



LUMIBIRD
MORE THAN LASERS

FY 2019 results

April 1st 2020



A leading European laser company, positioned on buoyant markets



€110.7m
2019 revenues

18.9%
2019 EBITDA margin

567
2019 avg headcount

7
Production sites




LASER



Industrial & Scientific

-  Universities
-  Laboratories
-  Industrial integrators

LiDAR Sensors

-  Autonomous vehicles
-  Wind energy
-  3D scanner




Defense and Space

-  Research centers
-  Defense industry
-  Space

MEDICAL



Diagnostic

-  Ophthalmologists / POC
-  Hospitals / clinics
-  Specialist distributors

Treatment

COVID-19 impact



Continuity plan rolled out since March 17

- Operations continued on all group sites
- Majority of the workforce operational
- 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



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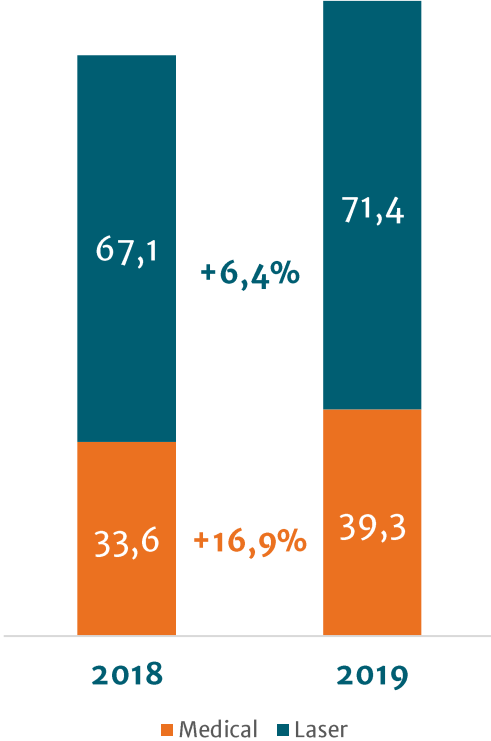
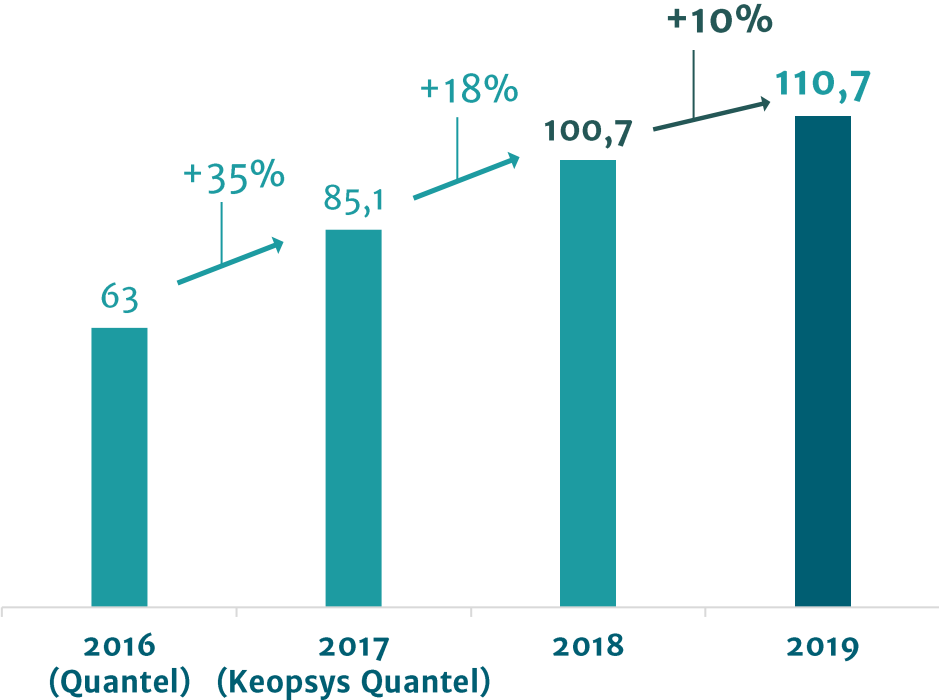
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2019 HIGHLIGHTS



