Condensed Interim Consolidated Financial Statements

Opsens Inc.

Three-month periods ended November 30, 2017 and 2016
(unaudited)

Notice

These unaudited condensed interim consolidated financial statements have not been reviewed by the Company's independent auditors.

Opsens Inc.
Three-month periods ended November 30, 2017 and 2016

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Opsens Inc.

Interim Consolidated Statements of Loss and Comprehensive Loss

(unaudited)

	Three-month periods ended November 30,	
	2017	2016
	$	$
Revenues		
Sales	**5,335,351**	3,653,202
Licensing (note 4)	**1,028,252**	91,352
	6,363,603	3,744,554
Cost of sales	**3,027,399**	2,553,597
Gross margin	**3,336,204**	1,190,957
Expenses (income)		
Administrative	**728,644**	888,383
Sales and Marketing	**2,196,694**	1,769,957
Research and development	**870,989**	735,922
Financial expenses (revenues)	**(25,809)**	151,995
Change in fair value of embedded derivative (note 6)	**501,250**	185,975
	4,271,768	3,732,232
Net loss and total comprehensive loss attributable to shareholders	**(935,564)**	(2,541,275)
Basic and diluted net loss per share (note 8)	**(0.01)**	(0.03)

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

Opsens Inc.
Interim Consolidated Statements of Changes in Equity
Three-month period ended November 30, 2017
(unaudited)

	Common shares	Warrants	**Total**	Share capital	Reserve – Stock option plan	Reserve – Warrants	Deficit	**Total**
	(number)	(number)	**(number)**	$	$	$	$	**$**
Balance as at August 31, 2017	85,540,816	2,380,500	**87,921,316**	49,581,504	2,560,583	2,899,294	(37,076,057)	**17,965,324**
Issued pursuant to the stock option plan (note 7a)	55,750	-	**55,750**	29,047	(11,210)	-	-	**17,837**
Warrants expired (note 7c)	-	(2,380,500)	**(2,380,500)**	-	-	-	-	**-**
Conversion of the convertible debenture (note 6)	3,677,251	-	**3,677,251**	4,443,003	-	-	-	**4,443,003**
Stock-based compensation costs	-	-	**-**	-	192,876	-	-	**192,876**
Net loss and total comprehensive loss	-	-	**-**	-	-	-	(935,564)	**(935,564)**
Balance as at November 30, 2017	89,273,817	-	**89,273,817**	54,053,554	2,742,249	2,899,294	(38,011,621)	**21,683,476**

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

Opsens Inc.

Interim Consolidated Statements of Changes in Equity
Three-month period ended November 30, 2016
(unaudited)

	Common shares	Warrants	**Total**	Share capital	Reserve – Stock option plan	Reserve – Warrants	Deficit	**Total**
	(number)	(number)	**(number)**	$	$	$	$	**$**
Balance as at August 31, 2016	72,629,038	5,617,496	**78,246,534**	32,677,611	1,920,089	3,253,737	(30,539,014)	**7,312,423**
Issued pursuant to the stock option plan (note 7a)	331,000	-	**331,000**	145,297	(50,147)	-	-	**95,150**
Warrants exercised (note 7c)	35,000	(35,000)	-	49,151	-	(7,151)	-	**42,000**
Stock-based compensation costs	-	-	**-**	-	250,229	-	-	**250,229**
Net loss	-	-	**-**	-	-	-	(2,541,275)	**(2,541,275)**
Balance as at November 30, 2016	72,995,038	5,582,496	**78,577,534**	32,872,059	2,120,171	3,246,586	(33,080,289)	**5,158,527**

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

Opsens Inc.

