Press release, October 26, 2016
Emotra AB (publ)
Corporate identity number: 556612-1579

Emotra AB (publ)

Interim report

January 1 – September 30, 2016

The Board of Directors and the CEO of Emotra AB (publ) hereby present the interim report for the first nine months of the financial year 2016.

Summary of the period January – September, 2016

- **Net sales were 581 kSEK (0)**
- **Operating loss was -5,047 kSEK (-4,463)**
- **Loss per share after dilution was -0.52 SEK (-0.92)**
- **At the end of the period, liquid assets amounted to 5,976 kSEK (1,092)**
- **Phase 1 of our clinical multi-centre study completed – 1,573 patients included in the study**
- **Successful activities in connection with the Oviedo conference**
- **Lars-Håkan Thorell inducted into an exclusive network in the ECNP**
- **Application for a financial grant from the European Commission Horizon 2020 submitted**

Summary of the period July – September, 2016

- **Net sales were 308 kSEK (0)**
- **Operating loss was -1,859 kSEK (-1,889)**
- **Loss per share after dilution was -0.19 SEK (-0.36)**

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: Hard at work preparing our market launch
Emotra has now reached the point in its development where most of our operations are focused on various market launch preparations. Our goal is to convince the majority of Europe's leading psychiatric specialists of the enormous benefits that testing depressed patients with EDOR® will offer psychiatric clinics and recruit them to work as ambassadors for our method.
Our ties with the *European Psychiatric Association's Suicide Section, EPASS,* and 50 opinion-leading researchers grow ever stronger and our collaboration with them works very well.
Our plan is to let these psychiatric specialists and the important international organisations that these specialists and researchers are members of manage the task of spreading information about

our method and training new clinical users. EPASS is one such important organisation. *The European College of Neuropsychopharmacology, ECNP*, is another. By letting our collaboration partners manage information dissemination and training, we will be able to launch EDOR® from "within" the profession, instead of from the outside as an untested and vaguely known company, which we must admit that Emotra still is. Our market launch of the method will be made much easier if the results of our study live up to our expectations.

We have already announced the conclusion of the testing phase of EUDOR-A, our international, clinical multi-centre study on adults aged 18 and older. This study encompasses a total of 1,573 patients. We are now quickly approaching the study's conclusion date. According to our planning, the last tested patient will have been followed up for a year on March 10, 2017, which will also be our study's closing date.
We are hard at work preparing the statistical processing so that we can carry it out during the course of a few weeks in the second half of March. On March 29, all of the participating clinics will meet in Rome to discuss the results and our statistical analysis. The goal of this consensus meeting is to reach an agreement on which conclusions we can draw. We aim to achieve a consensus agreement on the method's reliability, effectiveness and safety, as well as determine the indication areas of EDOR®. Experiences from similar studies tell us that we will also find counter-indications, or sub-groups in the total population for which the method may not, as yet, be completely reliable.
Our review and analysis of the baseline material indicated that our study set-up is correct. In other words, we have no reason to suspect that there is anything in the study's set-up that would conceal the expected connection between hyporeactivity and suicide risk.
Today, nobody doubts that many of the leading figures in the psychiatric profession are eagerly awaiting the launch of EDOR®. When we presented the method and Lars-Håkan Thorell's research results in 2013, interest was lukewarm and many reacted sceptically. Now, on the other hand, everybody who works in the discipline wants to know more about the method and our large, ongoing study. At the latest professional conference in Oviedo, Spain, EDOR® was on the agenda several times per day. A total of 26 youth clinics in various countries, both in Europe and elsewhere, wish to participate in investigating how effective the method is on the younger population.
Emotra has submitted an application to the European Commission, EC, for financial support to carry out such a study. Depending on how our application pans out, we intend to initiate this study sometime next year.
The fact that Lars-Håkan Thorell, the inventor of EDOR® and the company's Head of research, has been elected into an exclusive network in the *ECNP* is evidence of how much the international research world appreciates his long years of dedication. On September 19, he held an acclaimed induction speech for the other members in connection with an international conference in Vienna.

