

The logo for Optomed, featuring the word "OPTOMED" in a bold, white, sans-serif font. The letter "O" is replaced by a white circle with a smaller white circle inside it, creating a stylized eye or lens icon. The background of the slide is a blue-tinted photograph of a man in a white lab coat using a handheld device to examine an elderly woman's eye.

**OPTOMED**

# Optomed Q3 2023

**3rd November 2023**

Juho Himberg, CEO

Sakari Knuutti, CFO

# Q3-2023 Highlights

1.

Excellent operational results in both segments

2.

Record-breaking operational cash flow

3.

Directed share issue raised gross proceeds of EUR 4.3 million

# Q3-2023 Key Figures



WE ACHIEVED DOUBLE DIGIT GROWTH AND IMPROVED OUR PROFITABILITY DURING THE QUARTER

	Q3/2023	Q3/2022	Change
<b>Revenue</b>	4,218	3,700	14.0%
<b>Gross profit <sup>1)</sup></b>	2,841	2,967	-4.2%
<b>Gross margin <sup>2)</sup></b>	67.4%	80.2%	-12.8pps
<b>Adjusted EBITDA <sup>3)</sup></b>	263	145	80.9%
<b>Adjusted EBITDA margin <sup>4)</sup></b>	6.2%	3.9%	2.3pps
<b>Net profit / loss</b>	-439	-1,377	68.1%
<b>Earnings per share</b>	-0.03	-0.10	71.9%
<b>Cash flow from operating activities</b>	767	-504	252.2%
<i>1) Of which grants and other operating income</i>	-6	842	-848
<i>2) Gross margin without grants and other operating income</i>	68.2%	57.4%	10.8pps
<i>3) Adjusted EBITDA without grants and other operating income</i>	269	-697	+966
<i>4) Adjusted EBITDA margin without grants and other operating income</i>	6.4%	negative	n/a

# Q1-Q3 2023 Key Figures



THE OPERATIONAL IMPROVEMENT IS ALSO VISIBLE ON OUR YEAR-TO-DATE FIGURES

	Q1-3/2023	Q1-3/2022	Change
<b>Revenue</b>	11,440	10,648	7.4%
<b>Gross profit <sup>1)</sup></b>	7,803	7,305	6.8%
<b>Gross margin <sup>2)</sup></b>	68.2%	68.6%	-0.4pps
<b>Adjusted EBITDA <sup>3)</sup></b>	-713	-1,604	55.6%
<b>Adjusted EBITDA margin <sup>4)</sup></b>	-6.2%	-15.1%	8.9pps
<b>Net profit / loss</b>	-2,911	-4,075	28.6%
<b>Earnings per share</b>	-0.18	-0.29	37.1%
<b>Cash flow from operating activities</b>	-120	-2,093	94.3%
<i>1) Of which grants and other operating income</i>	28	879	-851
<i>2) Gross margin without grants and other operating income</i>	68.0%	60.4%	+7.6pps
<i>3) Adjusted EBITDA without grants and other operating income</i>	-741	-2,483	+1,742
<i>4) Adjusted EBITDA margin without grants and other operating income</i>	Negative	Negative	n/a



# Segment highlights

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# Devices Segment Q3-2023

DEVICES SEGMENT GREW ALMOST 8 %

1.

Revenue increased 7.5 % driven by global distributor and China sales channels

2.

Gross margin adjusted for grants and other operating income was 61.9 (44.2) percent and adjusted EBITDA EUR -50 (-296) thousand

3.

Comparison period affected by a loan waiver in the amount of EUR 841 thousand treated as other operating income

	Q3/2023	Q3/2022	Change
Revenue	1,825	1,697	7.5 %
Gross profit	1,124	1,592	-29.4 %
Gross margin	61.6 %	93.8 %	-322pps
EBITDA	-50	546	-109.2 %
EBITDA margin	-2.7 %	32.2 %	-349pps

# Software Segment Q3-2023



SOFTWARE SEGMENT GREW ALMOST 20 %

1.

Revenue increased by 19.4 % and EBITDA margin improved significantly

2.