Consolidated Statements of Financial Position

(unaudited)

	As at November 30, 2017	As at August 31, 2017
	$	$
Assets		
Current		
Cash and cash equivalents (note 9)	**13,407,157**	12,570,299
Trade and other receivables	**3,687,058**	4,218,938
Tax credits receivable	**465,256**	916,675
Inventories	**5,569,253**	5,446,508
Prepaid expenses	**277,103**	454,286
	23,405,827	23,606,706
Property, plant and equipment (note 3)	**3,418,922**	3,355,410
Intangible assets	**639,241**	647,685
	27,463,990	27,609,801
Liabilities		
Current		
Accounts payable and accrued liabilities	**3,102,893**	2,909,516
Warranty provision (note 10)	**124,817**	128,910
Current portion of deferred revenues (note 4)	**316,729**	366,408
Current portion of long-term debt (note 5)	**445,605**	439,438
Convertible debenture (note 6)	**-**	3,853,225
	3,990,044	7,697,497
Deferred revenues (note 4)	**-**	41,673
Long-term debt (note 5)	**911,636**	1,005,730
Deferred lease inducements	**878,834**	899,577
	5,780,514	9,644,477
Shareholders' equity		
Share capital	**54,053,554**	49,581,504
Reserve – Stock option plan	**2,742,249**	2,560,583
Reserve – Warrants	**2,899,294**	2,899,294
Deficit	**(38,011,621)**	(37,076,057)
	21,683,476	17,965,324
	27,463,990	27,609,801

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

Approved by the Board

Signed [Jean Lavigueur] director

Signed [Louis Laflamme] director

Opsens Inc.

Interim Consolidated Statements of Cash Flows

(unaudited)

	Three-month periods ended November 30,	
	2017	2016
	$	$
Operating activities		
Net loss for the period	**(935,564)**	(2,541,275)
Adjustments for:		
Depreciation of property, plant and equipment	**197,250**	177,665
Amortization of intangible assets	**26,060**	21,340
Loss (gain) on disposal of property, plant and equipment (note 3)	**24,437**	(46,826)
Stock-based compensation costs	**192,876**	250,229
Change in fair value of embedded derivative	**501,250**	185,975
Interest expense (revenue)	**(6,717)**	35,665
Unrealized foreign exchange loss	**36,857**	85,129
Changes in non-cash operating working capital items (note 9)	**925,832**	301,273
	962,281	(1,530,825)
Investing activities		
Increase in deferred financing cost	**-**	(46,160)
Acquisition of property, plant and equipment	**(251,973)**	(78,795)
Income tax credits on property, plant and equipment	**161,138**	-
Additions to intangible assets	**(22,886)**	(90,954)
Proceeds from disposal of property, plant and equipment (note 3)	**-**	115,717
Interest received	**45,371**	7,960
	(68,350)	(92,232)
Financing activities		
Reimbursement of long-term debt	**(102,500)**	(137,304)
Proceeds from the issuance of shares (note 7a)	**17,837**	137,150
Interest paid	**(9,319)**	(11,863)
	(93,982)	(12,017)
Effect of foreign exchange rate changes on cash and cash equivalents	**36,909**	7,899
Increase (decrease) in cash and cash equivalents	**836,858**	(1,627,175)
Cash and cash equivalents - Beginning of period	**12,570,299**	5,903,040
Cash and cash equivalents - End of period	**13,407,157**	4,275,865

Additional information on the interim consolidated statements of cash flows is presented in note 9.

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

1. Incorporation and Description of Business

Opsens Inc. ("Opsens" or the "Company") is incorporated under the *Business Corporations Act* (Quebec). Opsens focuses mainly on the measure of Fractional Flow Reserve ("FFR") in interventional cardiology. Opsens offers an advanced optical-based pressure guidewire (OptoWire) that aims at improving the clinical outcome of patients with coronary artery disease. Opsens is also involved in industrial activities through its wholly-owned subsidiary Opsens Solutions Inc. ("Solutions"). Solutions develops, manufactures and installs innovative fibre optic sensing solutions for critical applications such as the monitoring of oil wells and other demanding industrial applications. The Company's head office is located at 750, boulevard du Parc-Technologique, Québec, Québec, Canada, G1P 4S3.

2. Basis of Preparation

Statement of Compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including International Accounting Standards ("IAS") 34, *Interim Financial Reporting* and using the same accounting policies and methods of computation as the most recent annual financial statements, except for the changes in accounting policies described below. These condensed interim consolidated financial statements should be read in conjunction with the annual financial statements for the year ended August 31, 2017, which have been prepared in accordance with IFRS as issued by the IASB.

