

4 November 2021, Seppo Kopsala, CEO / Lars Lindqvist, CFO

Result presentation Q3/2021

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Highlights

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1.

Revenue stable: Western markets continued strong growth, no new camera deliveries to China during the quarter.

2.

Software: Software segment made another growth record during the quarter, over 20 percent.

3.

Clinical Trial: We are expecting to receive the results from the US clinical trial aiming for FDA clearance study in the near future.

Focus areas

China:

- No new camera deliveries to China during the quarter
- Currently it is hard to forecast revenue and the long-term potential can only be assessed during 2022

USA:

- Strong growth in the US market
- The clinical trials with the aim to the FDA approval for Aurora AEYE, a handheld camera with autonomous AI for retinal screening, are expected to be completed in near future



Q3/2021 Financial highlights (KEUR)

	Q3/2021	Q3/2020	Change
Revenue	3,342	3,338	0.1%
Gross profit ¹⁾	2,250	2,262	-0.5%
Gross margin ²⁾	67.3%	67.8%	-0.5 bps
Adjusted EBITDA	-337	229	-247.2%
Adjusted EBITDA margin	-10.1%	6.9%	-17.0 bps
Net profit/ loss	-833	-299	-178.4%
Earnings per share	-0.06	-0.02	-171.8%
Cash flow from operating activities	-764	-400	-90.8%
1) Of which grants:	48	29	
2) Gross margin without grants	65.9%	66.9%	-1.0 bps

1-9/2021 Financial highlights (KEUR)

	1-9/2021	1-9/2020	Change
Revenue	11,299	8,969	26.0%
Gross profit ¹⁾	8,151	6,146	32.6%
Gross margin ²⁾	72.1%	68.5%	+3.6 bps
Adjusted EBITDA	-475	-671	29.3%
Adjusted EBITDA margin	-4.2%	-7.5%	3.3 bps
Net profit/ loss	-2,313	-2,525	8.4%
Earnings per share	-0.17	-0.19	10.6%
Cash flow from operating activities	-2,450	-3,215	23.8%
<i>1) Of which grants: Business Finland waived loan of EUR 538 thousand that was recorded as a grant</i>	753	117	
<i>2) Gross margin without grants</i>	65.5%	67.2%	-1.7 bps



Devices segment highlights

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1.

No hardware deliveries were made to China due to initial inventory deliveries in the first half of the year

2.

North America and European markets continued strong growth as well as sales the OEM channel

3.

The coronavirus pandemic continues to affect our business, particularly in Asia and emerging markets

	Q3/2021	Q3/2020	Change
Revenue	1,167	1,537	-24.1%
Gross profit	722	933	-22.6%
Gross margin	61.9%	60.7%	+1.2 bps
EBITDA	-178	290	-161.5%
EBITDA margin	-15.3%	18.9%	-3.6 bps

Devices Segment 1-9/2021 financials

	1-9/2021	1-9/2020	Change %
Revenue	4,510	3,359	34.3%
Gross profit	3,375	1,872	80.3%
Gross margin	74.8%	55.7%	19.1 bps
EBITDA	184	-251	173.2%
EBITDA margin	4.1%	-7.5%	11.6 bps



Software segment highlights

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1.

Record growth for the software segment

2.

Drivers included screening and workflow software deliveries to new customers as well as increase in recurring revenue from existing customers

	Q3/2021	Q3/2020	Change
Revenue	2,176	1,802	20.8%
Gross profit	1,528	1,330	14.9%
Gross margin	70.3%	73.8%	-3.5 bps
EBITDA	551	444	24.0%
EBITDA margin	25.3%	24.6%	0.7 bps

Software Segment 1-9/2021 financials

	1-9/2021	1-9/2020	Change %
Revenue	6,789	5,610	21.0%
Gross profit	4,776	4,274	11.7%
Gross margin	70.4%	76.2%	-5.8 bps
EBITDA	1,339	1,291	3.7%
EBITDA margin	19.7%	23.0%	-3.3 bps



A blue-tinted photograph showing a woman in a white lab coat on the left, looking at a tablet. In the center, a man is seated in a white eye examination device with "OPTOMED" printed on its back. The background is a solid blue color.

