Speakers

Marc LE FLOHIC
Chairman

Jean-Marc GENDRE
Deputy CEO

Aude NOMBLOT-GOURHAND
Secretary General – CFO

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Advisor Strategy & Finance
CONTENTS

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

**€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

70% Percentage of export revenues

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

A dynamic of continuous growth

- 2016 (Quantel)
- 2017 (Keopsys Quantel)
- 2018
- 2019
- 2019 Pro forma

Pro forma: integrating Ellex as of 1 January 2019

- +35%
- +18%
- +10%
- 151.7
- 100.7
- 85.1
- 63.0
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
  - Research centers
  - Defense industry
  - Space

- Treatment (laser)
  - Hospitals / clinics
  - Glaucoma
  - Cataract
  - Retinal diseases
  - Dry eye
### Strong ambition supported by external growth

**Lumibird**

**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**

- **ECM**
  - Dedicated ultrasound for sports medicine, general medicine, obstetrics and resuscitation
  - Diversification outside of ophthalmology

- **OPTOTWEK medical**
  - Strengthening of R&D expertise for medical lasers
  - Integration of a production unit in Slovenia

- **ellex medical**
  - Lumibird is now a world leader for laser and ultrasound technologies for ocular disease diagnosis and treatment

**Laser division**

- **HALO Photonics**
  - LiDAR systems specialist for diverse applications, from weather to pollution metrics
  - Vertical integration

<table>
<thead>
<tr>
<th>Year</th>
<th>Laser</th>
<th>Medical</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>€53.5m</td>
<td>€31.6m</td>
</tr>
<tr>
<td>2018</td>
<td>€67.1m</td>
<td>€33.6m</td>
</tr>
<tr>
<td>2019</td>
<td>€71.4m</td>
<td>€39.3m</td>
</tr>
<tr>
<td>2019 pro forma</td>
<td>€71.4m</td>
<td>€80.2m</td>
</tr>
</tbody>
</table>

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%
H1 2020 highlights

**LASER DIVISION**

- **Industrial & Scientific**
  - €12.3m (~8.0%)
  - Business hampered by the closure of universities
  - Continued deliveries to flat panel display integrators

- **LiDAR Sensors**
  - €9.4m (+7.2%)

- **Defense & Space**
  - €8.6m (~27%)
  - Contrastings 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

**MEDICAL DIVISION**

- **Diagnostic (ultrasound)**
  - €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

- **Treatment (laser)**
  - €15.8m (-16.2%)
  - 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**
  - 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
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

Global sales network
- >100 countries
- >110 distributors

Finished products
- 52.9% of 2019 pro forma revenues
- +138% vs 2018

4 areas of expertise
- Glaucoma
- Cataracts
- Retinal pathologies
- Dry eye

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

Benchmark operator with medical professionals worldwide

3 production sites
- Clermont-Ferrand
- Ljubljana
- Adelaide

50% direct sales
On longstanding and growing captive markets

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.

Market size and CAGR per application

- **Glaucoma**
  - >€500m
  - 5-8%

- **Cataracts**
  - >€200m
  - 0-3%
  - €270m

- **Retinal pathologies**
  - 0-1%

- **Dry eye**
  - >€70m
  - 10-15%
  - Since 2018

Sources: GLG Strategic Solutions; Company; Market Scope 2018
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)

Sources: United Nations - World Population Prospects 2019, Market Scope 2018
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
- For emerging countries
- Strong distribution in Brazil

Complete range for ophthalmology specialists

- Glaucoma / Cataracts
- Retinal pathologies

Installed base of over 55,000 units

Source: Company
Diagnostic ultrasounds
Global leader on a major specialties market

Medical division

Unique bundle of technologies on the market

- Image treatment
- Miniaturization
- Portability

Key offering for ophthalmic imaging

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

Glaucoma / Cataracts / Retinal pathologies

33% global market share

Installed base of over 30,000 units

Source: Company
Focus on dry eye
High-potential market

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

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

Main causes of dry eye:
- Ageing
- Screen exposure
- Smoking, pollution, air-conditioning
- Long-term contact lens use
- Blepharitis, Demodex (mites)

Sources: Market Scope - Dry Eye Products report 2017; Company
Development of the Points of Care business

Primary care diagnosis

Medical division

New applications outside of ophthalmology

- General medicine - emergencies
- Anesthesia - resuscitation
- Musculoskeletal imaging

Diversification driven by the acquisition of key technologies

- Doppler
- Portability (with battery)
- New types of probes (cardiology, gynecology)

Potential global market: tens of millions of euros

Source: Company
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

- Combining external growth and organic growth
- Further strengthening technological leadership

Focusing on 3 buoyant markets

- LiDAR
  - Potential for L3 semi-autonomous cars
  - Non-automotive LiDAR (3D scanning, wind sensing, etc.)
  - Extension of production capacity
  - Vertical integration

- Defense & Space
  - Growth driven by major contracts
  - Market share gains in Europe and the US

- Medical
  - Diversification outside of ophthalmology
  - Geographic expansion
  - Commercial synergies
  - Extension of the product range
Stock market profile

Share price at 24/07/2020
Market cap at 24/07/2020
Listed
Eligible

€11.74
€263.8m

CAC Small
Esira/Eurodyne
51.93 %
Public
47.21 %

Shareholding structure

Share performance
since January 2017

Lumibird
CAC Small
## 2019 pro forma financials (unaudited) / income statement

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

(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

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

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

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

**Acquisition-related debt**

<table>
<thead>
<tr>
<th>At 31/12/2019 (€m)</th>
<th>Optotek</th>
<th>Ellex laser and ultrasound</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total acquisition-related debt</strong></td>
<td>35.0</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Interest (1)</th>
<th>EURIBOR 3M + 1.65%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Repayable from Dec. 2020</td>
<td>5 equal instalments</td>
<td></td>
</tr>
<tr>
<td>Leverage ratio (2) : &lt;3 at 31.12.19 (&lt;=2 at 31.12.22)</td>
<td>-1.1 (+1.7 pro forma) at 31.12.19</td>
<td></td>
</tr>
<tr>
<td>Coverage ratio (3) : &gt; 1</td>
<td>3.3 (unavailable in pro forma) at 31.12.19</td>
<td></td>
</tr>
</tbody>
</table>

(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