Changes in Accounting Policies

New and amended standards issued but not yet effective

IFRS 9, Financial Instruments

In July 2014, the IASB issued the final version of IFRS 9, *Financial Instruments*. The new standard will replace IAS 39, *Financial instruments: recognition and measurement*. The final amendments made in the new version include guidance for the classification and measurement of financial assets and a third measurement category for financial assets, fair value through other comprehensive income. The standard also contains a new expected loss impairment model for debt instruments measured at amortized cost or fair value through other comprehensive income, lease receivables, contract assets and certain written loan commitments and financial guarantee contracts. The standard is effective for annual periods beginning on or after January 1, 2018 and must be applied retrospectively with some exceptions. Early adoption is permitted. Restatement of prior periods in relation to the classification and measurement, including impairment, is not required. The Company is currently evaluating the impact of this new standard on its financial statements.

IFRS 15, Revenue from Contracts with Customers

In May 2014, the IASB issued IFRS 15, *Revenue from contracts with customers*. IFRS 15 replaces all previous revenue recognition standards, including IAS 18, *Revenue*, and related interpretations such as IFRIC 13, *Customer loyalty programmes*. The standard sets out the requirements for recognizing revenue. Specifically, the new standard introduces a comprehensive framework with the general principle being that an entity recognizes revenue to depict the transfer of promised goods and services in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduces more prescriptive guidance than what was included in previous standards and may result in changes in classification and disclosure in addition to changes in the timing of recognition for certain types of revenues. On July 22, 2015, the IASB has confirmed a one-year deferral of the effective date of IFRS 15 to January 1, 2018.

In April 2016, the IASB issued clarifications to IFRS 15, Revenue from contracts with customers. These clarifications provide additional clarity on revenue recognition related to identifying performance obligations, application guidance on principal versus agent and licenses of intellectual property. The Company is currently evaluating the impact of this new standard on its financial statements.

IFRS 16, Lease

On January 13, 2016, the IASB released IFRS 16, *Leases*, which replace IAS 17, *Leases*, and the related interpretations on leases such as IFRIC 4, *Determining whether an arrangement contains a lease*, SIC 15, *Operating leases – Incentives* and SIC 27, *Evaluating the substance of transactions in the legal form of a lease*. This new standard specifies how to recognize, measure, present and disclose leases. It also provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless lease term is 12 months or less or the underlying asset has a small value. Accounting for the lessor remain substantially unchanged. The standard is effective for periods beginning on or after January 1, 2019, with earlier application permitted for companies that also apply IFRS 15, *Revenue from Contracts with Customers*. The Company has not yet assessed the impact of this new standard.

IFRIC 23, Uncertainty over income Tax Treatments

On June 7, 2017, the IASB issued IFRIC 23, Uncertainty over Income Tax Treatments (the “Interpretation”). The Interpretation provides guidance on the accounting for current and deferred tax liabilities and assets in circumstances in which there is uncertainty over income tax treatments. The Interpretation is effective for annual periods beginning on or after January 1, 2019. Earlier application is permitted. The Interpretation requires an entity to:

Contemplate whether uncertain tax treatments should be considered separately, or together as a group, based on which approach provides better predictions of the resolution;
Reflect an uncertainty in the amount of income tax payable (recoverable) if it is probable that it will pay (or recover) an amount for the uncertainty; and
Measure a tax uncertainty based on the most likely amount or expected value depending on whichever method better predicts the amount payable (recoverable).

The Company has not yet assessed the impact of this new interpretation.

3. Property, Plant and Equipment

During the quarter ended November 30, 2017, the Company disposed of diagnostic equipment with a net carrying value of $24,437 (production equipment with a carrying value of $68,891 for the three-month period ended November 30, 2016) for net proceeds of zero ($115,717 for the three-month period ended November 30, 2016).

