

**2 July 2020**  
**Australian Securities Exchange (ASX) Announcement**

## **Trading Update**

### **HIGHLIGHTS:**

- **FQ4 revenue at US\$2.3m resulting in FY20 revenue of US\$11.7m and 15% yoy growth**
- **FQ4 cash improved from previous quarter of \$0.3m to US\$1.3m**
- **COVID-19 sensor to be deployed in significant volumes throughout FY21 with early orders of US\$2.0m**
- **Sensera enters FY21 cautiously optimistic about growth in the overall business**

Sensera Limited (Company) (ASX:SE1) is providing a trading update as the financial year 2020 (FY20) closes. Whilst not finalized, revenue for the quarter came in as projected at US\$2.3m bringing the total FY20 revenue to US\$11.7m, representing approximately 15% growth over the previous year of US\$10.2m. The second half revenue reduction was not as severe as the impacts of COVID-19 have to date primarily effected the IOT Solutions (IOTS) business.

The Company continued to improve gross margins (GM) in the second half of FY20 as projected. With an expected GM of 60% for FQ4, the FY20 GM will attain 48%, a significant improvement over the 41% achieved in FY19. The product mix shift, manufacturing changes and model changes have had the planned impact of improving the overall margins as the last two quarters have been close to the 60% GM target model.

### **IOTS**

In FQ4, Zoetis remained the largest customer and even with the COVID-19 slowdown in mining and manufacturing, the group shipped to an additional eight customers. IOTS continues to operate remotely but is expected to move back to the office during July. Despite this environment, revenues have remained resilient and progress has been supported by several recent design wins. Previously announced US military application through Triton Systems has obtained first revenue to deploy the Proof of Concept for the initial instalment. The company has also made progress on the European rail safety project as the technology has been tested and approved to move to the next phase. Material revenue in both cases is expected to be realized in late FY21.

## **MicroDevices (MD)**

MD has continued its growth with FY20 revenues of US\$4.7m. MD continued to operate out of the Woburn, MA facility as the business was deemed essential due to the medical markets the Company serves.

The biggest item to impact the MD business has been the application of one of the Company's sensors towards a COVID-19 detection solution. Over US\$2.0m of new orders were obtained over the past two months for development and delivery of these sensors. The Company is still in pre-production and expects to improve yield and ramp this product into full production throughout FY21. More information will be disclosed as the company makes progress, as this can have a material impact on its efforts to make MD profitable.

The Abiomed sensors and optical benches are yielding well and the team delivered product linearly throughout the quarter. On the flip side, DiDi suspended activities on the automated car sensor design due to COVID-19 related work disruption and it is unclear as to when they will continue the design activity.

With the restructuring, cost cutting initiatives and influx of monies the Company has been managing cash in order to navigate through the current COVID-19 related business issues. The company has applied for forgiveness of the PPP loan program in the US and it is currently the belief of management the company qualifies for the full amount to be forgiven. Confirmation is expected during FQ1.

Management believes that it has made meaningful progress in building out a business that will be sustainable by significantly reducing costs and increasing margins. While a difficult market environment during COVID-19, the Company has been able to move multiple customers and opportunities forward to lay the foundation for a robust FY21. The Company will provide a more detailed update when it releases its Appendix 4C at the end of July.

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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.