

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, resembling an eye or a lens. The background of the slide is a blue-tinted photograph of a man in a white lab coat using a handheld device to examine a woman's eye.

OPTOMED

Optomed Q4 2023

15th February 2024

Juho Himberg, CEO

Sakari Knuutti, CFO

1.

Relatively soft Q4 but solid overall growth of 3% in FY23

2.

Optomed is waiting to receive FDA feedback regarding the additional data of Aurora-AEYE

3.

Optomed expects its full year 2024 revenue to grow compared to 2023

Q4-2023 Key Figures



A SLOWER QUARTER AFTER A VERY STRONG Q3

	Q4/2023	Q4/2022	Change
Revenue	3,660	4,013	-8.8%
Gross profit ¹⁾	2,489	2,764	-9.9%
Gross margin ²⁾	68.0%	68.9%	-0.9pps
Adjusted EBITDA ³⁾	-757	-347	-118.0%
Adjusted EBITDA margin ⁴⁾	-20.7%	-8.7%	-12.0pps
Net profit / loss	-1,530	-1,397	-9.5%
Earnings per share	-0.09	-0.10	4.0%
Cash flow from operating activities	-457	-109	-319.9%
<i>1) Of which grants and other operating income</i>	21	-22	43
<i>2) Gross margin without grants and other operating income</i>	67.4%	69.4%	-2.0pps
<i>3) Adjusted EBITDA without grants and other operating income</i>	-778	-325	-453
<i>4) Adjusted EBITDA margin without grants and other operating income</i>	negative	negative	n/a

2023 Key Figures



WE GREW 3 % AND IMPROVED OUR PROFITABILITY IN SPITE OF EXTRAORDINARY ITEMS SUPPORTING FY22

	2023	2022	Change
Revenue	15,100	14,660	3.0%
Gross profit ¹⁾	10,292	10,069	2.2%
Gross margin ²⁾	68.2%	68.7%	-0.5pps
Adjusted EBITDA ³⁾	-1,470	-1,952	24.7%
Adjusted EBITDA margin ⁴⁾	-9.7%	-13.3%	3.6pps
Net profit / loss	-4,441	-5,472	18.9%
Earnings per share	-0.27	-0.37	28.9%
Cash flow from operating activities	-615	-2,370	74.0%
<i>1) Of which grants and other operating income</i>	49	857	-808
<i>2) Gross margin without grants and other operating income</i>	67.8%	62.8%	+5.0pps
<i>3) Adjusted EBITDA without grants and other operating income</i>	-1,421	-2,809	+1,388
<i>4) Adjusted EBITDA margin without grants and other operating income</i>	Negative	Negative	n/a



Segment highlights

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Devices Segment Q4-2023



DEVICES SEGMENT HAD A SLOW QUARTER

1.

Revenue continued to grow in the global distributor sales and in the US

2.

The comparison period gross margin was supported by project work for an OEM client

3.

No large deals boosting the quarter

	Q4/2023	Q4/2022	Change
Revenue	1,023	1,275	-19.8 %
Gross profit	590	864	-31.7 %
Gross margin	57.7 %	67.7 %	-100pps
EBITDA	-570	-253	-125.5 %
EBITDA margin	-55.7 %	-19.8 %	-359pps

Devices Segment: Key Financials 2023



THE GLOBAL DISTRIBUTOR SALES AND USA GROWTH WAS OFFSET BY WEAK OEM SALES

	2023	2022	Change %
Revenue	5,009	5,398	-7.2%
Gross profit¹⁾	2,947	3,738	-21.2%
Gross margin¹⁾	58.8%	69.3%	
EBITDA¹⁾	-1,264	-670	-88.6%
EBITDA margin¹⁾	-25.2%	-12.4%	

1) During the comparison period Optomed was granted a loan waiver in the amount of EUR 841 thousand treated as other operating income that had a corresponding positive effect on both gross margin and EBITDA.

