



**LUMIBIRD**  
MORE THAN LASERS

# H1 2020 revenues

*July 2020*



# Speakers



**Marc LE FLOHIC**  
Chairman



**Jean-Marc GENDRE**  
Deputy CEO



**Aude NOMBLOT-GOURHAND**  
Secretary General – CFO



**Pierre VALLALTA**  
Advisor Strategy & Finance

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- 1 European leader for laser technologies
- 2 2020: resilience in crisis
- 3 Focus on the new health division: Lumibird Medical
- 4 Strategy and outlook



# A leading European laser company with a global presence



Lumibird exports its solutions to over 110 countries



## 7 production sites

Bozeman (USA), Lannion, Les Ulis, Clermont-Ferrand, Le Barp (France), Ljubljana (Slovenia), Adelaide (Australia)

70%

Percentage of export revenues

€151.7m

2019 pro forma revenues

€23.7m

2019 pro forma EBITDA

15.6%

2019 pro forma EBITDA margin

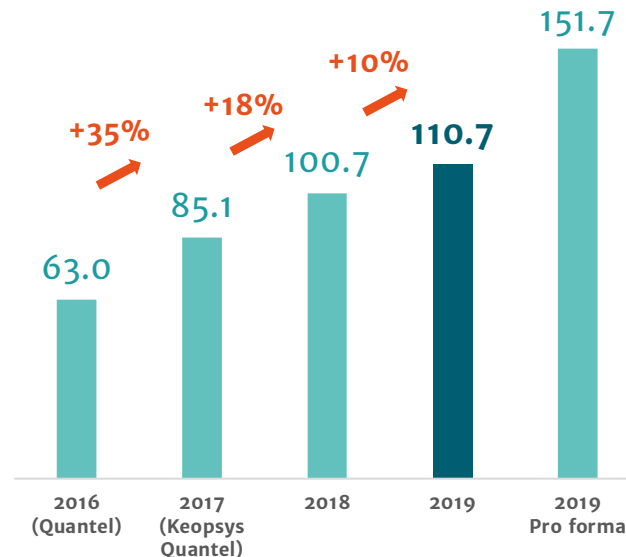
800

2019 pro forma average headcount

€9.5m

2019 R&D spending

A dynamic of continuous growth



Pro forma : integrating Ellex as of 1 January 2019

# Positioned on buoyant markets



## LASER DIVISION




€71.4m (47% of 2019 pro forma revenues)



### Industrial & Scientific

-  Universities
-  Laboratories
-  Industrial integrators

### LiDAR Sensors

-  Autonomous vehicles
-  Wind energy
-  3D scanner

### Defense & Space



-  Research centers
-  Defense industry
-  Space

## MEDICAL DIVISION





€80.2m (53% of 2019 pro forma rev.)



### Diagnostic (ultrasound)

-  Ophthalmologists / POC
-  Hospitals / clinics


### Treatment (laser)



-  Glaucoma
-  Cataract
-  Retinal diseases
-  Dry eye

# Strong ambition supported by external growth



**Creation of Lumibird**



Quantel Group merged with and absorbed by the Keopsys Group, led by Marc Le Flohic, creating Lumibird, a European leader for lasers, with complementary ranges of solutions, technological know-how and distribution networks

**Medical division**



Dedicated ultrasound for sports medicine, general medicine, obstetrics and resuscitation

**Diversification outside of ophthalmology**

**Medical division**



Strengthening of R&D expertise for medical lasers

**Integration of a production unit in Slovenia**

**Laser division**



LiDAR systems specialist for diverse applications, from weather to pollution metrics

**Vertical integration**

**Medical division**



Lumibird is now a world leader for laser and ultrasound technologies for ocular disease diagnosis and treatment

Revenues  
€40.9m

Integration finalized at June 30, 2020



2020: RESILIENCE IN CRISIS



# COVID-19 impact



## Continuity plan rolled out since March

- Operations continued on all group sites
- 70% of the capacity maintained in March-May, back to 100% mid-June
- R&D teams focused on mid-term high potential projects