4. Deferred Revenues

a) Licensing Agreement

On April 15, 2014, the Company announced it had entered into an agreement with Abiomed, Inc. (“Abiomed”) in connection with its miniature optical pressure sensor technology for applications in circulatory assist devices. The Company has granted Abiomed an exclusive worldwide license to integrate its miniature pressure sensor in connection with Abiomed’s circulatory assist devices. Under the agreement, Abiomed will pay Opsens an aggregate amount of US$6,000,000. $1,647,000 (US$1,500,000) has been paid on closing, while the balance will be disbursed based on the achievement of certain milestones. As at November 30, 2017, the Company still has an amount of US$3,000,000 left to receive from this agreement.

The Company applies the principles of IAS 18, *Revenue*, to record revenues arising from the agreement with Abiomed. Therefore, the amount of $1,647,000 (US$1,500,000) paid on closing will be recognized over the term of the agreement. Revenues from milestone payments will be limited to costs incurred as long as the milestones are not achieved. Upon the achievement of a milestone, the unrecognized portion of the milestone will be recorded as revenues. For the three-month period ended November 30, 2017, an amount of $91,352 ($91,352 for the three-month period ended November 30, 2016) related to the Abiomed agreement has been recognized as licensing revenues in the consolidated statements of loss and comprehensive loss.

During the three-month period ended November 30, 2017, the Company achieved a technical milestone related to the agreement with Abiomed and consequently, it allows the Company to record, in the consolidated statements of loss and comprehensive loss as licensing revenues an amount of $936,900 (US$750,000) (nil for the three-month period ended November 30, 2016).

b) Other Deferred Revenues

Deferred revenues also comprise contracts where billings exceed contract costs incurred to date plus recognized profits less recognized losses or when the Company receives payments in advance of meeting the revenue recognition criteria.

5. Long-term Debt

	As of November 30, 2017	As of August 31, 2017
	$	$
Contributions repayable to Ministère des Finances et de l'Économie (MFE), without interest (effective rate of 9%), repayable in five equal and consecutive annual instalments of $82,718, maturing in February 2020.		
Debt balance	**248,153**	248,153
Imputed interest	**(25,664)**	(30,583)
	222,489	217,570
Contributions repayable to Canada Economic Development, without interest (effective rate of 13.5%), repayable in twenty equal and consecutive quarterly instalments of $15,000, maturing in August 2020.		
Debt balance	**165,000**	180,000
Imputed interest	**(27,860)**	(32,601)
	137,140	147,399
Contributions repayable to Canada Economic Development, without interest (effective rate of 12%), repayable in 59 equal and consecutive monthly instalments of $3,333 starting November 2018 and a final payment of $3,353, maturing in October 2023. The difference between amounts received and estimated fair value is recognized as government grants.		
Debt balance	**200,000**	200,000
Imputed interest	**(61,738)**	(65,601)
	138,262	134,399
Secured loan from Export Development Canada, bearing interest at prime rate plus 2.0%, secured by a movable hypothec on the universality of the Company's present and future property, plant and equipment and intangible assets, payable in 48 monthly instalments of $10,417, maturing in April 2018. Amounts received are net of transaction costs of $2,500.	**301,094**	332,156
Term loan, bearing interest at prime rate plus 0.25%, secured by a movable hypothec on the universality of the Company's present and future property, plant and equipment and intangible assets, payable in forty-eight monthly instalments of $18,750, maturing in May 2020. Amounts received are net of transaction costs of $9,000.	**558,256**	613,644
	1,357,241	1,445,168
Current portion	**445,605**	439,438
	911,636	1,005,730

6. Convertible Debenture

On November 19, 2012, the Company issued a US$2,000,000 ($2,002,000) subordinated secured convertible debenture maturing November 19, 2017. The convertible debenture bears interest at a rate of 2.0% per annum, payable at maturity. At the holder's option, the convertible debenture may be converted into common shares of the Company at any time up to the maturity date, at a conversion price representing the market price of the shares. However, the conversion price is subject to a minimum of $0.50 and a maximum of $0.75 per common share (the "conversion price").

