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**31 October 2018**  
**Australian Securities Exchange (ASX) Announcement**

## **Sensera September 2018 Quarterly Update and Appendix 4C**

### **HIGHLIGHTS:**

- **Sensera delivers US\$1.6 million in cash receipts and US\$1.1 million revenue**
- **Sensera subsidiary nanotron launches new location software to track up to 5,000 objects, materially improving the Company's offering to customers in its lead market of animal health**
- **Nanotron and Protran Technology sign volume supply agreement to integrate nanotron's smart sensor modules into Protran's Roadway Worker Protection solution**
- **Sensera achieves ISO 13485 Quality Certification, expanding the Company's opportunities to collaborate and innovate with MedTech customers**
- **Capital raising completed, raising AU\$8.8 million via an institutional placement and Entitlement Offer**
- **Investor conference call on Nov 2, 2018 10:00 AM AEDT**

Sensera Limited (ASX: SE1, "Sensera" or "the Company"), an Internet of Things (IoT) solution provider that delivers sensor-based products transforming real-time data into meaningful information, action and value, is pleased to report on its activities for the quarter ended 30 September 2018.

### **CASH FLOW**

#### **Sales**

Sensera's cash receipts were US\$1.6 million from the sale of products and services, a year-on-year growth of 174%. The Company delivered US\$1.1 million in revenue for the September quarter. As previously disclosed, European industrial sales were impacted by the expected slow summer months.

The Company reaffirms a fiscal year 2019 revenue forecast between US\$10.5 million and US\$11.5 million.

#### **Operating Expenditure**

Cash outflows from operating expenditure before R&D increased by US\$0.98 million. More than half of this increase was for inventory. These material expenditures position the company to achieve the significant sales growth through the end of the fiscal year. Management continues to control spending without inhibiting growth. The Company will maintain its resolute focus on cash conservation by controlling operating expenses and minimizing increases in headcount.

## **R&D**

R&D spending increased by US\$0.60 million for the quarter. The Company successfully completed the scheduled tapeout (design fabrication) of its next-generation nanoLOX controller, a key element to the continued growth of precise real-time location data communication. Sample product is expected in Q3 of FY19. This product also support the cost required to meet the customer and market expectations while supporting the company's margin structure.

## **Capital Raising**

In August, Sensera announced it intended to raise about \$8.83 million through:

- An \$8.267 million underwritten 4 for 9 pro rata non-renounceable entitlement offer of fully paid ordinary shares in Sensera at an offer price of \$0.11 per new share; and
- A \$565,000 placement of 5,136,364 fully paid ordinary shares to institutional and sophisticated investors.

The Entitlement Offer was fully underwritten by Morgans Corporate Limited (Underwriter) and covered approximately 52% of the capital raise. Sensera Entitlement Offering received valid applications from Australian and New Zealand shareholders raising \$3,601,243.

Sensera is using proceeds of the Institutional Placement and Entitlement Offer to fund:

- The final instalment of the nanotron technology GmbH purchase;
- Research and development activities; and
- Offer costs and working capital to meet Sensera's intended growth objectives.

## **BUSINESSES**

### ***MicroDevices***

During the quarter, Sensera achieved certification to the ISO 13485:2016 quality standard at the Woburn, MA fabrication facility. ISO 13485:2016 specifies requirements for a quality management system, specifically related to medical devices.

For its medical device customers, Sensera makes products such as sensors, actuators and three dimensional structures on a wafer level that are used in a variety of life sustaining and life saving products.

This certification further supports Sensera's differentiation as a bespoke MicroElectroMechanical Systems (MEMS) and microfabrication provider, building on the Company's previous achievement of ISO 9001:2015 certification in 2017.

### ***Nanotron***

nanotron Technologies GmbH achieved and deployed a new release of its nanoLES 3 Location Engine and Server Software. Through nanoLES 3 5K, Sensera can accurately and reliably track up to 5,000 distinct objects in real time – more than double the scope of existing commercial installations.

The nanoLES product uses nanotron's patented 'Sea of Anchor' technology for highly scalable virtual synchronisation of location infrastructure. The software processes raw location data it receives from

'anchors', based on Time of Arrival (TOA) information, and delivers position information to customers' business applications.

The new nanoLES 3 5K software is being deployed in the Company's lead market of livestock health, where customers use it to accurately track dairy cows and their calves in real time by processing location data collected from wireless ear tags. Solutions based on nanoLES are helping farmers to better manage livestock, enabling production of superior meat and dairy products, boosting farm productivity and greatly simplifying livestock management to improve animal welfare and increase profits. This release will enable larger dairy farms that are primarily being facilitated in the North American market starting in early 2019.

In September, nanotron also signed a volume supply agreement with Protran Technology to integrate nanotron's smart sensor modules into Protran's Roadway Worker Protection solution. The agreement aims to help improve the safety of workers in the railway industry.

Protran Technology is an industry leader and pioneer in Secondary Advanced Warning technology for the railroad industry for ensuring worker safety. It manufactures electronic safety systems for enhanced employee protection, rail compliance and train approach warning systems.