EUDOR-A

A total of 1,573 patients have been tested with EDOR® since EUDOR-A, our European, clinical multi-centre study, started in the autumn of 2014. An analysis of the baseline material was presented this summer and we are now in the process of composing a scientific article based on this material. All the results from our baseline material analysis confirm earlier observations and show that EDOR® is a unique method for diagnosing suicidal tendencies that are removed from depression illnesses, which strengthens the hopes of all those involved of useful and reliable results after our study follow-up.
Follow-up data on the tested patients is continuously being submitted to our team in Rome, who are responsible for gathering our clinical data. Our team in Sweden does not have access to any information about the follow-up results.

On March 10, 2017, our one-year follow-up of the last tested patient will be over and we will be wrapping up our study. 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. We are now preparing our statistical analysis that we will need to complete in just under three weeks.
On March 29, we will gather all of the participating research groups to a consensus meeting in Rome to evaluate the results and compose a joint statement that everyone approves.
On April 4, 2017, we aim to present our study, including the set-up and results, at the European Psychiatric Association's international conference in Florence, Italy.

European Commission Horizon 2020, EUDOR-Y, application submitted
As previously notified, Emotra AB was granted 50 kEUR to carry out a feasibility study to investigate the possibility of widening the indication spectrum for EDOR® to also encompass children and young people up to 20 years of age. A clinical multi-centre study, EUDOR-Y, exclusively for children and young people up to 20 years of age has now been planned. Broadening the indication range for EDOR® to encompass younger people has long-term strategic importance for Emotra. This would lead to a significant increase in EDOR®'s future market, but most importantly it would mean finding a tool with which to identify depressed European youths who are at risk of committing suicide. More and more young Europeans are committing suicide, with catastrophic consequences for their families and loved ones.
The feasibility study was also to 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. The development of EDOR® Interconnect is also strategically very important to Emotra, since an efficient communication system facilitates the exchange of data between us and the clinics, which in turn significantly strengthens our relationships with future customers.
Emotra was able to submit its feasibility study report at the end of June, showing promising conditions for the Company's ability to continue and carry out the intended project. This autumn, we have compiled an application for approximately 3 MEUR to finance EUDOR-Y, the development of EDOR® Interconnect and further development of our hardware and software. This application was submitted to the EC on October 7, 2016.
On September 9, during the congress in Oviedo, Spain (see below) we held a meeting about our planned study, EUDOR-Y. The purpose of this study is to document testing with EDOR® on young people aged 12–20, with the goal of reducing the number of suicides among young people who suffer from depression. Our plan is for Emotra and the European Psychiatric Association's Suicide Section, EPASS, to conduct this study in collaboration. Suicide among young people in the EU is an enormous problem and the trend is pointing steadily upward. Luckily, the number of clinics who have registered an interest in participating in this study has also increased steadily. A total of 26 clinics participated in this planning meeting in Oviedo.

Successful meeting in Oviedo
On September 8–11, Emotra participated in the "*16th European Symposium on Suicide and Suicidal Behaviour, ESSSB*", in Oviedo, Spain. New, exciting studies on EDOR® were presented by research groups from Oviedo and Novara. In a study of 160 patients, the Oviedo group was able to rationally demonstrate that hyporeactivity is a strong biomarker for suicide attempts, which is promising for

the continued follow-up of our clinical multi-centre study, EUDOR-A. Professor Marco Sarchiapone was one of the keynote speakers at this conference and in his speech he presented EDOR® and EUDOR-A. He explained the conclusions from the baseline material and stated that the prospects of successful study results were good.
In a dedicated symposium on EDOR®, both Marco Sarchiapone and Emotra's Head of research, Lars-Håkan Thorell, presented facts about the method and the ongoing study, EUDOR-A, as well as the key conclusions from our baseline material analysis. One presentation that garnered a lot of attention was held by Patricia Burón, one of the researchers on the Oviedo team. She demonstrated an alternative approach in which hyporeactivity was compared with other known biomarkers for suicide. The group was able to convincingly show, with a 5.15 Odds Ratio, that hyporeactivity is a stronger marker of suicide risk than other indicators. Naturally, we still have to confirm these new observations in our follow-up of EUDOR-A, but everyone agreed that the results from the Oviedo study were very promising.
A research team from Novara, Italy, presented a poster for a study conducted at the university on 177 patients using EDOR®. They concluded that hyporeactive people, compared to normally reactive ones, generally demonstrate a higher complexity of psychiatric diagnoses, somewhat abnormal personality traits, and in many cases lower self-esteem.
Both the Oviedo group's and the Novara team's studies showed that hyporeactivity is independent of socio-economic factors such as age, gender, etc.