A dynamic of continued growth



2019 Laser division business update

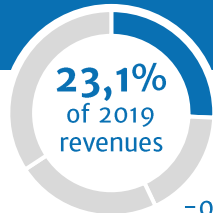


Industrial & Scientific

Resurgence of flat screen business in Asia

Partnership with a well-known operator on fiber laser

Stabilisation of 1st laser platform (Merion)



-0,2% YTD



LiDAR Sensors

New ADAS development phase

Strong growth for 3D scanning and wind-sensing

Optimization of the industrial tool for more volume and productivity



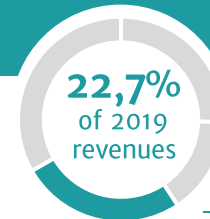
+33,5% YTD



Defense and Space

New development contract for TLMB and LB

Power diodes with a major Space European group
Several Space Telco contracts
Telemeters qualification France and ME



-4,2% YTD

Laser division external growth

Acquisition of Halo Photonics



A relative external growth

- Keopsys customer for more than 10 years, perfectly known
- **LIDAR specialist for wind-sensing**
- **Revenues (at 30/06/2019) of £2,8m – i.e. €3,2m with strong profitability**
- Integrated into Lumibird's consolidation scope as of 31/12/2019



A rise in the value chain

- **Technical know-how** in compact, lightweight and energy-efficient LIDAR systems
- **A product range well positioned** in its market and profitable
- **Significant development potential** in LIDAR systems



Strong and very profitable growth

Business updates for the Medical division in 2019



New markets

- Dry eye

New products

- Ultrasound (Absolu and CompactT2)
- Laser

New indications

- Laser 810 for Glaucoma

Continued geographic development

POC market dynamics

- GPO referencing
- New products
- International development through distribution
- New indications in gynecology and cardiology

Medical OEM projects

Acquisition of Optotek

Acquisition project of Ellex Laser and Ultrasound activities



+16,9% YTD

Medical division external growth / Acquisition of Optotek Medical



A vertical integration

- Partner for 20 years, perfect knowledge
- 2018 revenues €6.6m, with 2/3 intragroup
- Advanced optics and electro-mechanical expertise
- ISO 13485 certified production unit

Strategic operation

- Expertise across the development and production chain
- Expansion of range of OEM solutions
 - *Dermatology, ENT surgery*
- Establishing a presence on new markets
 - *Slovenia and Central Europe*



Industrial, technological, commercial synergies

Group strenghtening



Structuring

Strenghtening
management

Strenghtening
R&D expertise

Strenghtening
sales forces

Adapting production capacities

Lannion (LIDAR),
Clermont (Medical)

Capacities a phase
ahead on LIDAR

Growing financial capacities

Equity

€25m cap. increase
in May 2019

Bank debt

Acquisition debt
Investment debt



An organization ready to face the challenges ahead



FY 2019 RESULTS



2019 key figures – confirmation of the Group's economic and financial performance