## Markets mainly resilient

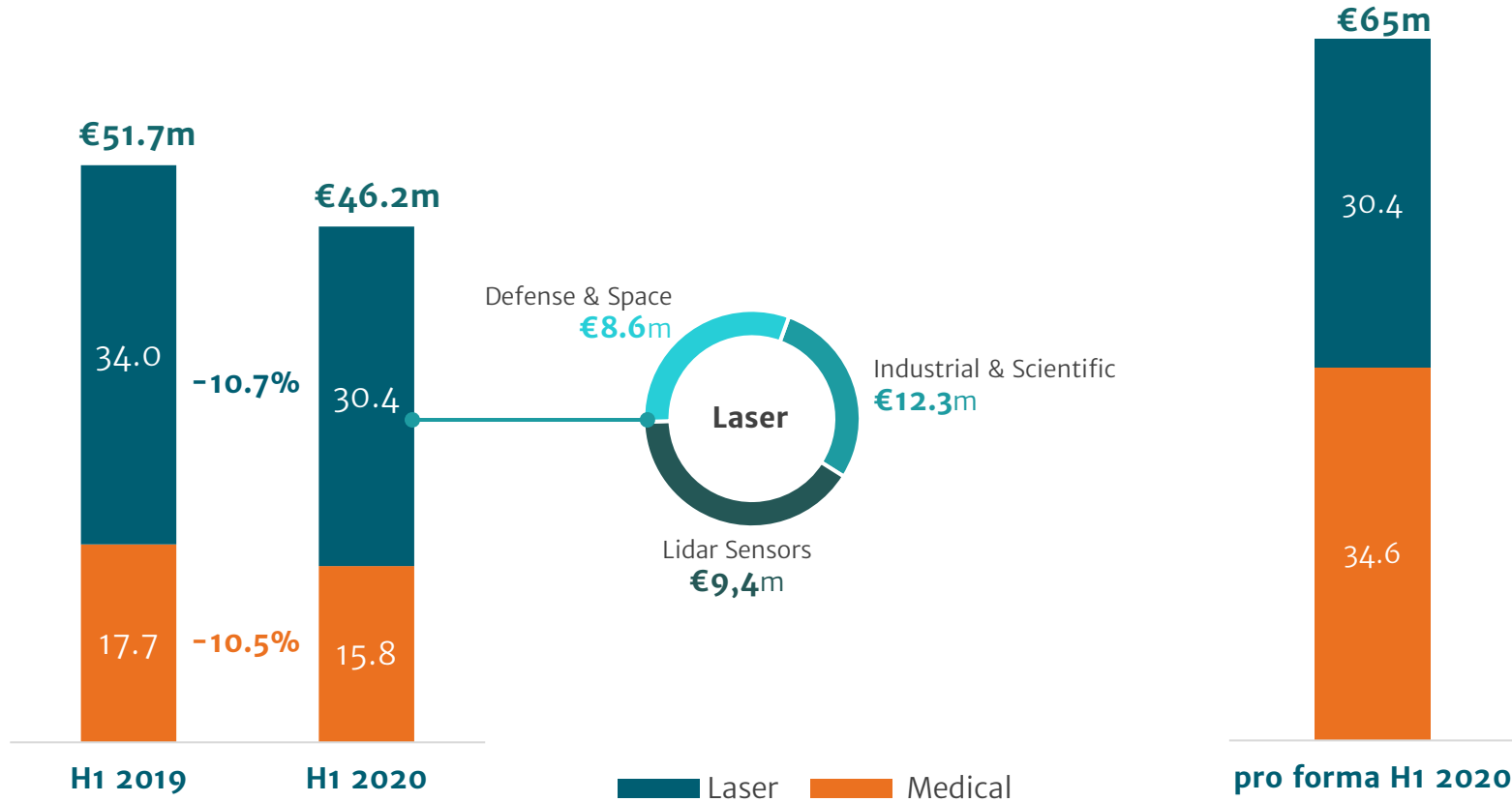
- Defense, Medical
- No orders cancelled at this stage
- Some areas in restart phase (Asia)

