

Optomed IR presentation April 2022

Optomed in Brief

OPTOMED



Global megatrends increasing demand



Aging population

Prevalence of serious eye diseases (causing vision loss) increase strongly with age.¹



Diabetes growing

Diabetic Retinopathy (causing vision loss) affects ~35% of all diabetics but can be prevented by laser treatment.²



AI

Technological advances in artificial intelligence enable faster diagnostics.³

Screening and diagnosis

Sources: 1) National Eye Institute 2) International Diabetes Federation. IDF Diabetes Atlas 9th Edition (2019) 3) Du Li & Hu Application of artificial intelligence in ophthalmology (2018)



The prevalence of eye diseases is expected to increase rapidly which will again increase the need for screening

Diabetic retinopathy

463 M at risk.

The leading cause of vision loss in adults.

(IDF Diabetes Atlas 2019)

Glaucoma

895 M over 60 years old at risk.

Prevalence increases by age. The leading cause of vision loss for black adults.

(2017 World Population by Age, census gov)

AMD

604 M over 65 years old at risk.

The leading cause of loss of vision in people over 65 years of age.

(Wong et al, Lancet Global Health)

Normal
Vision



Diabetic Retinopathy

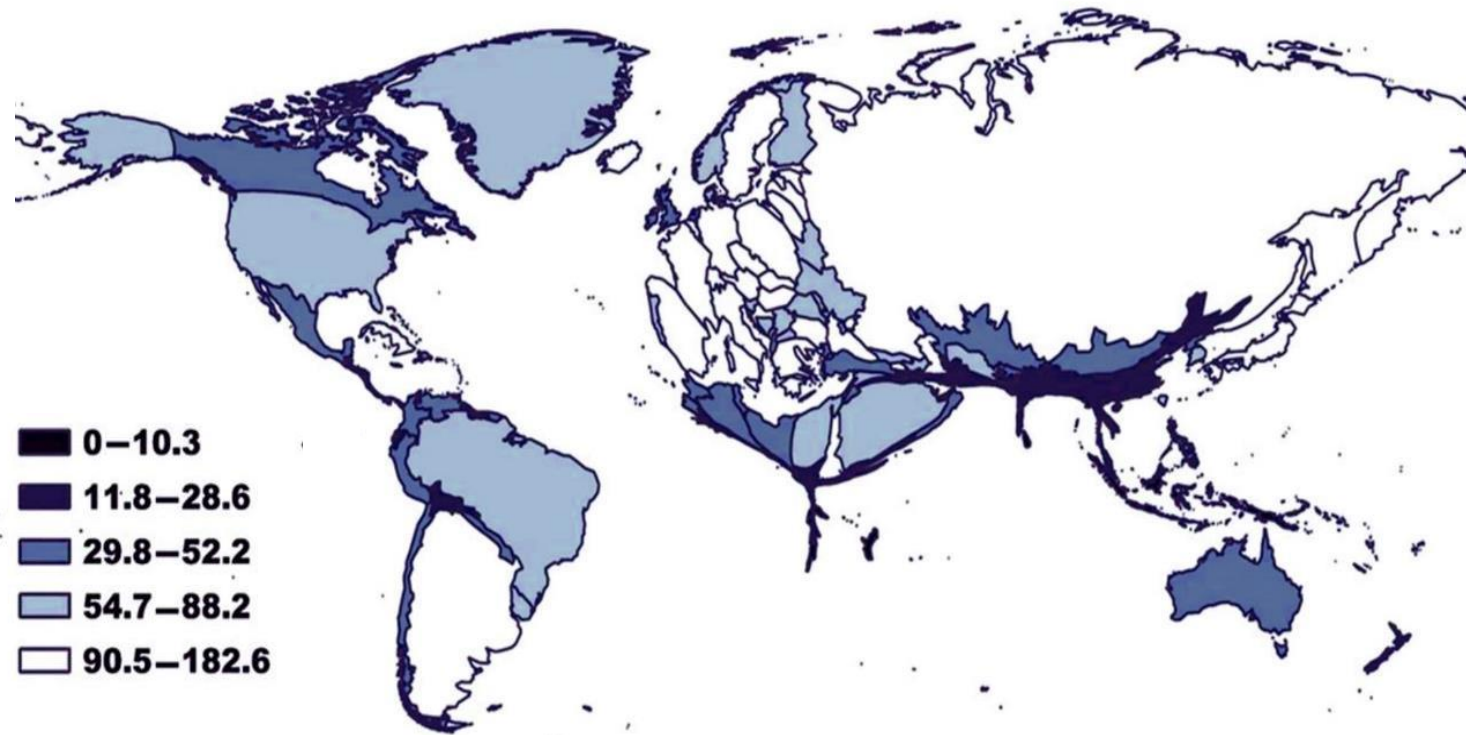


Glaucoma



Macular Degeneration

Globally, there is only <250 000 eye doctors and the geographical dispersion is high



Resnikoff S, Lansingh VC, Washburn L, et al British Journal of Ophthalmology 2020;104:588-592.