Protran has integrated nanotron's swarm bee LE (low energy) product, a smart RF sensor module, into its Roadway Worker Protection solution. The Protran solution issues secondary advanced warnings alerting personnel working on or around railway tracks to potentially hazardous situations such as approaching trains. It consists of Protran's range of Protracker, Portable Train Detection and Collision Avoidance products.

## **OUTLOOK**

The new business opportunity pipeline continues to improve, showing continued support for long-term revenue growth. For FY19, the company also has strong supply contracts in place to support projections, which are expected to be within the guidance of US\$10.5M to US\$11.5M. It is the Company's intention to achieve breakeven operations within the final quarter of FY19. The company is now funded for the year ahead, enabling it to meet objectives and focus on building an IoT company at the forefront of sensor fusion solutions.

## **CONFERENCE CALL**

Sensera will be hosting an investor conference call to discuss the quarterly report on Nov 2, 2018 10:00 AM AEDT.

Access details will be announced via the ASX platform shortly. Shareholders are invited to send through questions for management ahead of the call to [tim@nwrcommunications.com.au](mailto:tim@nwrcommunications.com.au).

## **For more information, please contact:**

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**About Sensera Limited (ASX: SE1):**

Sensera is an Internet of Things (IoT) solution provider that delivers sensor-based products transforming real-time data into meaningful information, action and value. The company designs and manufactures hardware and software across the vertical technology spectrum from unique structures as MicroElectroMechanical Systems (MEMS) and sensors, as well as wireless networked systems and software that when combined, drive an entire IoT platform solution.

Shares in Sensera Limited (ASX: SE1) are traded on the Australian Securities Exchange (ASX). For more information, please visit our website: [www.sensera.com](http://www.sensera.com).

Any forward-looking statements in this announcement are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, its directors and management.

## Appendix 4C

### Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

**Name of entity**

Sensera Limited

**ABN**

73 613 509 041

**Quarter ended ("current quarter")**

30 September 2018

| <b>Consolidated statement of cash flows</b>               | <b>Current quarter<br/>\$U.S'000</b> | <b>Year to date<br/>(3 months)<br/>\$U.S'000</b> |
|---|--------------------------------------|--|
| <b>1. Cash flows from operating activities</b>            |                                      |  |
| 1.1 Receipts from customers                               | 1,579                                | 1,579  |
| 1.2 Payments for  |                                      |  |
| (a) research and development                              | (599)                                | (599)  |
| (b) product manufacturing and operating costs             | (1,283)                              | (1,283)  |
| (c) advertising and marketing                             | (493)                                | (493)  |
| (d) leased assets   | -                                    | -  |
| (e) staff costs   | (138)                                | (138)  |
| (f) administration and corporate costs                    | (933)                                | (933)  |
| 1.3 Dividends received (see note 3)                       | -                                    | -  |
| 1.4 Interest received                                     | -                                    | -  |
| 1.5 Interest and other costs of finance paid              | -                                    | -  |
| 1.6 Income taxes paid                                     | -                                    | -  |
| 1.7 Government grants and tax incentives                  | 55                                   | 55   |
| 1.8 Other (provide details if material)                   | -                                    | -  |
| <b>1.9 Net cash from / (used in) operating activities</b> | <b>(2,727)</b>                       | <b>(2,727)</b>                                   |

| Consolidated statement of cash flows |   | Current quarter<br>\$U.S'000 | Year to date<br>(3 months)<br>\$U.S'000 |
|--------------------------------------|---|------------------------------|---|
| <b>2.</b>                            | <b>Cash flows from investing activities</b>           |                              |   |
| 2.1                                  | Payments to acquire:                                  |                              |   |
|                                      | (a) property, plant and equipment                     | (62)                         | (62)                                    |
|                                      | (b) businesses (see item 10)                          | -                            | -                                       |
|                                      | (c) investments                                       | -                            | -                                       |
|                                      | (d) intellectual property                             | -                            | -                                       |
|                                      | (e) other non-current assets                          | (28)                         | (28)                                    |
| 2.2                                  | Proceeds from disposal of:                            |                              |   |
|                                      | (a) property, plant and equipment                     | -                            | -                                       |
|                                      | (b) businesses (see item 10)                          | -                            | -                                       |
|                                      | (c) investments                                       | -                            | -                                       |
|                                      | (d) intellectual property                             | -                            | -                                       |
|                                      | (e) other non-current assets                          | -                            | -                                       |
| 2.3                                  | Cash flows from loans to other entities               | -                            | -                                       |
| 2.4                                  | Dividends received (see note 3)                       | -                            | -                                       |
| 2.5                                  | Other (provide details if material)                   | -                            | -                                       |
| <b>2.6</b>                           | <b>Net cash from / (used in) investing activities</b> | <b>(90)</b>                  | <b>(90)</b>                             |