Outlook 2021

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Outlook 2021

Optomed expects its full year 2021 revenue to grow strongly compared to 2020

(Announced 8 April 2021)

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Financial targets

Revenue Growth

Optomed's medium-term target is to deliver a double-digit annual organic revenue growth. In the long-term Optomed's target is to deliver an average annual organic revenue growth above 20%

Adjusted EBITDA

Optomed's target is to prioritise investments in the organisation to support growth in the medium-term and achieve an adjusted EBITDA margin above 30% in the long-term

Balance sheet

- Equity ratio of 62.7 (66.5) percent
- Total borrowings of EUR 6.8 (6.5) million. New loan of EUR 1.0 million received in September.
- Net working capital of EUR 5.3 (3.9) million
- Interest-bearing net debt of EUR -1.1 (-4.4) million

	30/9 2021	30/9 2020
<u>ASSETS</u>		
Goodwill	4,256	4,256
Development costs	5,375	5,386
Other intangible assets	2,537	2,910
Total intangible assets	12,528	12,552
Total tangible assets	1,347	1,129
Total non-current assets	13,875	13,681
Inventories	2,902	2,721
Trade and other receivables	5,454	3,590
Cash and cash equivalent	7,827	10,899
Total current assets	16,183	17,209
TOTAL ASSETS	30,058	30,890
<u>LIABILITIES</u>		
Total equity	18,850	20,547
Non-current liabilities	6,915	7,284
Total current liabilities	4,293	3,058
TOTAL EQUITY AND LIABILITIES	30,058	30,890

Cash flow

- Cash flow from operating activities amounted to EUR -0.8 (-0.4) million
- Net cash from financing activities include new loan of EUR 1.0 million and proceeds from share subscriptions of EUR 501 thousand

	Q3 2021	Q3 2020
Loss for the financial year	-833	-299
Cash flows before change in net working capital	-207	306
Change in net working capital	-541	-692
Cash flows before finance items	-748	-386
Cash flows from finance items	-16	-14
Net cash from operating activities	-764	-402
Net cash used in investing activities	-646	-398
Net cash from financing activities	1,404	-82
Net increase (decrease) in cash and cash equivalents	-5	-880
Cash and cash equivalents at the beginning of period	7,818	11,742
Cash and cash equivalents at end of period	7,827	10.899

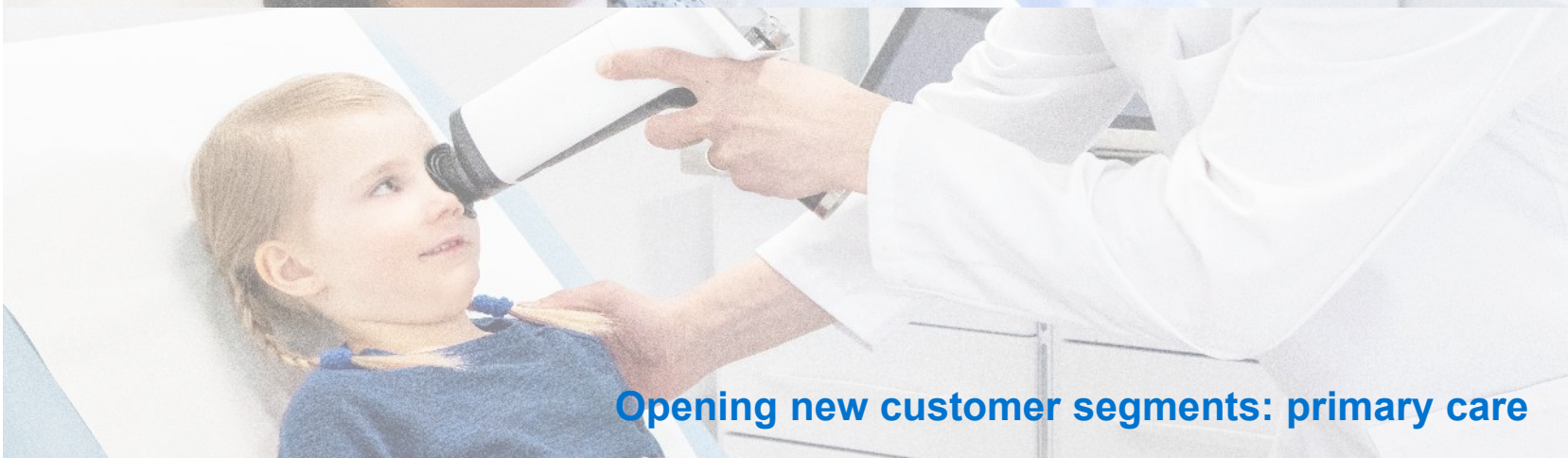
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Optomed's mission is to prevent blindness by improving access to eye screening globally

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Expansion into new geographical markets



Opening new customer segments: primary care



Bringing AI-integrated health screening to the market



Appendix

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Cash flow 1-9/2021

	1-9 2021	1-9 2020
Loss for the financial year	-2,313	-2,525
Cash flows before change in net working capital	-134	-457
Change in net working capital	-2,239	-2,512
Cash flows before finance items	-2,373	-2,969
Cash flows from finance items	-77	-246
Net cash from operating activities	-2,450	-3,215
Net cash used in investing activities	-1,691	-1,169
Net cash from financing activities	1,347	-3,626
Net increase (decrease) in cash and cash equivalents	-2,794	-8,010
Cash and cash equivalents at the beginning of period	10,608	18,866
Cash and cash equivalents at end of period	7,827	10,899