→ Traditional screening methods are not sufficiently scalable to address the need

OPTOMED



Transition from traditional desktop cameras to AI integrated handheld cameras has started

Traditional equipment



- Large initial investments
- Space constrains
- For professional use

Optomed's handheld camera...



- Cost efficient
- For the use of all healthcare professionals
- Possibility to increase Screening coverage

...together with AI



- Saves eye doctor resources and lowers costs

OPTOMED

AI to increase the pace of transition towards primary care especially in the US



Primary Care



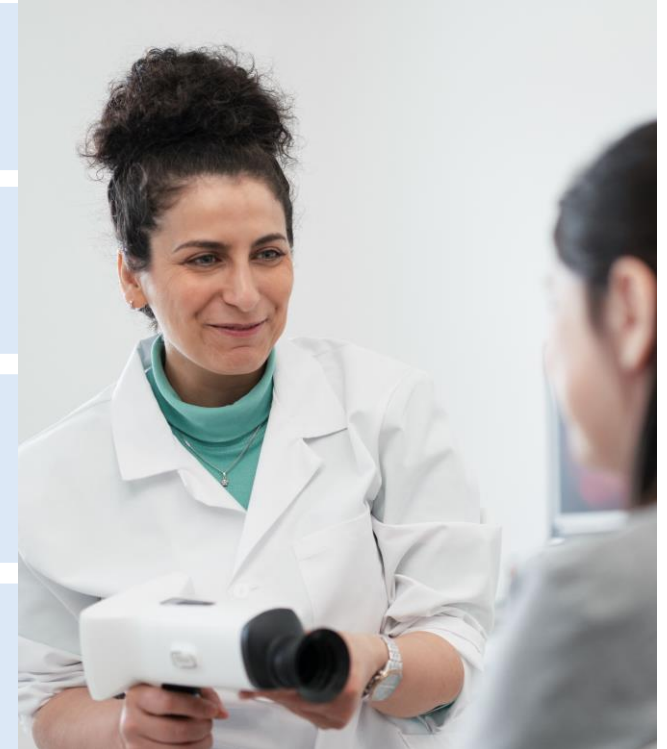
Traditional Fundus
Camera Market

The number of primary care doctors is significantly higher than the number of eye doctors (USA 246 000¹ vs. 24 000²)

The reimbursement code for the screening of diabetic retinopathy using artificial intelligence created (CPT 92229)

Two AI companies, Digital Diagnostics and Eyenuk have obtained an FDA approval with certain fundus cameras in the US market

Optomed's and AEYE Health's clinical study completed



(1) <https://www.ahrq.gov/research/findings/factsheets/primary/pcwork1/index.html>

(2) <https://www.beckersasc.com/news-analysis/10-statistics-and-facts-about-ophthalmology-and-ophthalmologists.html>