The convertible debenture is also convertible at the Company's option at the conversion price if the volume-weighted average closing price per common share for the twenty trading days immediately preceding the fifth trading day before such conversion date is at least $1.20 and if a minimum of 50,000 common shares have traded on the TSX Exchange during each of the twenty trading days taken into account in the calculation of the conversion price.

As noted above, the convertible debenture contains a conversion option that will result in an obligation to deliver a fixed amount of equity in exchange of a variable amount of convertible debenture when translated in the functional currency of the Company. Consequently, under IAS 32, Financial Instruments: Presentation, the convertible debenture is accounted for as a compound instrument with a debt component and a separate embedded derivative representing the conversion option. Both the debt and embedded derivative components of this compound financial instrument are measured at fair value on initial recognition. The debt component is subsequently accounted for at amortized cost using the effective interest rate method. The embedded derivative is subsequently measured at fair value at each reporting date, with gains and losses in fair value recognized through profit or loss.

On November 16, 2017, the Company received a notice of conversion from the holder of the convertible debenture. At that date, the debt component was at $ 2,816,548 ($ 2,755,572 as at August 31, 2017) including accrued interest of $ 267,545 ($ 251,070 as at August 31, 2017). The debt component was converted into 3,413,333 common shares of the Company at a price of $ 0.75 per share and accrued interest was converted into 263,918 common shares of the Company at a price of $ 0.97 per share. The embedded derivative had a value of $ 1,626,455 ($ 1,097,653 as at August 31, 2017). These two components were credited to share capital.

7. Shareholders' Equity

a) Share capital

During the three-month period ended November 30, 2017, following the exercise of stock options, the Company issued 55,750 common shares (331,000 for the three-month period ended November 30, 2016) for a cash consideration of $17,837 ($95,150 for the three-month period ended November 30, 2016). As a result, an amount of $11,210 was reallocated from "Reserve – Stock option plan" to "Share capital" in shareholders' equity ($50,147 for the three-month period ended November 30, 2016).

b) Stock options

The changes in the number of stock options granted by the Company and their weighted-average exercise prices, for the three-month periods ended November 30, 2017 and 2016, are as follows:

	Three-month period ended November 30, 2017		**Three-month period ended November 30, 2016**	
	Number of options	**Weighted average exercise price**	**Number of options**	**Weighted average exercise price**
		$		**$**
Balance – Beginning of period	**5,966,250**	**1.10**	5,029,500	0.70
Granted	**244,500**	**1.25**	1,310,000	1.50
Exercised	**(55,750)**	**0.32**	(331,000)	0.29
Cancelled	**(52,500)**	**1.02**	(557,000)	0.85
Balance – End of period	**6,102,500**	**1.11**	5,451,500	0.90

The fair value of the options granted issued was estimated using the Black-Scholes option pricing model using the following assumptions:

	Three-month period ended November 30, 2017	**Three-month period ended November 30, 2016**
Risk-free interest rate	Between 1.44% and 1.61%	Between 0.50% and 0.86%
Volatility	Between 46% and 75.49%	Between 54% and 102%
Dividend yield on shares	Nil	Nil
Expected life	0 to 5 years	0 to 5 years
Weighted share price	$1.25	$1.50
Weighted fair value per option at the grant date	$0.50	$0.73

c) Warrants

The changes in the number of warrants issued by the Company and their weighted-average exercise prices, for the three-month periods ended November 30, 2017 and 2016, are as follows:

	Three-month period ended November 30, 2017		Three-month period ended November 30, 2016	
	Number of warrants	**Weighted average exercise price**	Number of warrants	Weighted average exercise price
		$		$
Balance – Beginning of period	**2,380,500**	**1.55**	5,617,496	1.33
Exercised	**-**	**-**	(35,000)	1.20
Expired	**(2,380,500)**	**1.55**	-	-
Balance – End of period	**-**	**-**	5,582,496	1.33

8. Net Loss per Share

The table below presents a reconciliation between the basic net loss and the diluted net loss per share:

	Three-month periods ended November 30,	
	2017	2016
	$	$
Net loss attributable to shareholders		
Basic and diluted	**(935,964)**	(2,541,275)
Number of shares		
Basic and diluted weighted average number of shares outstanding	**85,834,382**	72,771,678
Amount per share		
Basic and diluted net loss per share	**(0.01)**	(0.03)

Stock options, warrants and the convertible debenture are excluded from the calculation of the diluted weighted average number of shares outstanding when their exercise price is greater than the average market price of common shares or when their effect is antidilutive. The number of such stock options, warrants and the nominal value of the convertible debenture is presented below:

	Three-month periods ended November 30,	
	2017	2016
Stock options	**3,292,750**	960,000
Warrants	**-**	2,380,500
Convertible debenture	**-**	US$2,000,000

For the three-month periods ended November 30, 2017 and 2016, the diluted amount per share was the same amount as the basic amount per share, since the dilutive effect of stock options, warrants and convertible debenture was not included in the calculation; otherwise, the effect would have been antidilutive. Accordingly, the diluted amount per share for these periods was calculated using the basic weighted average number of shares outstanding.

9. Additional Information on the Interim Consolidated Statements of Cash Flows

	Three-month periods ended November 30,	
	2017	2016
	$	$
Changes in non-cash operating working capital items		
Trade and other receivables	**531,880**	(983,964)
Tax credits receivable	**290,281**	(105,380)
Inventories	**(122,745)**	(146,895)
Prepaid expenses	**177,183**	100,780
Accounts payable and accrued liabilities	**165,421**	877,398
Warranty provision	**(4,093)**	(4,453)
Deferred revenues	**(91,352)**	582,798
Deferred lease inducements	**(20,743)**	(19,011)
	925,832	301,273
Supplementary information		
Unpaid acquisition of property, plant and equipment	**192,091**	23,752
Unpaid additions to intangible assets	**675**	4,963
Unpaid financing costs	**-**	164,234

	As of November 30, 2017	As of August 31, 2017
	$	$
Cash and cash equivalents		
Cash	**1,887,865**	794,470
Short-term investments	**11,519,292**	11,775,829
	13,407,157	12,570,299

10. Contractual Guarantees

During the normal course of business, the Company replaces defective parts under warranties offered at the sale of the products. The term of the warranties is generally 12 months. The following table summarizes changes in warranty provision:

	Three-month periods ended November 30, 2017	2016
	$	$
Balance – Beginning of period	**128,910**	177,870
Provisions recognized	**16,000**	21,000
Amounts used during the period	**(20,093)**	(25,453)
Balance – End of period	**124,817**	173,417

This provision estimate is based on past experience. The actual costs that the Company may incur, as well as the moment when the parts should be replaced, can differ from the estimated amount.

11. Fair Value of Financial Instruments

The following table provides information about financial instruments measured at fair value in the statement of financial position and categorized by level according to the significance of the inputs used in making the measurements:

		As of November 30, 2017	As of August 31, 2017
	Input level*	**Fair Value and Carrying Value**	**Fair Value and Carrying Value**
		$	**$**
Financial assets (liabilities) measured at fair value:			
Convertible debenture – embedded derivative	**2**	**-**	(1,097,653)

* Level 2 – Quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

The fair value of the embedded derivative financial instruments included in the convertible debenture is calculated using a financial model which includes observable data like share price and interest rates.

12. Segmented Information

Sector's Information

The Company is organized into two segments: Medical and Industrial.

Medical segment: In this segment, Opsens focuses mainly on the measure of FFR in interventional cardiology.

Industrial: In this segment, Opsens' develops, manufactures and installs innovative fiber optic sensing solutions for critical applications such as the monitoring of oil wells and other demanding industrial applications.

The principal factors employed in the identification of the two segments reflected in this note include the Company's organizational structure, the nature of the reporting lines to the President and Chief Executive Officer and the structure of internal reporting documentation such as management accounts and budgets.