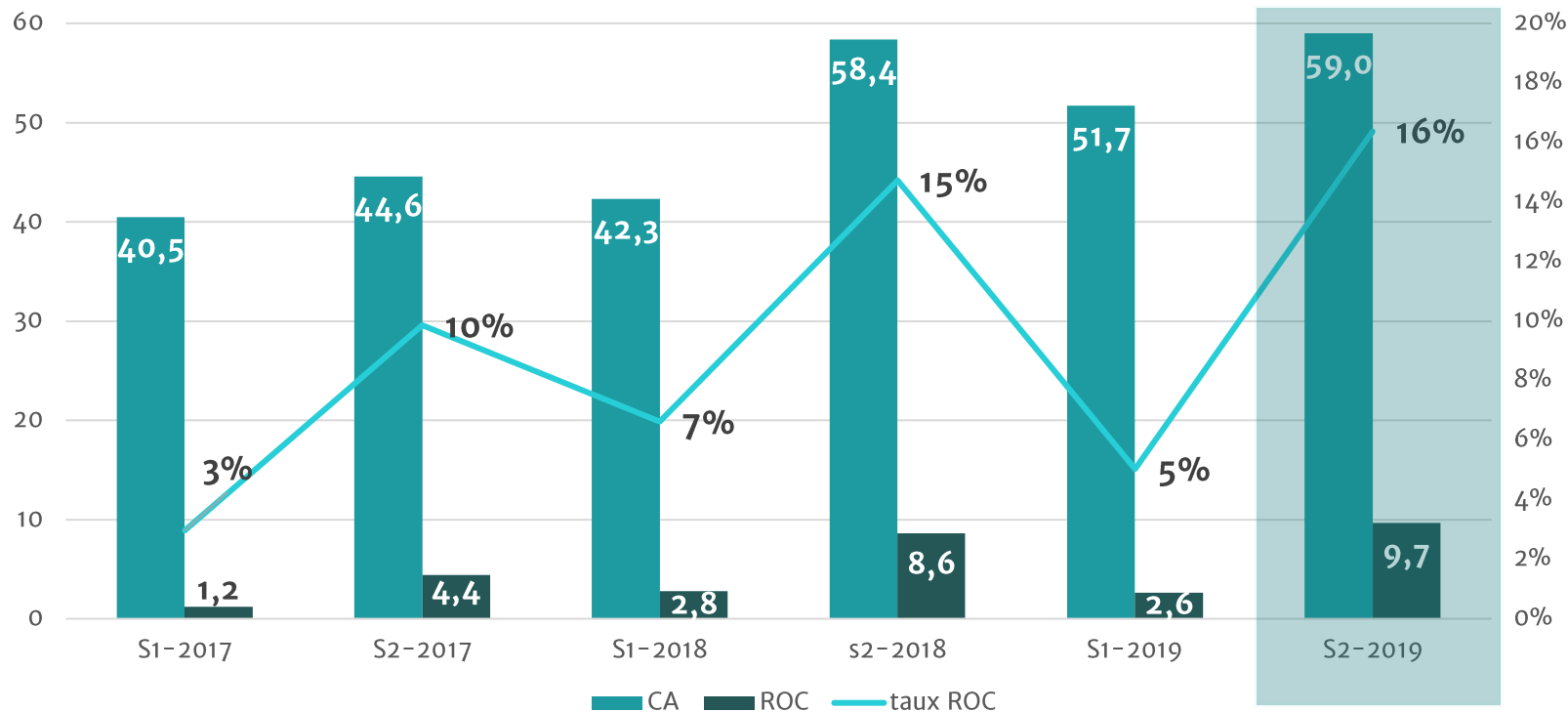
€m	2018	2019	Change (value)	Change (%)	IFRS16 impact
Revenues	100.7	110.7	+10.0	+10.0%	-
Gross margin %	60.8 60.4%	67.1 60.6%	+6.3	+10.4%	-
EBITDA ⁽¹⁾ %	16.5 16.4%	21.0 18.9%	+4.4	+26.8%	+1.6
Income from ordinary operations %	11.4 11.3%	12.3 11.1%	0.9	+7.5%	Ns
EBIT	11.4	11.3	(0.1)	-1.0%	Ns
Financial income and expenses	(0.5)	(0.7)	(0.2)	+47.2%	(0.1)
Tax	(2.8)	(1.8)	+1.0	(38.3)%	-
Net income %	8.1 8.0%	8.8 8.0%	+0.7	+9.2%	-
Cash-flow from operations	16.5	19.9	+3.4	+33.0%	+1.6
Net industrial capex	10.5	11.0	+0.5	+4.0%	-
Net financial debt	3.0	(18.2)	-23.2	-	+4.3