Software Segment Q4-2023

SOFTWARE SEGMENT FACED TOUGH COMPARABLES

1.

Revenue decreased by 3.7 percent to against very strong comparison period figures when the segment grew 23.2 percent.

2.

Large agreement subject to a public procurement: In case the Company fails to win the new contract, the impact on 2024 revenue is expected to be approximately EUR 0.5M-1M.

	Q4/2023	Q4/2022	Change
Revenue	2,637	2,738	-3.7 %
Gross profit	1,899	1,900	-0.1 %
Gross margin	72.0 %	69.4 %	26pps
EBITDA	624	706	-11.6 %
EBITDA margin	23.7 %	25.8 %	-21pps

Software Segment: Key Financials 2023



SOLID ~9% GROWTH DRIVEN BY HEALTHCARE SOLUTION SALES

	2023	2022	Change %
Revenue	10,091	9,263	8.9%
Gross profit	7,346	6,330	16.0%
Gross margin	72.8%	68.3%	
EBITDA	2,629	2,079	26.4%
EBITDA margin	26.1%	22.4%	

Cash Flow Q4-2023



EUR 1 MILLION LOAN PAID BACK PREMATURELY

- Net cash from operating activities was EUR -0.46 million
- Optomed repaid a term loan of EUR 1 million prematurely in response to evolving interest rate conditions

	Q4 2023	Q4 2022
Loss for the financial year	-1,530	-1,397
Cash flows before change in net working capital	-835	-275
Change in net working capital	434	233
Cash flows before finance items	-400	-42
Cash flows from finance items	-57	-67
Net cash from operating activities	-457	-109
Net cash used in investing activities	-583	-557
Net cash from financing activities	-1,415	3,531
Net increase (decrease) in cash and cash equivalents	-2,456	2,865
Cash and cash equivalents at the beginning of period	9,565	5,668
Cash and cash equivalents at end of period	7,118	8,524

Cash Flow: 2023



WE IMPROVED OUR CASH FLOW PROFILE

	2023	2022
Loss for the financial year	-4,441	-5,472
Cash flows before change in net working capital	-1,491	-2,479
Change in net working capital	1,137	308
Cash flows before finance items	-354	-2,171
Cash flows from finance items	-262	-199
Net cash from operating activities	-615	-2,370
Net cash used in investing activities	-2,412	-3,029
Net cash from financing activities	1,609	7,003
Net increase (decrease) in cash and cash equivalents	-1,419	1,605
Cash and cash equivalents at the beginning of period	8,524	6,804
Cash and cash equivalents at end of period	7,118	8,524

New Business Model



SIGNIFICANT RECURRING REVENUE OPPORTUNITY IN THE US

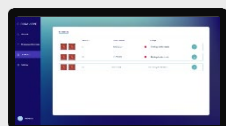
Newly established
reimbursement
code CPT 92229

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

- Challenging Q4 but satisfactory FY2023
- Aurora-AEYE: waiting to receive FDA feedback
- Optomed expects its full year 2024 revenue to grow compared to 2023



Appendix

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Balance Sheet



- Equity ratio of 70.0 (65.5) percent
- Total borrowings of EUR 3.4 (5.3) million
- Net working capital was EUR 2,460 (3,738)
- Interest-bearing net debt totalled EUR -3,768 (-3,251) thousand.

	31 December 2023	31 December 2022
ASSETS		
Goodwill	4,256	4,256
Development costs	7,731	6,562
Other intangible assets	1,759	2,077
Total intangible assets	13,746	12,895
Total tangible assets	710	852
Total non-current assets	15,951	15,210
Inventories	2,820	2,998
Trade and other receivables	3,190	4,568
Cash and cash equivalent	7,118	8,524
Total current assets	13,128	16,090
TOTAL ASSETS	29,079	31,300
LIABILITIES		
Total equity	20,361	20,342
Non-current liabilities	3,665	5,731
Total current liabilities	5,052	5,227
TOTAL EQUITY AND LIABILITIES	29,079	31,300