Growing international interest – Lars-Håkan Thorell, member of ECNP
After the strong support that leading European psychiatric researchers have shown for Emotra and EDOR®, Lars-Håkan Thorell, the inventor of EDOR® and Emotra's Head of Research, has been inducted into an exclusive network for suicide research, the ECNP's (European College of Neuropsychopharmacology) suicide research section.
On Tuesday, September 20, Doctor Thorell held a much acclaimed induction speech for the other members at their conference in Vienna. In the audience that Lars-Håkan Thorell addressed was Professor Marco Sarchiapone, from Molise, Italy, who is President of the *European Psychiatric Association's Suicide Section, EPA-SS*. The Suicide Section is EPA's largest and most active section, with members from no less than 27 countries. Afterwards, Professor Sarchiapone recounted how well Lars-Håkan Thorell's presentation was received by the audience, among them Danuta Wasserman, Professor of psychiatry and suicidology at the Karolinska Institute and head of NASP, the WHO's national centre for suicide research and prevention of mental ill-health.
Judging by the contacts the Company has had with the ECNP, this membership is the first step in Emotra's future collaboration with this European research organisation. Emotra already enjoys an in-depth collaboration with the other important scientific organisation in this area, the EPA-SS mentioned above, led by Marco Sarchiapone.
On October 29, 2016, Lars-Håkan Thorell will present his research at a big international convention, "*The 2nd International Conference on Brain Disorders and Therapeutics,"* in Chicago, USA. Thorell has been invited as one of the keynote speakers at this event. The convention in Chicago is a very important forum and will, among other topics, focus on bipolar disorders. Scientific studies have shown that suicide risk is especially high among patients who have been diagnosed with bipolar disorders. With that in mind, the fact that the prevalence of hyporeactivity in our baseline material was highest among patients diagnosed with bipolar disorders is an important observation.
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 throughout the autumn of 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 further EDOR® presentations at most scientific conferences in this area.

Patent approved by PRV, patent applications and trademark protection
PRV, the Swedish Patent and Registration Office, has notified Emotra of their approval of Emotra's patent application, No. 1300614-3, "Apparatur för användning vid bedömning av självmordsrisk" (Apparatus for use in evaluation of suicide risk). In 2016, we have submitted patent applications in the EU, USA, Canada, and Japan.
EUIPO (the EU trademark authority) has granted Emotra EU-wide 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"*.

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
We have employed two researchers, who have both defended theses on electro-dermal reactivity and autonomous functions in the nervous system, and they are now completing their training with us. This 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.

Clinical Studies
Previous studies have shown that 97 percent of those who later took their own lives were hyporeactive, while only 2 percent of patients who showed normal reactivity committed suicide. These results show a high reliability in testing for hyporeactivity in order to discover depressed patients who are at risk of committing suicide.

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.

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 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. 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.

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

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.

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.

The section "Riskfaktorer" (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
On October 20, 2016, upon an invitation from Business Sweden to participate in the *"French-Swedish Life Science Day"* conference, Emotra's CEO held a presentation of EDOR® and our future plans. This speech led to continued discussions with several French investment banks.
No other 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.

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

Future Reports
Full-year report for 2016 February 15, 2017

The Annual General Meeting was held in Göteborg at 4 p.m. on April 26, 2016. The Annual Report for 2015 is available at the Company's web site www.emotra.se and can 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, October 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

This information is the type of information that Emotra AB is legally obliged to publish in accordance with the EU market abuse regulation and the Securities Market Act. This information was submitted for publication on October 26, 2016 under the above contact's supervision.