Optomed is the leading handheld fundus camera manufacturer



Established **2004**, HQ and product development in **Oulu, Finland**



Revenue **15 MEUR**



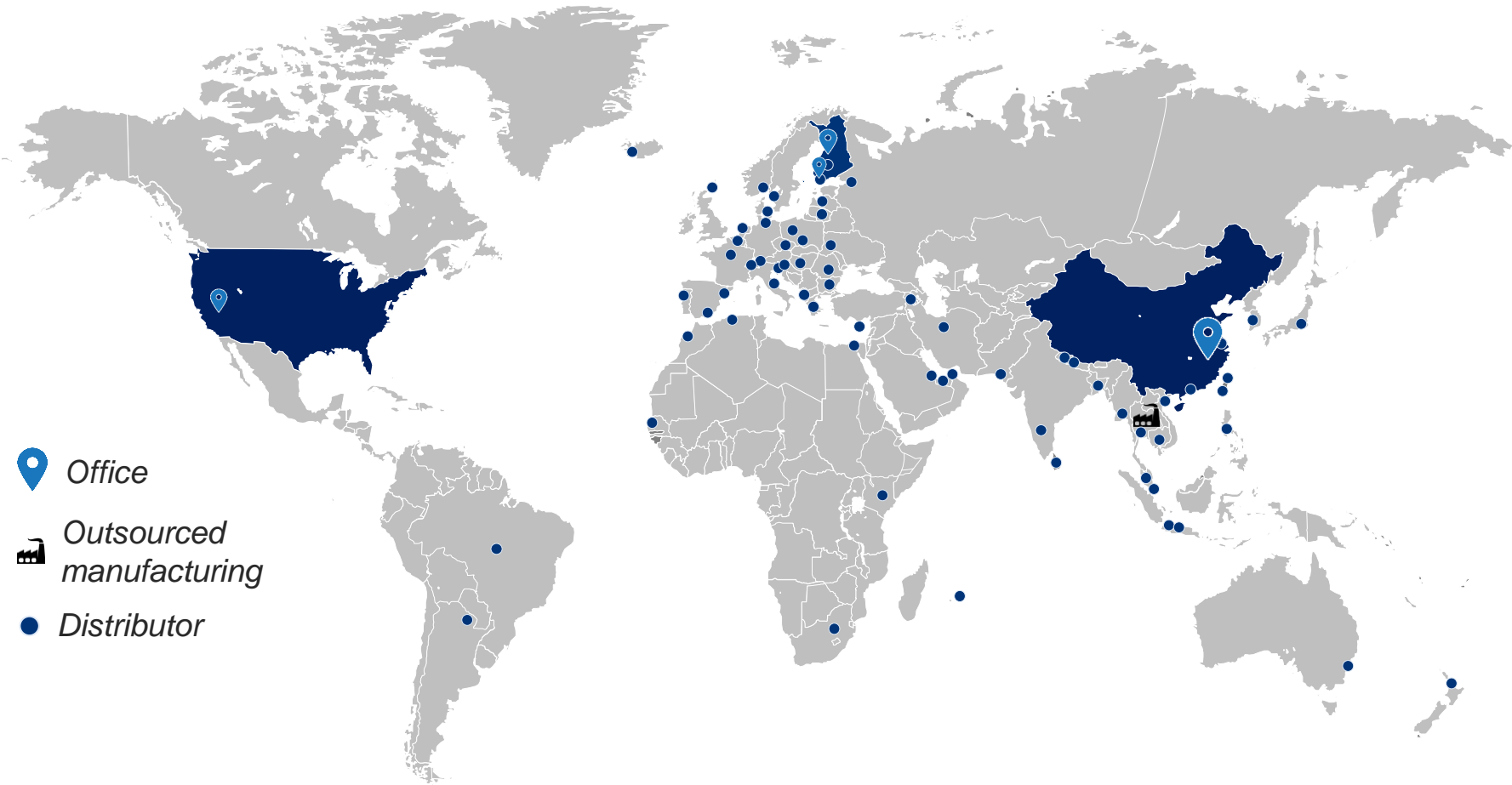
Over 60 distributors in **50** countries; several OEM partners



Several AI partnerships
e.g., AEYE Health Ltd, Eyenuk Inc, EyRIS Pte. Ltd.



55+ international patents



Optomed's current Product Portfolio



**Optomed
Aurora IQ**



**Smartscope
PRO**



**Volk
Picture Plus
& Prestige**



**Topcon
Signal**



**Zeiss
Visuscout**



**Haag-Streit
Fundus
Module 300**



**Optomed
Polaris**

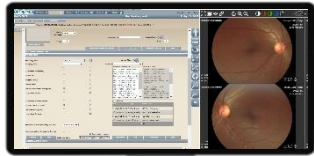


**Optomed
Halo**



**Optomed
E-Safe**

Optomed Avenue



Avenue Screen

Optomed Screen is a workflow management software for optimizing screening processes.



Avenue Archive

Specialised retinal image viewer



**Avenue
Telemedicine**

Telemedicine solution enabling remote image analysis



Avenue AI

Automated diabetic retinopathy screening service



Avenue Sync

Optomed dicom interphase software to send images to hospital PACS

OPTOMED AURORA® IQ

- Our latest handheld fundus camera
- An easy-to-use tool for all healthcare professionals
- AI for identifying diabetic retinopathy
 - › Later suspected AMD and glaucoma
- Results can be read from the camera screen in seconds
 - **Speeds-up the screening process**
 - **Increases the coverage**



FY 2021 Highlights

1. The Clinical Trial was completed

2. OEM channel, North American and European markets performed well

3. China: strong growth during H1 but no deliveries to China in H2

	FY 2021	FY 2020	Change
Revenue	14,850	13,011	14.1%
Gross margin ¹	71.1%	68.8%	+230 bps
Adjusted EBITDA	-2,002	-733	-173.2%
Cash and cash equivalents at the end of period	6,804	10,608	

1) Gross margin without grants FY 2021 65.6% and FY 2020 67.6%

Clinical Trial

- 91.9% sensitivity
- 93.6% specificity
- 99+% imageability
- Only a single image per eye

Optomed and AEYE Health are seeking FDA clearance for the solution

CAUTION - Investigational device. Limited by United States law to investigational use.

