

4 August 2022, Seppo Kopsala, CEO / Lars Lindqvist, CFO

Result presentation Q2/2022

OPTO MED





Highlights

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Q2 2022

1.

Revenue decreased by 7.0 percent to EUR 3,7 (4,0) million due to Chinese revenue declining over 90%

2.

Strong software, OEM, and global distributor sales

3.

Successful directed share issue raised EUR 4.8 million

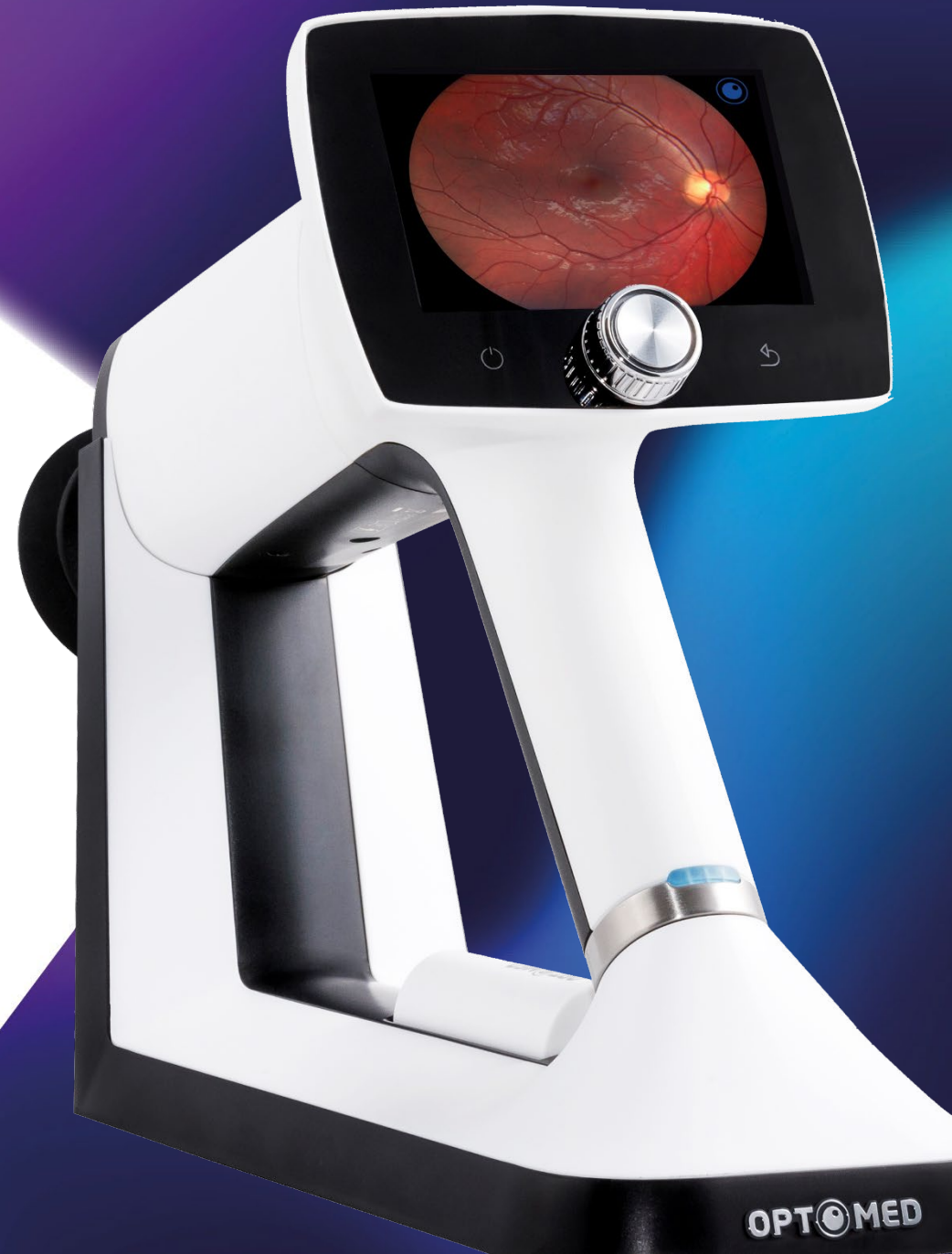
Focus areas

USA:

- Focus area in terms of Optomed's growth investments: number of sales and marketing personnel hired during the quarter
- The FDA clearance process for the Aurora AEYE product is proceeding as planned

China:

- Previously, Phoebus' exclusivity terminated & new national guidelines published recommending made-in-China fundus cameras
- Covid-19 situation has hindered the rebuilding and the market remains difficult to forecast

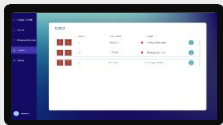


New US Business Model - Subscription

In the next 5-10 years, there will be at least 50,000 – 100,000 fundus cameras connected to AI in the US

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)

Q1/2022 Financial highlights (KEUR)

	Q2/2022	Q2/2021	Change
Revenue	3,733	4,012	-7.0%
Gross profit ¹⁾	2,149	3,324	-35.4%
Gross margin ²⁾	57.6%	82.9%	
Adjusted EBITDA	-813	177	-559.1%
Adjusted EBITDA margin	-21.8%	4.4%	
Net profit/ loss	-1,328	-864	-53.8%
Earnings per share	-0.10	-0.06	-48.4%
Cash flow from operating activities	-965	-1.403	31.2
<i>1) Of which grants: In 2021, Business Finland waived loan 2021 of EUR 538 thousand that was recorded as a grant</i>	0	621	
<i>2) Gross margin without grants</i>	57.6%	67.4%	-

H1/2022 Financial highlights (KEUR)

	H1/2022	H1/2021	Change
Revenue	6,947	7,956	-12.7%
Gross profit ¹⁾	4,339	5,901	-26.5%
Gross margin ²⁾	62.4%	74.2%	
Adjusted EBITDA	-1,750	-138	-1,172%
Adjusted EBITDA margin	-25.2%	-1.7%	
Net profit/ loss	-2,698	-1,480	-82.3%
Earnings per share	-0.20	-0.11	-76.4%
Cash flow from operating activities	-1,665	-1,659	-0.4%
<i>1) Of which grants: In 2021, Business Finland waived loan 2021 of EUR 538 thousand that was recorded as a grant</i>	0	704	
<i>2) Gross margin without grants</i>	62.4%	65.3%	



Devices segment highlights

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1.

Revenue from China decreased over 90% whereas the rest of the world grew over 40%

2.

Strong OEM and global distributor sales growth

3.

Profitability affected by the comparison period's loan waiver and larger share of OEM sales

	Q2/2022	Q2/2021	Change
Revenue	1,361	1,896	-28.2%
Gross profit	642	1,811	-64.6%
Gross margin	47.2%	95.5% ¹⁾	
EBITDA	-464	593	-178.3%
EBITDA margin	-34.1%	31.3%	



Software segment highlights

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1.

A large delivery that was postponed from Q1 was delivered in Q2 which had a positive effect on the quarter

2.

Global screening solution projects continued well in Asia and the Middle-East

	Q2/2022	Q2/2021	Change
Revenue	2,372	2,116	12.1%
Gross profit	1,507	1,513	-0.4%
Gross margin	63.5%	71.5%	
EBITDA	478	248	92.9%
EBITDA margin	20.2%	11.7%	



Outlook 2022

Optomed expects its full year 2022 revenue
to grow compared to 2021

(Announced 17 February 2022)

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Balance sheet

- Equity ratio of 63.7 (64.5) percent
- Total borrowings of EUR 6.3 (5.8) million.
- Net working capital of EUR 4.2 (4.8) million
- Interest-bearing net debt of -0.8 (-2.0) million