Income statement

	July – Sept.		*Jan. – Sept.*	
kSEK	***2016***	***2015***	***2016***	***2015***
Net sales	308	0	581	0
Operating costs	-2,167	-1,889	-5,628	-4,463
Operating loss	**-1,859**	**-1,889**	**-5,047**	**-4,463**
Net financial items	-1	-2	-4	-5
Loss before taxes	**-1,860**	**-1,891**	**-5,051**	**-4,468**
Taxes	39	39	118	118
Net loss of the period	**-1,821**	**-1,852**	**-4,933**	**-4,350**
Earnings per share, SEK	-0.19	-0.36	-0.52	-0.92
Earnings per share after dilution, SEK	-0.19	-0.36	-0.52	-0.92
Average number of shares*)	9,517,860	5,191,560	9,517,860	4,717,727

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

Balance sheet

kSEK	*September 30, 2016*	*September 30, 2015*	*December 31, 2015*
Intangible assets	1,842	2,619	2,425
Tangible assets	36	50	46
Other current assets	305	601	585
Liquid assets	5,976	1,092	10,177
Total assets	**8,159**	**4,362**	**13,233**
Shareholders' equity	6,337	2,131	11,275
Provisions	395	553	513
Non-current liabilities	105	210	210
Current liabilities	1,322	1,468	1,235
Total shareholders' equity and liabilities	**8,159**	**4,362**	**13,233**

Cash-flow analysis, an overview

kSEK	*Jan. – Sept. 2016*	*Jan. – Sept. 2015*	*Jan. – Dec. 2015*
Cash flow from operating activities	-4,125	-3,178	-5,005
Cash flow from investing activities	-	-	-
Cash flow from financing activities	-75	-61	10,850
Period's cash flow	-4,200	-3,239	5,845
Liquid assets at beginning of period	10,176	4,331	4,331
Liquid assets at end of period	**5,976**	**1,092**	**10,176**

Changes in shareholders' equity

kSEK	Share capital	Revaluation reserve	Share premium reserve	Accumulated loss brought forward	Total shareholders' equity

Shareholders' equity on Dec. 31, 2014	**960**	**2,072**	**9,081**	**-5,606**	**6,507**
Issue expenses			-26		-26
Earnings appropr. acc. to shareholder resolution			-9,081	9,081	0
Dissolution of write-up		-366		366	0
Net loss of the period				-4,350	-4,350
Shareholders' equity on Sept. 30, 2015	**960**	**1,706**	**-26**	**-509**	**2,131**
New share issue	801		11,529		12,330
Issue expenses			-1,384		-1,384
Dissolution of write-up		-122		122	0
Net loss of the period				-1,802	-1,802
Shareholders' equity on Dec. 31, 2015	**1,761**	**1,584**	**10,119**	**-2,189**	**11,275**
Earnings appropr. acc. to shareholder resolution			-10,119	10,119	0
Issue expenses			-5		-5
Dissolution of write-up		-366		366	0
Net loss of the period				-4,933	-4,933
Shareholders' equity on Sept. 30, 2016	**1,761**	**1,218**	**-5**	**3,363**	**6,337**

Key ratios	**Jan. – Sept. 2016**	**Jan. – Sept. 2015**	**Jan. – Dec. 2015**
Net sales, kSEK	581	0	0
Operating loss, kSEK	-5,047	-4,463	-6,305

Result of the period, kSEK	-4,933	-4,350	-6,152
Earnings per share, SEK	-0.52	-0.92	-1.10
Shareholders' equity per share, SEK	0.67	0.41	0.77
Return on equity, %	Neg.	Neg.	Neg.
Equity ratio in %	77.7	48.9	70.0
Average number of employees	3	3	3
Average number of shares*)	9,517,860	4,717,727	5,592,125
Number of shares at end of period	9,517,860	5,191,580	9,517,860

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

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