(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 key figures - half-year performance historically impacted by seasonality



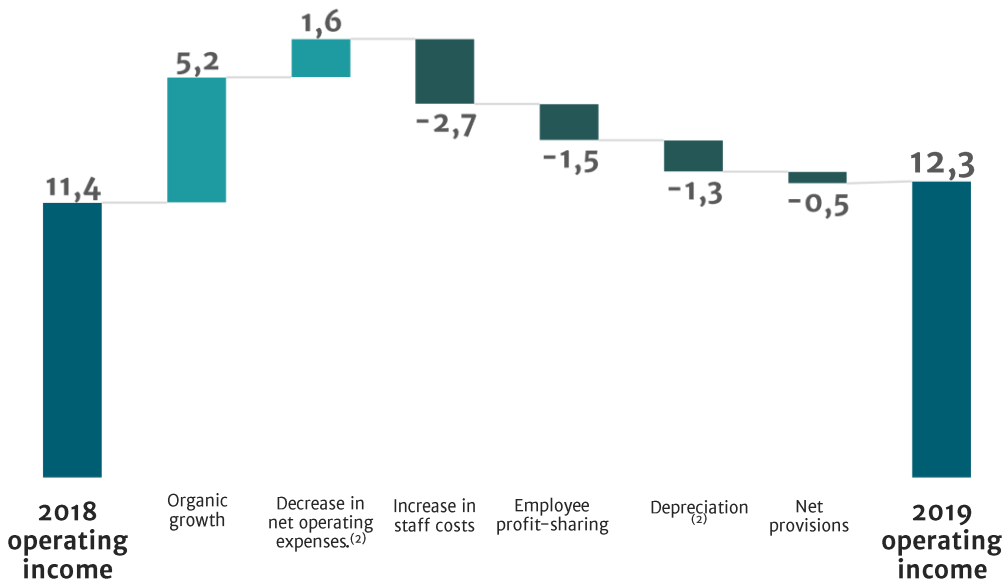
Revenues and Income from ordinary operations 2017-2019 (M€)



Income from ordinary operations for each division



Breakdown of change in income from ordinary operations (€m)



En M€	TOTAL	Laser	Medical
2018 operating income	11.4	9.7	1.7
Organic growth ⁽¹⁾	5.2	2.2	3.1
Decrease in net operating expenses ⁽²⁾	1.6	1.2	0.4
Increase in staff costs	-2.7	-2.2	-0.5
Employee profit-sharing	-1.5	-1.0	-0.5
Depreciation ⁽²⁾	-1.3	-0.4	-0.9
Net provisions	-0.5	-	-0.5
2019 operating income	12.3	9.5	2.7

(1) Margin generated by the increase in business at a standard margin rate (60.4%)

(2) Excluding impact of IFRS 16

Operating cash-flow up 61%



€m	2018	2019
Cash-flow from operations (before financial expenses and tax)	16.5	19.9
Change in working capital	-3.2	-0.1
Taxes paid	-1.3	-0.3
Operating cash-flow	12.1	19.5
Net cash-flow from industrial capex	-10.5	-11.0
Financial investments (incl. external growth)	0.1	- 6.1
Cash-flow linked to capex	-10.4	-17.1
Balance before financing	1.7	2.4
Capital increase	7.8	24.6
Dividends / treasury shares	0.0	0.7
Bank interest paid	-0.5	-0.6
Impact of capital from borrowings (receipts / payments)	2.7	4.3
Financing cash-flow	10.0	28.9
TOTAL CASH-FLOW	11.6	31.2
Cash at period-start (net of bank borrowings)	5.8	17.6
Cash at period-end (net of bank borrowings)	17.6	49.0