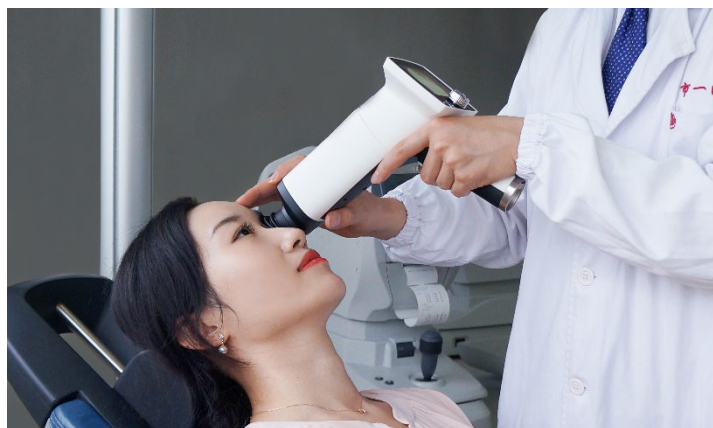
	30 June 2022	30 June 2021
<u>ASSETS</u>		
Goodwill	4,256	4,256
Development costs	7,115	5,531
Other intangible assets	2,215	2,635
Total intangible assets	13,586	12,422
Total tangible assets	1,707	1,352
Total non-current assets	15,293	13,774
Inventories	3,161	2,552
Trade and other receivables	5,190	5,501
Cash and cash equivalent	7,079	7,818
Total current assets	15,429	15,871
TOTAL ASSETS	30,722	29,646
<u>LIABILITIES</u>		
Total equity	18,888	19,129
Non-current liabilities	6,758	6,081
Total current liabilities	5,077	4,436
TOTAL EQUITY AND LIABILITIES	30,722	29,646

Cash flow

- Cash flow from operating activities amounted to EUR -1.0 (-1.4) million
- The increase in investing activities is mainly due to capitalization of product development
- The increase in financing activities is due to the directed share issue concluded during the second quarter

	Q2 2022	Q2 2021
Loss for the financial year	-1,328	-864
Cash flows before change in net working capital	-369	-253
Change in net working capital	-189	-1,112
Cash flows before finance items	-557	-1,365
Cash flows from finance items	-408	-38
Net cash from operating activities	-965	-1,403
Net cash used in investing activities	-825	-489
Net cash from financing activities	4,208	-6
Net increase (decrease) in cash and cash equivalents	2,418	-1,897
Cash and cash equivalents at the beginning of period	4,630	9,767
Cash and cash equivalents at end of period	7,079	7,818
	Q2 2022	Q2 2021

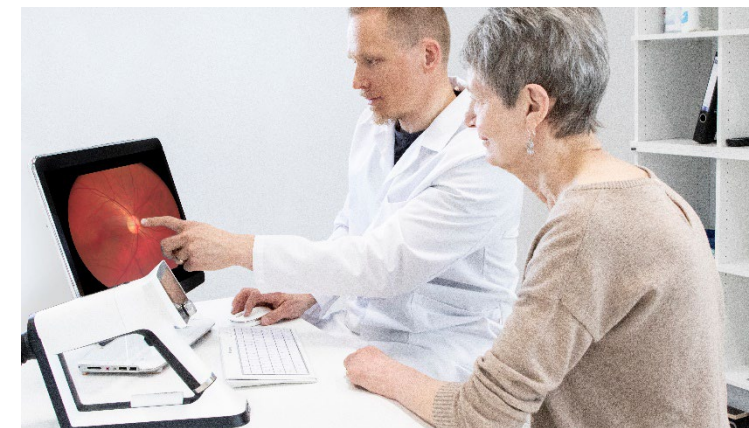
Optomed's mission is to prevent blindness by improving access to eye screening globally



Expansion into new geographical markets



Opening new customer segments: primary care



Bringing AI-integrated health screening to the market

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Appendix

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Devices Segment H1/2022 financials

	H1/2022	H1/2021	Change %
Revenue	2,425	3,343	-27.5%
Gross profit	1,283	2,653	-51.7%
Gross margin	52.9%	79.4%	
EBITDA	-963	362	-365.8%
EBITDA margin	-39.7%	10.8%	

Software Segment H1/2022 financials

	H1/2022	H1/2021	Change %
Revenue	4,522	4,613	-2.0%
Gross profit	3,056	3,248	-5.9%
Gross margin	67.6%	70.4%	
EBITDA	898	788	14.0%
EBITDA margin	19.9%	17.1%	

Cash flow H1/2022

	H1 2022	H1 2021
Loss for the financial year	-2,698	-1,480
Cash flows before change in net working capital	-1,273	-465
Change in net working capital	49	-1,157
Cash flows before finance items	-1,223	-1,622
Cash flows from finance items	-442	-37
Net cash from operating activities	-1,665	-1,659
Net cash used in investing activities	-1,672	-1,046
Net cash from financing activities	3,595	-79
Net increase (decrease) in cash and cash equivalents	257	-2,784
Cash and cash equivalents at the beginning of period	6,804	10,608
Cash and cash equivalents at end of period	7,079	7,818