The same accounting policies are used for both reportable segments. Operations are carried out in the normal course of operations and are measured at the exchange amount, which approximates prevailing prices in the markets.

	Three-month period ended November 30, 2017			**Three-month period ended November 30, 2016**		
	Medical	**Industrial**	**Total**	Medical	Industrial	Total
	$	**$**	**$**	$	$	$
External sales	**5,738,978**	**624,625**	**6,363,603**	3,330,186	414,368	3,744,554
Internal sales	**-**	**42,244**	**42,244**	-	117,405	117,405
Gross margin	**2,913,447**	**422,757**	**3,336,204**	1,053,620	137,362	1,190,982
Depreciation of property, plant and equipment	**177,715**	**19,535**	**197,250**	153,128	24,537	177,665
Amortization of intangible assets	**22,369**	**3,691**	**26,060**	18,125	3,215	21,340
Financial expenses (revenues)	**(79,037)**	**53,228**	**(25,809)**	87,599	64,396	151,995
Change in fair value of embedded derivative	**501,250**	**-**	**501,250**	185,975	-	185,975
Net earnings (loss)	**(1,078,493)**	**142,929**	**(935,564)**	(2,150,162)	(391,088)	(2,541,250)
Acquisition of property, plant and equipment	**282,372**	**2,827**	**285,199**	78,093	6,405	84,498
Additions to intangible assets	**17,616**	**-**	**17,616**	18,950	17,331	36,281
Segment assets	**25,853,278**	**1,610,712**	**27,463,990**	14,034,675	2,398,362	16,433,037
Segment liabilities	**5,566,700**	**213,814**	**5,780,514**	10,742,621	531,889	11,274,510

The Company's net loss per reportable segments reconciles to its condensed interim consolidated financial statements as follows:

	Three-month periods ended November 30,	
	2017	2016
	$	$
Gross margin per reportable segments	**3,336,204**	1,190,982
Elimination of inter-segment profits	-	(25)
Gross margin	**3,336,204**	1,190,957
Net loss per reportable segments	**(935,564)**	(2,541,250)
Elimination of inter-segment profits	**-**	(25)
Net loss and comprehensive loss	**(935,564)**	(2,541,275)

Geographic sector's information

	Three-month periods ended November 30,	
	2017	2016
	$	$
Revenue per geographic sector		
Japan	**1,369,104**	1,351,400
United States	**2,873,075**	740,963
Canada	**496,391**	429,041
Other*	**1,625,033**	1,223,150
	6,363,603	3,744,554

* Comprise revenues generated in countries for which amounts are individually not significant.

Revenues are attributed to the geographic sector based on the clients' location. Capital assets, which include property, plant and equipment and intangible assets, are all located in Canada.

During the three-month period ended November 30, 2017, revenues from two clients represented individually more than 10% of the total revenues of the Company, i.e. approximately 31% (medical reportable segment) and 21% (medical reportable segment).

During the three-month period ended November 30, 2016, revenues from one client represented individually more than 10% of the total revenues of the Company, i.e. approximately 37% (medical reportable segment).

13. Related-party Transactions

In the normal course of its operations, the Company has entered into transactions with related parties.

	Three-month periods ended November 30,	
	2017	2016
	$	$
Professional fees paid to a company controlled by a director	**-**	18,305

Fees are incurred for the Company's FFR activities.

Key management personnel, having authority and responsibility for planning, directing and controlling the activities of the Company, comprise the Chief Executive Officer, the Chief Financial Officer, the Business Unit Manager of Opsens Solutions Inc. and other vice presidents. Compensation of key management personnel during the three-month periods ended November 30, 2017 and 2016:

	Three-month periods ended November 30,	
	2017	2016
	$	$
Short-term salaries and other benefits	**419,278**	387,805
Option-based awards	**25,638**	23,320
	444,916	411,125

The compensation of key executives is determined by the Human Resources and Compensation Committee, taking into consideration individual performance and market trends.

14. Approval of Condensed Interim Consolidated Financial Statements

The condensed interim consolidated financial statements were approved by the Board of Directors and authorized for issue on January 12, 2018.