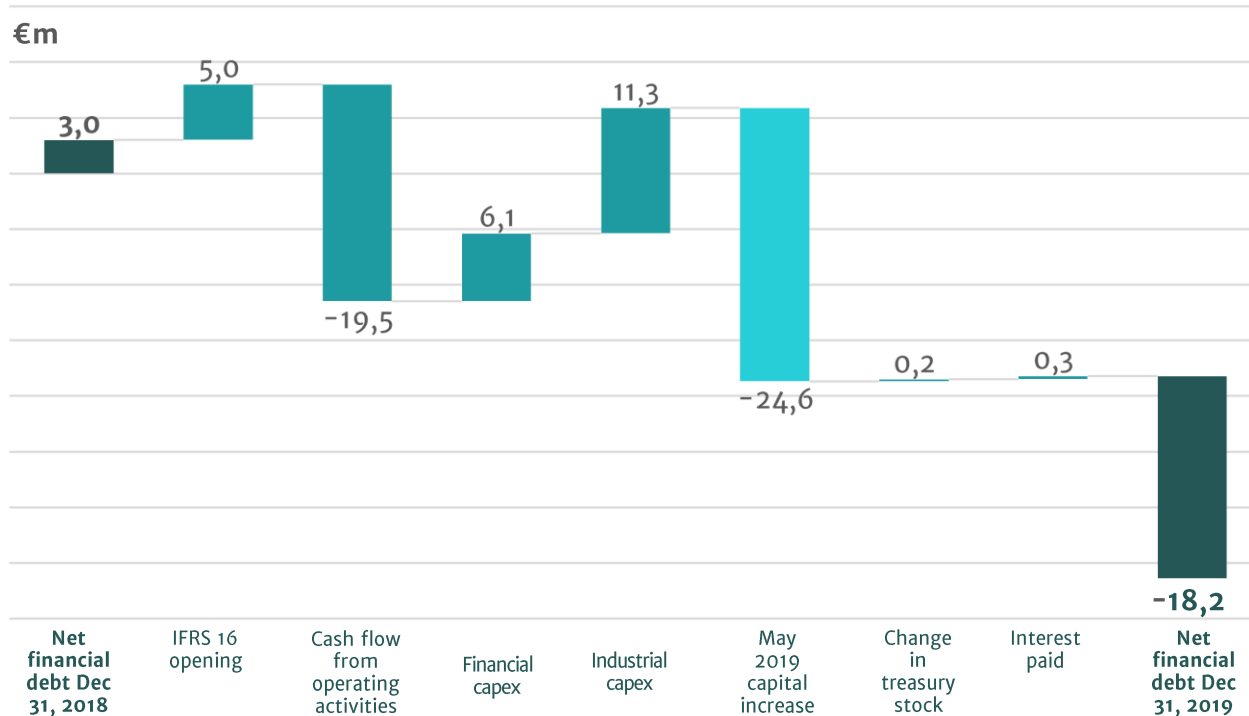
Of which :

- Change in inventories +1.0 M€
- Change in trade rec./pay. - 2.1 M€
- Change in other + 1.0 M€

Industrial capex

QUANTEL MEDICAL building	3.4
Technical facilities	2.0
Development costs	5.6
Total industrial capex	11.0

Net financial debt – reflecting the Group's strategy of anticipating financing needs



Average cost of gross debt

2018 : 1.49%

2019 : 1.82%

Strong financial position providing the Group with the resources for growth



Capital increase May 2019 – €25.1m (excl. fees)

Acquisition debt of €35m

- Possible draws until 31/12/2020 (€5.1m drawn at 31/12/19)
- 5 yrs maturity from 01/12/2021, straight-line depreciation
- Rate: 3 month Euribor +1.65%