## Management in a crisis environment

- Costs adjustments
- Cash-flows secured
- Strong financial position



# H1 2020: contraction limited to -10.6%



Pro forma : integrating Ellex as of 1 January 2020

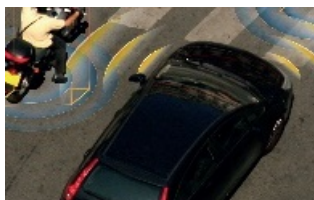
# H1 2020 highlights



## LASER DIVISION



**Industrial & Scientific**  
€12.3m (-8,0%)



**LiDAR Sensors**  
€9.4m (+7,2%)



**Defense & Space**  
€8.6m (-27%)

- Business hampered by the closure of universities
- Continued deliveries to flat panel display integrators

- Contrasting performances
- Dynamism of Halo photonics
- Slowdown of European customers in Q2
- Delivery of large US contracts to integrators
- Continued implementation of the dedicated LIDAR systems division with a new product range

- Less active schedules for operations on longstanding contracts
- Progressive ramp-up on new contracts
- High level of interaction and quotation with Defense players

## MEDICAL DIVISION



**Diagnostic (ultrasound)**



**Treatment (laser)**

€15.8m (-16,2%)

- Cancellation of major European ophthalmology congresses
- Sharp slowdown in Latin America and the United States
- Good order book at the end of June



# FOCUS ON THE NEW HEALTH DIVISION LUMIBIRD MEDICAL



# Major player for ophthalmology laser treatment and ultrasound diagnosis



## 2 core business lines

Treatment lasers

Diagnostic ultrasounds



## 4 areas of expertise

Glaucoma

Cataracts

Retinal pathologies

Dry eye

- > Strong longstanding competitive positions
- > Over 80,000 units installed to date

## Global sales network

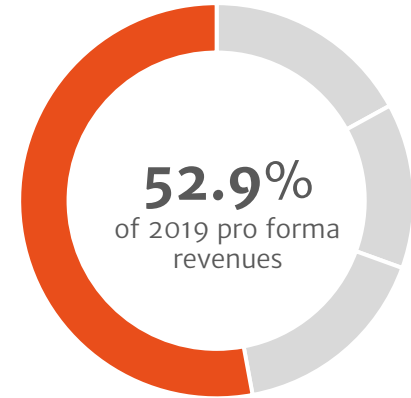


> 50% direct sales

3 production sites

Clermont-Ferrand  
Ljubljana  
Adelaide

Finished products



+138% vs 2018

Benchmark operator with medical professionals worldwide

# On longstanding and growing captive markets



Treatment lasers

Diagnostic ultrasounds

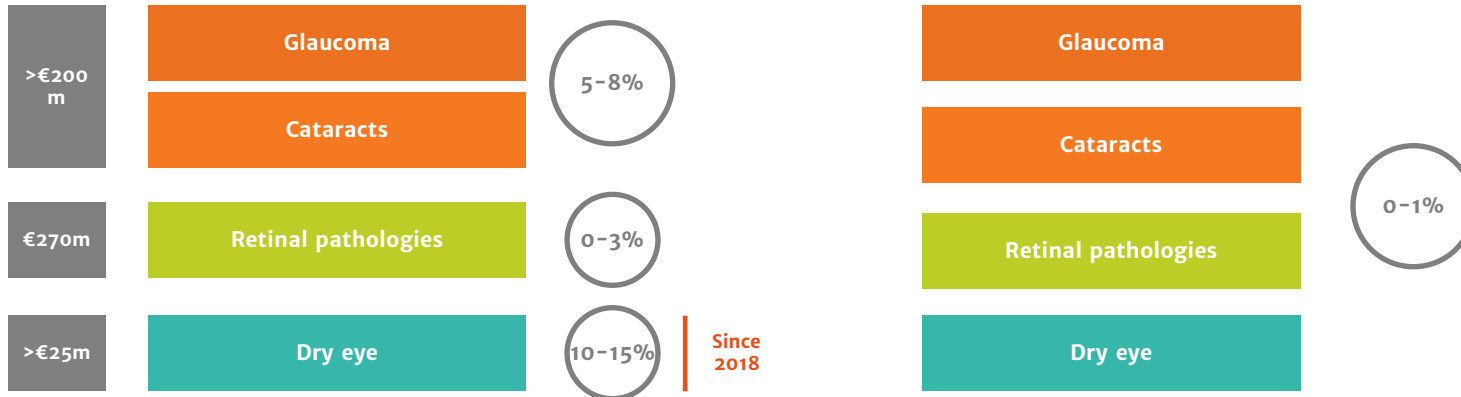
>€500m

Lumibird has strong longstanding market shares for laser treatment and diagnosis covering the 4 main causes of blindness.

