
27 April 2021
Australian Securities Exchange (ASX) Announcement

Sensera Quarterly Update and Appendix 4C

HIGHLIGHTS:

- **FQ3 revenue of US\$451k and cash receipts of US\$383k**
- **Additional PPP funds of US\$621k granted**
- **Company settled Nanotron transaction escrow early at US\$466k**

Sensera Limited (Company) (ASX:SE1) is providing Appendix 4C for the third quarter of the financial year 2021 (FY21). The MicroDevices organization achieved quarterly revenue of US\$451k with cash receipts of \$383k.

As previously reported, the company's largest existing volume customer, Abiomed, reduced its sensor demand due to product issues. These issues have now been mitigated and full production has restarted post the end of FQ3. This did have a negative impact on revenues for FQ3 but is expected to be back to the previous levels by June. Whilst, the return to full production took longer than expected, the customer has also provided a forecast showing continued growing production requirements throughout FY22.

NanoDiagnostics Incorporated ([NanoDX](#)) has continued to have challenges with releasing their SARS-CoV-2 detection system. This has slowed progress towards volume production. Notwithstanding, Sensera has been asked to start the ramp of sensors in Q1 of FY22. This ramp is still predicated on FDA approval through the Emergency Use Authorization (EUA) process. As previously disclosed, there is a risk that NanoDX may not satisfy the FDA's requirements for an EUA and/or the evaluation of NanoDX's EUA submission may take longer than expected.

The company has also completed a final design of the continuous glucose monitor project to a point where volume ramp is starting into FY22. This is the next customer in the pipeline to drive material revenue with a total opportunity size of US\$4m.

Sensera did obtain confirmation of a second PPP loan of US\$621k and these funds have been received. The company also negotiated an early settlement of the escrow for the Nanotron transaction with Inpixon. This brought in cash valued at US\$466k. These cash injections will help improve the overall cash position of the company moving forward. The company ended the quarter with US\$832k in cash.

The Company continued to lower corporate costs and implemented further reductions in FQ3 by reducing Opex by 16% over the previous quarter. All the facility issues described last quarter have been resolved and the operation ran COVID-19 free during FQ3.

While revenues have hit a low point, Management expects improvement and believes that it has made meaningful progress in building out a MEMS based sensor business that will be sustainable by simplifying and focusing the business while reducing costs. In what has clearly been a difficult market environment during COVID-19, the Company has also moved multiple customers and opportunities forward to lay the foundation for the balance of FY21 and into FY22.

This announcement was authorised for release by the Board of Directors.

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About Sensera Limited (ASX: SE1):

Sensera Limited is an Internet of Things (IoT) sensor solution provider. The Company designs and manufactures MicroElectroMechanical Systems (MEMS) and sensors for applications that improve the way things are done.

Shares in Sensera Limited (ASX: SE1) are traded on the Australian Securities Exchange (ASX). For more information, please visit our website: 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 cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Sensera Limited

ABN

73 613 509 041

Quarter ended ("current quarter")

31 March 2021

Consolidated statement of cash flows	Current quarter \$U.S'000	Year to date (9 months) \$U.S'000
1. Cash flows from operating activities		
1.1 Receipts from customers	383	3,450
1.2 Payments for		
(a) research and development	-	(41)
(b) product manufacturing and operating costs	(655)	(2,242)
(c) advertising and marketing	(-)	(7)
(d) leased assets	(44)	(153)
(e) staff costs	(302)	(1,627)
(f) administration and corporate costs	(395)	(1,725)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(17)	(419)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	621	621
1.8 Other (provide details if material)	-	
1.9 Net cash from / (used in) operating activities	(409)	(2,143)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(12)	(91)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$U.S'000	Year to date (9 months) \$U.S'000
2.2	Proceeds from disposal of:		
	(a) entities	-	7,444
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	466	466
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (transaction costs)	-	-
2.6	Net cash from / (used in) investing activities	454	7,819

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	(5,745)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (finance lease repayments)	(22)	(511)
3.10	Net cash from / (used in) financing activities	(22)	(6,256)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	820	1,395
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(409)	(2,143)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	454	7,819

Consolidated statement of cash flows		Current quarter \$U.S'000	Year to date (9 months) \$U.S'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(22)	(6,256)
4.5	Effect of movement in exchange rates on cash held	(11)	17
4.6	Cash and cash equivalents at end of period	832	832

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$U.S'000	Previous quarter \$U.S'000
5.1	Bank balances	832	820
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	832	820

6.	Payments to related parties of the entity and their associates	Current quarter \$U.S'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	40
6.2	Aggregate amount of payments to related parties and their associates included in item 2 and 3	-
<p><i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i></p> <p>The amount at 6.1 includes the payment of directors' fees and emoluments excluding reimbursement for administrative expenses and travel expenses. The amount also includes interest payments to a director related entity upon retirement of related party borrowings.</p>		

7. Financing facilities	Total facility amount at quarter end \$U.S'000	Amount drawn at quarter end \$U.S'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$U.S'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(409)
8.2 Cash and cash equivalents at quarter end (item 4.6)	832
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	698
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	2.0
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: NA	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: NA.	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: NA	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

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.

Date:27 April 2021.....

Authorised by:By the Board.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow 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 cash flow 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.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.