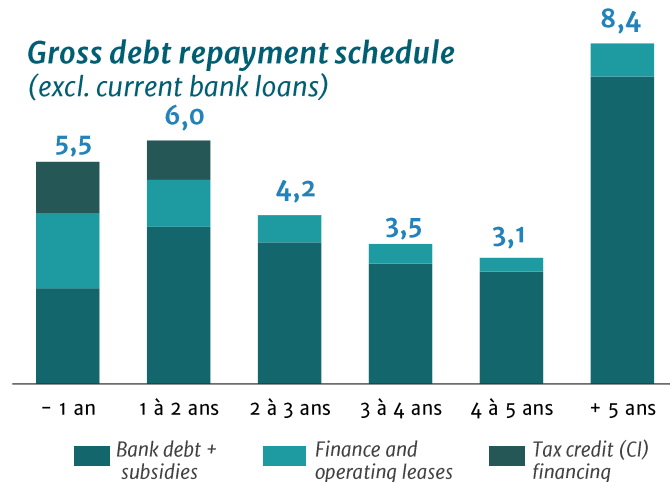
Specific financing

- New Quantel Medical building financing (€5.8m of which €3.4m drawn at 31/12/19)
- 2017 CIR⁽¹⁾ financing (0.7 M€)

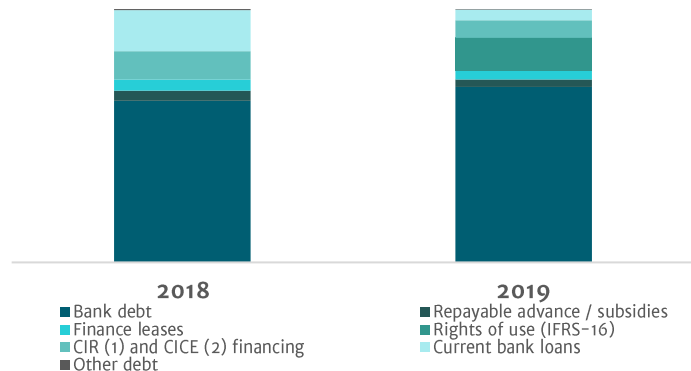
2020 actions to date

- Implementation of an EIB guaranteed loan of €5m
 - 9 yrs and 9 months maturity
 - 1.44% rate

Gross debt repayment schedule
(excl. current bank loans)



Breakdown of gross financial debt



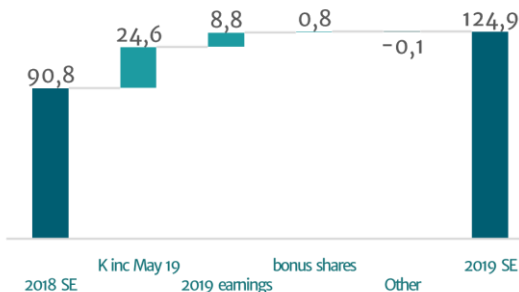
(1) CIR: research tax credit / (2) CICE: tax credit for employment and competitiveness

Balance sheet at December 31st, 2019



ASSETS €m	31/12/2019	31/12/2018	LIABILITIES €M	31/12/2019	31/12/2018
Non-current assets	90.4	73.6	Shareholders' equity	124.9	90.8
Goodwill	40.1	31.4			
Intangible assets	27.7	22.7	Non-current liabilities	34.4	24.9
Property, plant and equipment	13.9	8.3	Non-current financial liabilities	25.0	16.9
Financial investments	1.3	1.0	Non-current provisions (incl. deferred tax)	2.5	5.2
Deferred tax assets	1.7	4.8	Other non-current liabilities	6.9	2.8
Other non-current assets	5.8	5.3			
Current assets	103.9	77.4	Current liabilities	37.1	35.4
Inventories	26.3	22.8	Current financial liabilities	7.1	7.7
Trade receivables	22.4	26.4	Current provisions	0.7	0.5
Other	4.9	6.6	Other current liabilities	27.2	27.1
Cash	50.3	21.6			
TOTAL ASSETS	194.3	151.0	TOTAL LIABILITIES	194.3	151.0

	31/12/18	31/12/19	Var.
Inventories	22.8	26.3	3.5
Trade rec. / payables	10.6	7.9	- 2.7
Debt / acquisition	- 0.2	- 6.7	- 6.5
Other rec. / payables	-2.0	- 2.2	-0.2
WCR	31.2	25.3	- 5.9