|           |   |       |       |
|-----------|---|-------|-------|
| <b>3.</b> | <b>Cash flows from financing activities</b>                                 |       |       |
| 3.1       | Proceeds from issues of shares  | 6,381 | 6,381 |
| 3.2       | Proceeds from issue of convertible notes                                    | -     | -     |
| 3.3       | Proceeds from exercise of share options                                     | -     | -     |
| 3.4       | Transaction costs related to issues of shares, convertible notes or options | (355) | (355) |
| 3.5       | Proceeds from borrowings  | -     | -     |
| 3.6       | Repayment of borrowings   | -     | -     |
| 3.7       | Transaction costs related to loans and borrowings                           | -     | -     |
| 3.8       | Dividends paid  | -     | -     |

| Consolidated statement of cash flows |   | Current quarter<br>\$U.S'000 | Year to date<br>(3 months)<br>\$U.S'000 |
|--------------------------------------|---|------------------------------|---|
| 3.9                                  | Other (provide details if material)                   | -                            | -                                       |
| <b>3.10</b>                          | <b>Net cash from / (used in) financing activities</b> | <b>6,026</b>                 | <b>6,026</b>                            |

|            |  |              |              |
|------------|--|--------------|--------------|
| <b>4.</b>  | <b>Net increase / (decrease) in cash and cash equivalents for the period</b> |              |              |
| 4.1        | Cash and cash equivalents at beginning of quarter/year to date               | 2,031        | 2,031        |
| 4.2        | Net cash from / (used in) operating activities (item 1.9 above)              | (2,727)      | (2,727)      |
| 4.3        | Net cash from / (used in) investing activities (item 2.6 above)              | (90)         | (90)         |
| 4.4        | Net cash from / (used in) financing activities (item 3.10 above)             | 6,026        | 6,026        |
| 4.5        | Effect of movement in exchange rates on cash held                            | -            | -            |
| <b>4.6</b> | <b>Cash and cash equivalents at end of quarter</b>                           | <b>5,240</b> | <b>5,240</b> |

|            |   |                              |                               |
|------------|---|------------------------------|-------------------------------|
| <b>5.</b>  | <b>Reconciliation of cash and cash equivalents</b><br>at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | Current quarter<br>\$U.S'000 | Previous quarter<br>\$U.S'000 |
| 5.1        | Bank balances   | 5,240                        | 2,031                         |
| 5.2        | Call deposits   | -                            | -                             |
| 5.3        | Bank overdrafts   | -                            | -                             |
| 5.4        | Other (provide details)   | -                            | -                             |
| <b>5.5</b> | <b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>  | <b>5,240</b>                 | <b>2,031</b>                  |

**6. Payments to directors of the entity and their associates**

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter  
\$U.S'000**

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The amount at 6.1 includes payment of directors' fees and payments to a director related entity excluding reimbursement for administrative expenses and travel expenses.

|  |                                      |
|--|--------------------------------------|
| <b>7. Payments to related entities of the entity and their associates</b>                                | <b>Current quarter<br/>\$U.S'000</b> |
| 7.1 Aggregate amount of payments to these parties included in item 1.2                                   | -                                    |
| 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3                       | -                                    |
| 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2 |                                      |
|  |                                      |

|  |   |  |
|--|---|--|
| <b>8. Financing facilities available</b><br><i>Add notes as necessary for an understanding of the position</i>   | <b>Total facility amount<br/>at quarter end<br/>\$U.S'000</b> | <b>Amount drawn at<br/>quarter end<br/>\$U.S'000</b> |
| 8.1 Loan facilities  | -   | -  |
| 8.2 Credit standby arrangements  | -   | -  |
| 8.3 Other (please specify)   | -   | -  |
| 8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well. |   |  |
|  |   |  |

|   |                  |
|---|------------------|
| <b>9. Estimated cash outflows for next quarter*</b> | <b>\$U.S'000</b> |
| 9.1 Research and development                        | 583              |
| 9.2 Product manufacturing and operating costs       | 944              |
| 9.3 Advertising and marketing                       | 434              |
| 9.4 Leased assets                                   | 151              |
| 9.5 Staff costs                                     | 870              |
| 9.6 Administration and corporate costs              | 821              |
| 9.7 Other (provide details if material)             | -                |
| <b>9.8 Total estimated cash outflows</b>            | <b>3,803</b>     |

\* To fully understand the Company's estimated subsequent quarter cash position, cash inflows from customer receipts should also be considered. Consistent with previous quarters, it is reasonable to conclude that the company will derive receipts from customers generated from delivering of our services and products. As of the date of this report, on that basis the company expects to generate an estimate of approximately \$2.2m to \$2.5m of cash inflows from customers receipts which would result in an estimated total net cash outflow to be estimated between \$1.1m to \$1.2m for the next quarter.



| 10.  | Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above) | Acquisitions | Disposals |
|------|---|--------------|-----------|
| 10.1 | Name of entity  | -            | -         |
| 10.2 | Place of incorporation or registration  | -            | -         |
| 10.3 | Consideration for acquisition or disposal                                       | -            | -         |
| 10.4 | Total net assets  | -            | -         |
| 10.5 | Nature of business  | -            | -         |

### Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here: .....  
Company secretary

Date: 31 October 2018

Print name: Phillip Hains

### Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.