEK in Sweden (Source: Räddningsverket, 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 electrodermal 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 in 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.

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

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 electrodermal 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.

The section "Riskfaktor" (Risk Factors) in our 2015 Memorandum, which can be found on the Company's web site and also obtained from the Company, contains a complete description of the risks the Company has identified and how we have chosen to manage them.

Number of shares outstanding

The share capital of 1,760,804.10 SEK is comprised of 9,517,860 shares. Each share's quota value is 0.185 SEK.

The Company is listed on AktieTorget (www.aktietorget.se) with the share code EMOT.

Significant events after closing of books

No significant events have occurred after the reporting period.

Transactions with persons close to the Company

Emotra has an agreement with Jonebrant Ekonomikonsult AB for managing the Company's accounting and financial functions. Jonebrant Ekonomikonsult AB is partially owned by the Board member Roy Jonebrant.

Accounting principles

The same accounting principles and methods of valuation as were used in our last annual report have been applied in this interim report. The interim report, in line with previous financial reports, has been compiled on the principle of a going concern. The Company follows the accounting rules and principles laid out in the Annual Accounts Act as well as the General Recommendations issued by the Swedish Accounting Standards Board.

Dividend recommendation

The Board recommends no dividend be declared for the financial year 2015.

Audit

This interim report has not been subject to audit by the Company's auditor.

Future Reports

Interim report for January – June, 2016

August 24, 2016

Interim report for January – September, 2016

October 26, 2016

Full-year report for 2016

February 15, 2017

The Annual General Meeting will be held in Göteborg today, April 26, 2016, at 4 p.m. The Annual Report has been available at the Company's web site www.emotra.se since April 5, three weeks before the meeting, and could also be ordered from the company by e-mail addressed to claes@emotra.se.

Certification

The Board of Directors and the Chief Executive Officer do hereby certify that this interim 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, April 26, 2016
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

Income statement

kSEK	Jan. - March		Jan. - Dec.	
	2016	2015	2015	2014
Net sales	273	0	0	280
Operating costs	-1,701	-1,252	-6,305	-6,391
Operating loss	-1,428	-1,252	-6,305	-6,111
Net financial items	-2	-1	-5	21
Loss before taxes	-1,430	-1,253	-6,310	-6,090
Taxes	39	39	158	118
Net loss of the period	-1,391	-1,214	-6,152	-5,972
Earnings per share, SEK	-0.15	-0.32	-1.10	-2.40
Earnings per share after dilution, SEK	-0.15	-0.32	-1.10	-2.40
Average number of shares*)	9,517,860	3,770,061	5,592,125	2,491,228

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

Balance sheet

kSEK	March 31, 2016	March 31, 2015	Dec. 31, 2015	Dec. 31, 2014
Intangible assets	2,231	3,008	2,425	3,202
Tangible assets	43	56	46	60
Other current assets	528	635	585	554
Liquid assets	9,124	3,211	10,177	4,331
Total assets	11,926	6,910	13,233	8,147
Shareholders' equity	9,884	5,267	11,275	6,507
Provisions	474	632	513	671
Non-current liabilities	175	245	210	280
Current liabilities	1,393	766	1,235	689
Total shareholders' equity and liabilities	11,926	6,910	13,233	8,147

Cash-flow analysis, an overview

kSEK	Jan. - March 2016	Jan. - March 2015	Jan. - Dec. 2015	Jan. - Dec. 2014
Cash flow from operating activities	-1,017	-1,094	-5,005	-6,126
Cash flow from investing activities	-	-	-	-69
Cash flow from financing activities	-35	-26	10,850	8,762
Period's cash flow	-1,052	-1,120	5,846	2,567
Liquid assets at beginning of period	10,177	4,331	4,331	1,764
Liquid assets at end of period	9,124	3,211	10,177	4,331

Changes in shareholders' equity

kSEK	Share capital	Revaluation reserve	Share premium reserve	Accumulated loss brought forward	Total shareholder's equity
Shareholders' equity on Dec. 31, 2013	704	2,437	3,423	-2,889	3,675
New share issue	234		9,500		9,734
Issue expenses			-931		-931
Bonus issue	22		-22		
Dissolution of write-up		-365		365	
According to AGM			-2,889	2,889	
Net loss of the period				-5,971	-5,971
Shareholders' equity on Dec. 31, 2014	960	2,072	9,081	-5,606	6,507
Issue expenses			-26		-26
Dissolution of write-up		-122		122	0
Net loss of the period				-1,214	-1,214
Shareholders' equity on March 31, 2015	960	1,950	9,055	-6,698	5,267
New share issue	801		11,529		12,330

Issue expenses			-1,384		-1,384
Earnings appropri. acc. to shareholder resolution			-9,081	9,081	
Dissolution of write-up		-366		366	0
Net loss of the period				-4,938	-4,938
Shareholders' equity on Dec. 31, 2015	1,761	1,584	10,119	-2,189	11,275
Dissolution of write-up		-122		122	0
Net loss of the period				-1,391	-1,391
Shareholders' equity on March 31, 2016	1,761	1,462	10,119	-3,458	9,884

Key ratios	Jan. – March, 2016	Jan. – March, 2016	Jan – Dec 2015	Jan – Dec 2014
Net sales, kSEK	273	0	0	280
Operating loss, kSEK	-1,428	-1,252	-6,305	-6,111
Result of the period, kSEK	-1,391	-1,214	-6,152	-6,090
Earnings per share, SEK	-0.15	-0.32	-1.10	-2.44
Shareholders' equity per share, SEK	1.04	1.01	1.18	2.77
Return on equity, %	Neg.	Neg.	Neg.	Neg.
Equity ratio in %	82.9	76.2	85.2	88.1
Average number of employees	3	3	3	3
Average number of shares*)	9,517,860	3,770,061*)	5,592,125*	2,491,228
Number of shares at end of period	9,517,860	5,191,560*)	9,517,860*	2,595,780

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

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



Press release, April 26, 2016

Emotra AB (publ)

Corporate identity number: 556612-1579

conductivity, is measured and analysed. This extremely sensitive and specific test of suicidal risk has been developed as the result of research.

Emotra AB (publ), Göteborgsvägen 74, SE-433 63 Sävedalen, Sweden

Tel: +46 708 25 45 47, www.emotra.se