	31/12/18	31/12/19
Gross financial debt (excl. cash liabilities)	20.6	30.8
Cash liabilities	4.0	1.3
Cash asset	-21.6	-50.3
Net cash	-17.6	-49.0
Net financial debt	3.0	-18.2



Strong brand

• Significant market positions

• Increased direct sales



ACQUISITION OF ELLEX LASER AND ULTRASOUND ACTIVITIES

Acquisition of Ellex Laser and Ultrasound activities



Buys for
€55m

ellex

- One of **Lumibird key global competitors in laser and ultrasound devices**, based in Australia
- Ellex is a **strong brand with significant market position** in ophthalmic laser segment (Japan and US)
- **Installed base of over 35,000** ophthalmic laser and ultrasound systems globally
- **75% Direct Sales**

Rationale

Combine complementary skills and become the global leader in the growing market of ophthalmology

ELLEX at a glance



AREAS OF EXPERTISE : MULTIPLE EYE DISEASES

Ophthalmic lasers



Diagnostic equipment



Glaucoma

Retinal diseases

Early AMD

Cataract

ellex

A DIRECT SALES NETWORK IN THE MAJOR MARKETS OF USA, JAPAN, FRANCE, GERMANY AND AUSTRALIA

~€40m
revenues

>100
Countries
distribution

~€80m
of FY consolidated
revenues for the
medical division



Sales offices

- USA
- France
- Germany
- Japan



Adelaide HQ



R&D



Factory

225 employees worldwide

Synergies



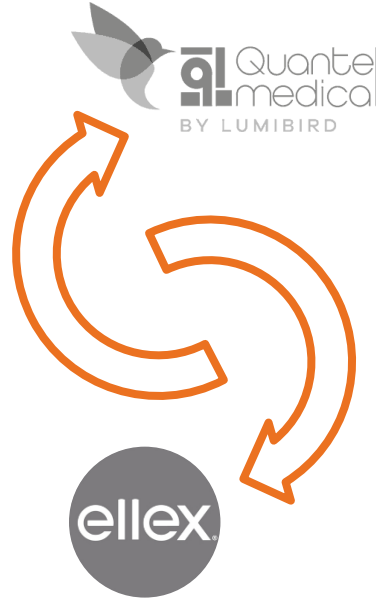
1

Sharing R&D capability and manufacturing structures



2

Strengthening the approach to clinical research in order to meet the current and future needs of the ophthalmologists



3

Matched market locations and successful culture of distribution (110 partners)



4

Strong branded products and complementary know-how of the ophthalmic market





STRATEGY & OUTLOOK



Maintaining a long-term mixed growth strategy



Strong organic growth continuing

- Capitalizing on the key positions held on the Lidar and Medical markets
- Gaining Defense market shares for increased technological independence from the Europe of Defense

External growth

- Making targeted acquisitions to strengthen critical mass and address new markets

Increased profitability

- Capitalizing on the 4 drivers for improving margins:
 - Vertical integration
 - Industrialization
 - Increase in the percentage of direct sales
 - Scale effect



Q&A





APPENDIX



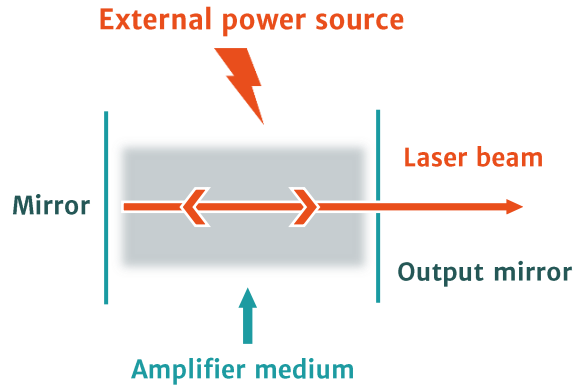
A French laser technologies specialist



Shaping
light

Power
Range
Accuracy

For multiples
applications



Material processing



Instrumentation and metrics



Surgery, biomedical



Research and defense



Information and telecommunications

3

Lumibird has expertise in the world's 3 most used laser technologies:
laser diodes
solid-state lasers
fiber lasers