Since 2018, it has offered a dry eye diagnosis and treatment range.

>€70m

## Market size and CAGR per application



# Demand supported by the ageing of the population



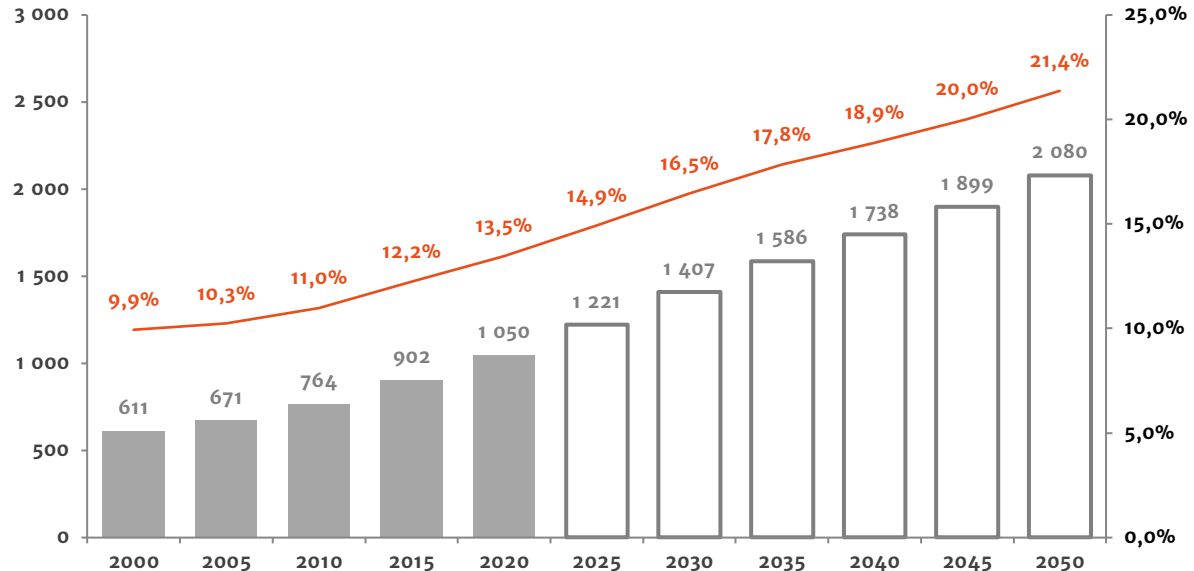
## Medical division

**90%**

of cataract operations concern people over the age of 60



Change in the global population over the age of 60  
in % and value (million)



# Treatment lasers

World-renowned strong brands

Medical division



Multi-brand strategy to address markets with different maturity levels and consumption systems



- > Very high quality for OECD countries
- > No direct competition



- > General range for a wider audience

OPTOTEK  
medical

- > For emerging countries
- > Strong distribution in Brazil

10-20%  
global market share

Complete range for ophthalmology specialists

Glaucoma / Cataracts

Retinal pathologies



optimis II

YAG laser



tango reflex

YAG laser + SLT laser



easYret



vitra 2



Installed base of over 55,000 units

# Diagnostic ultrasounds

Global leader on a major specialties market



## Medical division

### Unique bundle of technologies on the market

Image treatment

Miniaturization

Portability



Lumibird vertically integrates the production of critical components, such as the ultrasound probes manufactured at the Clermont-Ferrand site

33%

global market share

### Key offering for ophthalmic imaging

Glaucoma / Cataracts / Retinal pathologies



ABSOLU Compact Touch<sup>®</sup>

Installed base of over 30,000 units





# Focus on dry eye

High-potential market

Medical division

Dry eye is the number 2 cause of ophthalmology consultations (after visual acuity)

352m

People affected worldwide

\$700m

Estimated amount of operations in 2022

+40%

CAGR 2020-2022

Main causes of dry eye:

- > Ageing
- > Screen exposure
- > Smoking, pollution, air-conditioning
- > Long-term contact lens use
- > Blepharitis, Demodex (mites)

Since 2018, Lumibird has offered a full range of solutions for its ophthalmologist clients

Diagnosis

LACRYDIAG™



Treatment

LACRYSTIM



IPL: Intense Pulsed Light



# Development of the Points of Care business

Primary care diagnosis



## Medical division

New applications outside of ophthalmology

General medicine - emergencies

Anesthesia - resuscitation

Musculoskeletal imaging



Potential global market: tens of millions of euros

Diversification driven by the acquisition of key technologies



Doppler

Portability (with battery)

New types of probes (cardiology, gynecology)



EvoTouch



EvoTouch+

Source: Company



# STRATEGY & OUTLOOK



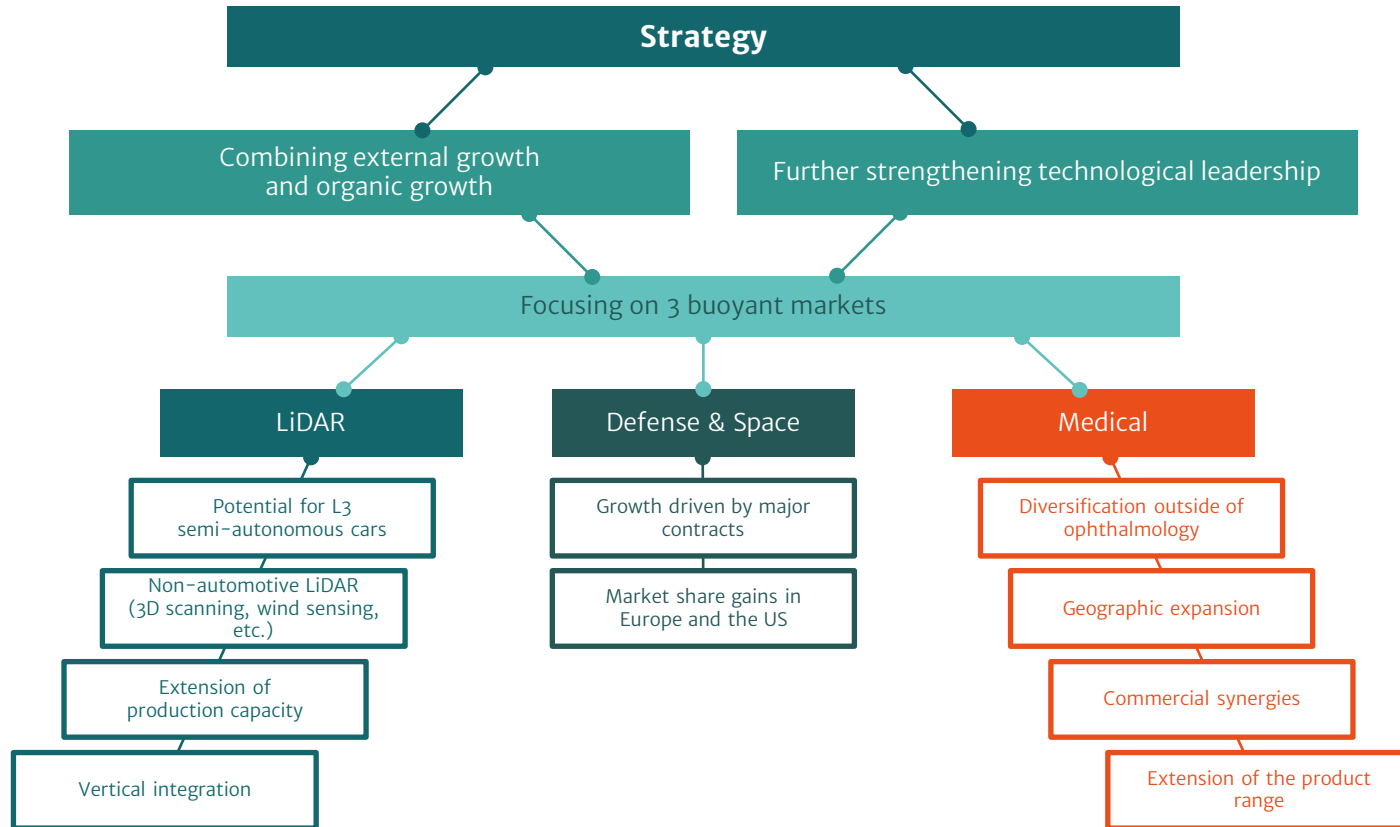
# A long-term strategy based on both organic and external growth