OPTOMED



New US Business Model – Subscription

Complete Solution

From product sales to complete screening solutions with diagnosis



AEYE HEALTH AI

Business Model



Solution leased, not sold



Fixed annual subscription price



High revenue share on Optomed sales



Highly effective sales model with direct sales managers, KOL managers and independent sales reps

Customer Benefits



No initial investments
Only monthly rental fee



Excellent clinical results,
91.9% sensitivity,
93.6% specificity,
>99% imageability



High reimbursement
>USD 55/ diabetic



Profit also for clinics
with low screening
volume



Improves clinic HEDIS
score (Medicare star
rating)

Optomed's Artificial Intelligence

2021

Eye-diseases

Diabetic Retinopathy, age-related macular degeneration (AMD), glaucoma

Near-term future

Expansion to other diseases

All eye disorders, neurological disorders, kidney disease, cardiovascular risk

Future opportunities

Preventive health-check in primary care

Eye disease, neurological disorders, Alzheimer's disease, cardiovascular disease, kidney disease, pulmonary disease

The markets for other diseases and preventive health-checks in primary care are significantly larger than the current ophthalmology market



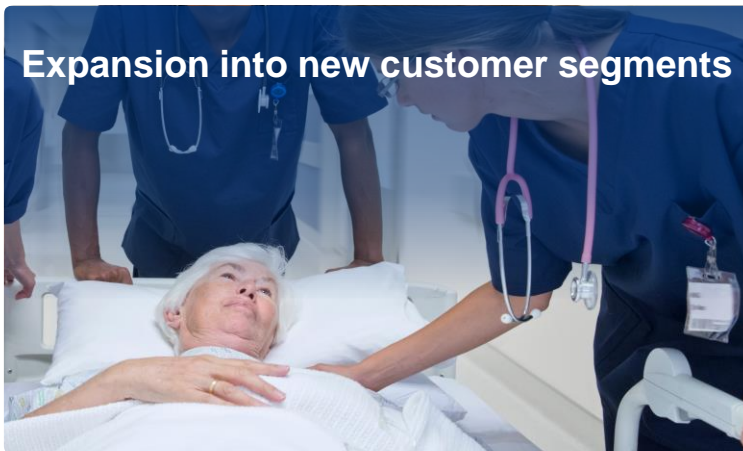
Optomed's growth strategy - status update

Growth in existing markets and entering geographical new markets



- Optomed USA established
- Regulatory approvals received for Optomed Aurora for China, Brazil, Canada and Japan
- New distribution networks established in USA, South America, Canada, Asia (especially China)

Expansion into new customer segments



- Building of sales and distribution networks in the neurology segment started
- Expansion of sales network to include primary care on-going
- Clinical trials to support the expansion started
- Scientific Advisory Board established to support the expansion

Focus on bringing new products and solutions to the market



- Aurora IQ, the first fundus camera that seamlessly integrates AI, launched in 2020
- Integration work with several AI companies either completed or progressing fast (Eyris, AEYE Health, Eyenuk)
- Clinical trial aiming for **FDA clearance for autonomous AI handheld fundus camera** for retinal screening completed

OPTOMED

CORPORATION

Optomed Plc. Yrttpellontie 1, 90230 Oulu, Finland
Tel: +358 20 741 3380 • investors@optomed.com
www.optomed.com



1-12/2021 Financial highlights (KEUR)

	1-12/2021	1-12/2020	Change
Revenue	14,850	13,011	14.1%
Gross profit ¹⁾	10,558	8,955	17.9%
Gross margin ²⁾	71.1%	68.8%	+230 bps
Adjusted EBITDA	-2,002	-733	-173.2%
Adjusted EBITDA margin	-13.5%	-5.6%	-790 bps
Net profit/ loss	-4,249	-3,177	-33.8%
Earnings per share	-0.32	-0.24	-32.0%
Cash flow from operating activities	-2,940	-2,801	-5.0%
<i>1) Of which grants: Business Finland waived loan of EUR 538 thousand that was recorded as a grant</i>	810	157	
<i>2) Gross margin without grants</i>	65.6%	67.6%	-200 bps

Balance sheet

- Equity ratio of 58.8 (64.6) percent
- Total borrowings of EUR 7.0 (6.5) million. New loan of EUR 1.0 million received in September.
- Net working capital of EUR 4.3 (3.4) million
- Interest-bearing net debt of EUR 0.2 (-4.1) million

	31/12 2021	31/12 2020
<u>ASSETS</u>		
Goodwill	4,256	4,256
Development costs	6,338	5,667
Other intangible assets	2,380	2,831
Total intangible assets	12,975	12,753
Total tangible assets	1,651	1,535
Total non-current assets	14,626	14,289
Inventories	2,936	2,539
Trade and other receivables	4,631	3,637
Cash and cash equivalent	6,804	10,608
Total current assets	14,371	16,784
TOTAL ASSETS	28,998	31,073
<u>LIABILITIES</u>		
Total equity	17,052	20,073
Non-current liabilities	7,034	7,512
Total current liabilities	4,912	3,489
TOTAL EQUITY AND LIABILITIES	28,998	31,073