Because lasers perform an essential role in the development of tomorrow's technologies, Lumibird is developing a range of lasers adapted for applications in multiple areas, while industrializing the production of high-performance devices

Technological lead driven by innovation

Expertise in the world's 3 most used laser technologies

Solid-state lasers

- Highly powerful
- Maximum wavelength spectrum

Laser diodes

- Low energy consumption (electrical current)
- Compact

Fiber lasers

- Powerful
- Compact and lightweight

101 engineers and researchers

A portfolio of 30 patents

Examples

Space exploration



- ESA and NASA programs
- World leader for electro-optical efficiency, essential for space applications
- Lumibird is a pioneer for automatic docking applications for space shuttles using its pulsed fiber lasers

Fiber laser miniaturization



→ Size reduced by 3x

High-end positioning supporting pricing power

A european leader with a worldwide presence

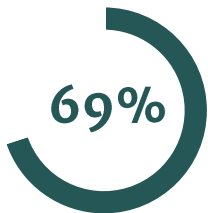


Lumibird exports its solutions
to over 110 countries



7 production sites

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



Percentage of 2019
export revenues

567
2019 avg
headcount

€9.3m
2019 R&D
expenses

+10%
2019 revenue
growth

2019 revenues



€110.7m

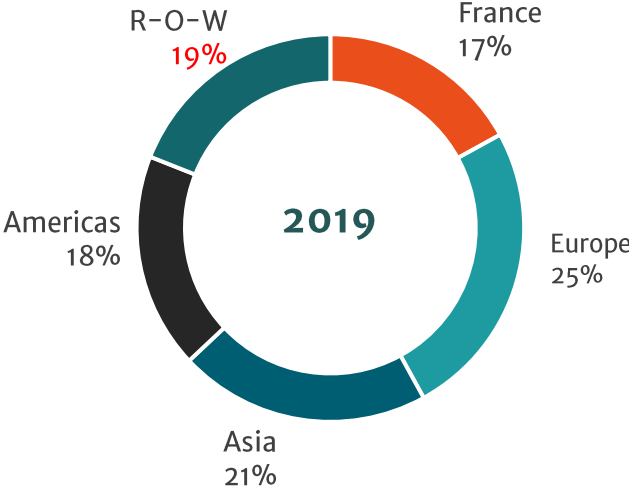
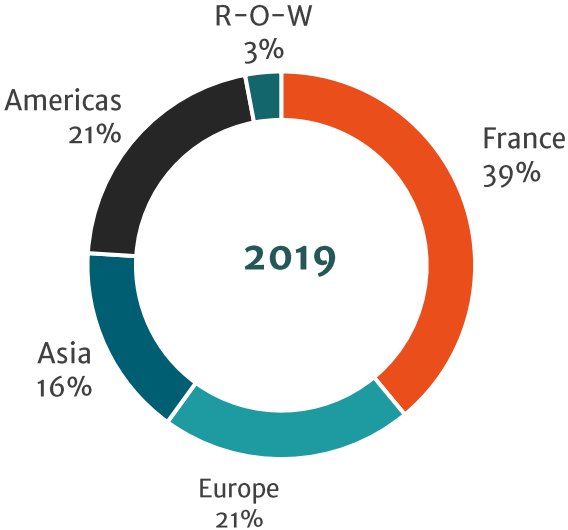
An international group



Geographical breakdown of sales

LASER – €71.4m

MEDICAL / OPHTHALMOLOGY – €39.3m



Stock market profile



Share price at 30/03/2020 €7.71 €
Market cap at 30/03/2020 €142,1m
Listed Compartment B
Eligibility PEA, PEA/PME, SRD long-only

Shareholding structure



Share performance since January 2017