The increase was driven by very strong performance of the healthcare solution business

	Q3/2023	Q3/2022	Change
Revenue	2,393	2,003	19.4 %
Gross profit	1,718	1,374	25.0 %
Gross margin	71.8 %	68.6 %	3.2pps
EBITDA	636	475	34.1 %
EBITDA margin	26.6 %	23.7 %	2.9pps

# Cash Flow Q3-2023



## RECORD BREAKING CASHFLOW FROM OPERATING ACTIVITIES

- Net cash from operating activities was EUR 0.77 million positive
- Directed share issue raised gross proceeds of EUR 4.3 million
- Cash position increased by EUR ~3.9 million during Q3 (Q3'22: -1.5 million)

	Q3 2023	Q3 2022
<b>Loss for the financial year</b>	<b>-439</b>	<b>-1,377</b>
Cash flows before change in net working capital	402	-565
Change in net working capital	464	117
Cash flows before finance items	866	-449
Cash flows from finance items	-99	-55
<b>Net cash from operating activities</b>	<b>767</b>	<b>-504</b>
Net cash used in investing activities	-615	-797
Net cash from financing activities	3,721	-172
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>3,872</b>	<b>-1,473</b>
<b>Cash and cash equivalents at the beginning of period</b>	<b>5,691</b>	<b>7,079</b>
<b>Cash and cash equivalents at end of period</b>	<b>9,565</b>	<b>5,668</b>



# New Business Model



SIGNIFICANT RECURRING REVENUE OPPORTUNITY IN THE US

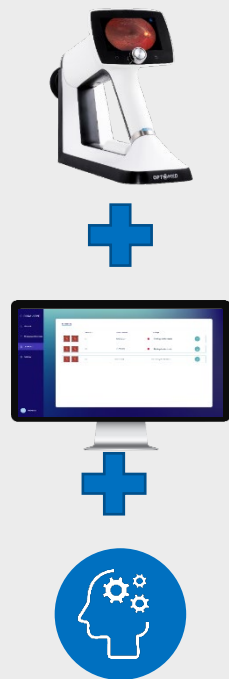
Newly established  
reimbursement  
code CPT 92229

300k target  
customers / clinics

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

## Complete Solution

From product sales to  
complete screening  
solutions with diagnosis



ARTIFICIAL INTELLIGENCE

## Recurring Revenue Model



Solution leased,  
not sold – enables  
recurring revenue



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)

# Summary

- Excellent operational results in both segment
- Record-breaking operational cash flow
- We are well positioned for the next phase of growth





# Appendix

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# Devices Segment: Key Financials Q1-Q3 2023



	1-9/2023	1-9/2022	Change %
Revenue	3,986	4,122	-3.3 %
Gross profit	2,356	2,875	-18.0 %
Gross margin	59.1 %	69.7 %	
EBITDA	-693	-417	-66.2 %
EBITDA margin	-17.4 %	-10.1 %	

# Software Segment: Key Financials Q1-Q3 2023



	1-9/2023	1-9/2022	Change %
Revenue	7,454	6,525	14.2 %
Gross profit	5,447	4,430	22.9 %
Gross margin	73.1 %	67.9 %	
EBITDA	2,004	1,373	46.0 %
EBITDA margin	26.9 %	21.0 %	

# Cash Flow: Q1-Q3 2023



	1-9/2023	1-9/2022
<b>Loss for the financial year</b>	<b>-2,911</b>	<b>-4,075</b>
Cash flows before change in net working capital	-546	-2,204
Change in net working capital	595	243
Cash flows before finance items	50	-1,962
Cash flows from finance items	-169	-132
<b>Net cash from operating activities</b>	<b>-120</b>	<b>-2,093</b>
Net cash used in investing activities	-1,828	-2,471
Net cash from financing activities	3,024	3,380
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>1,077</b>	<b>-1,184</b>
<b>Cash and cash equivalents at the beginning of period</b>	<b>8,524</b>	<b>6,804</b>
<b>Cash and cash equivalents at end of period</b>	<b>9,565</b>	<b>5,668</b>

# Balance Sheet



- Equity ratio of 68.9 (63.3) percent
- Total borrowings of EUR 4.7 (5.3) million
- Net working capital was EUR 2,802 (4,138)
- Interest-bearing net debt totalled EUR -4,890 (-271) thousand

	30 September 2023	30 September 2022
<b>ASSETS</b>		
Goodwill	4,256	4,256
Development costs	7,493	6,287
Other intangible assets	1,842	2,139
<b>Total intangible assets</b>	<b>13,592</b>	<b>12,683</b>
<b>Total tangible assets</b>	<b>747</b>	<b>932</b>
<b>Total non-current assets</b>	<b>15,425</b>	<b>14,549</b>
Inventories	2,793	2,833
Trade and other receivables	3,697	4,782
Cash and cash equivalent	9,565	5,668
<b>Total current assets</b>	<b>16,054</b>	<b>13,283</b>
<b>TOTAL ASSETS</b>	<b>31,479</b>	<b>27,832</b>
<b>LIABILITIES</b>		
<b>Total equity</b>	<b>21,686</b>	<b>17,613</b>
<b>Non-current liabilities</b>	<b>3,613</b>	<b>5,553</b>
<b>Total current liabilities</b>	<b>6,180</b>	<b>4,666</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>31,479</b>	<b>27,832</b>