**Ambition for leadership, both technological and commercial, for the Laser and Medical sector:**

- strengthening in the ophthalmology market – diagnostic and treatment – with a reinforced global presence;
- strengthening in the Lidar markets to accompany the development of the autonomous vehicle, wind power and 3D scanning markets;
- strengthening in the Defense and Space sectors to keep pace with the evolution of the sector in Europe and North America.

# Strategic objectives





# APPENDIX



# Stock market profile



Share price at 24/07/2020 €11.74  
Market cap at 24/07/2020 €263.8m  
Listed Compartment B  
Eligible PEA, PEA/PME, SRD long-only

## Shareholding structure



## Share performance since January 2017



# 2019 pro forma financials

(unaudited) / income statement



At 31/12/2019 (€m)	Lumibird	Ellex	Pro forma
<b>Revenues</b>	<b>110.7</b>	<b>40.9</b>	<b>151.7</b>
<b>Gross margin</b>	<b>67.1</b>	<b>22.3</b>	<b>89.5</b>
<b>%</b>	<b>60.6%</b>	<b>54.5%</b>	<b>59.0%</b>
External expenses	(14.0)	(7.6)	(21.6)
Salaries and payroll taxes	(32.2)	(12.2)	(44.4)
Other expenses or grants	0.1	0.3	0.3
<b>EBITDA<sup>(1)</sup></b>	<b>21.0</b>	<b>2.7</b>	<b>23.7</b>
Amortization	(8.2)	(2.4)	21.6
Provisions and other net operating expenses	(0.5)	0.3	(0.1)
<b>OPERATING INCOME</b>	<b>12.3</b>	<b>0.6</b>	<b>12.9</b>

(1) EBITDA corresponds to the Group's value-added, plus subsidies recognized in profit or loss, after deducting taxes and related payments, as well as staff costs



# 2019 pro forma financials

(unaudited) / balance sheet



At 31/12/2019 (€m)	Lumibird	Ellex	Financing	Combination	Pro forma
Total assets	193.8	44.0	22.6	(26.0)	234.4
Shareholders' equity	124.9	26.0	3.0	(26.0)	124.9
Gross financial debt	32.1	8.6	22.6		63.2
Cash and equivalent	50.3	7.0	22.6	(62.5)	17.3

## Endettement financier net pro forma au 31/12/2019

At 31/12/2019 (€m)	Non current	Current	Total
Bank borrowings	50.0	2.1	52.1
Finance leases and rental contracts	4.6	2.0	6.6
Other debts	1.4	3.1	4.5
<b>Gross financial debt</b>	<b>56.0</b>	<b>7.2</b>	<b>63.2</b>
Cash and equivalent	-	(17.3)	(17.3)
<b>Net financial debt</b>	<b>56.0</b>	<b>(10.1)</b>	<b>46.0</b>

## Acquisition-related debt

At 31/12/2019 (€m)	
Optotek	5.1
Ellex laser and ultrasound	29.9
<b>Total acquisition-related debt</b>	<b>35.0</b>
Interest <sup>(1)</sup>	EURIBOR 3M + 1.65%
Repayable from Dec. 2020	5 equal instalments
Leverage ratio <sup>(2)</sup> : <3 at 31.12.19 (<2 at 31.12.22)	-1.1 (+1.7 pro forma) at 31.12.19
Coverage ratio <sup>(3)</sup> : > 1	3.3 (unavailable in pro forma) at 31.12.19

(1) interest rate hedge to be implemented at 100% on 31.12.20

(2) leverage ratio : consolidated net debt / consolidated EBITDA

(3) coverage ratio : consolidated net cash-flow / debt service charge