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

MEDICAL

Industrial & Scientific
Universities
Laboratories
Industrial integrators

LiDAR Sensors
Autonomous vehicles
Wind energy
3D scanner

Defense and Space
Research centers
Defense industry
Space

Diagnostic
Ophthalmologists / POC
Hospitals / clinics

Treatment
Specialist distributors
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
CONTENTS

1 2019 highlights
2 FY 2019 results
3 Ellex Laser acquisition project
4 Strategy and outlook
5 Q&A
A dynamic of continued growth

2016 (Quantel) 2017 (Keopsys Quantel) 2018 2019

- 63
+35%
+18%
+10%
100,7
110,7

2018 2019

- 67,1
+6,4%
33,6
+16,9%
39,3
71,4

Medical Laser
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)

- 23.1% of 2019 revenues
  - -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

- 18.6% of 2019 revenues
  - +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

- 22.7% of 2019 revenues
  - -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
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

35.7% of 2019 revenues

+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 strengthening

Structuring
- Strengthening management
- Strengthening R&D expertise
- Strengthening 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
2019 key figures – confirmation of the Group's economic and financial performance

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

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

(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%

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

**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

<table>
<thead>
<tr>
<th>Net financial debt Dec 31, 2018</th>
<th>IFRS 16 opening</th>
<th>Cash flow from operating activities</th>
<th>Financial capex</th>
<th>Industrial capex</th>
<th>May 2019 capital increase</th>
<th>Change in treasury stock</th>
<th>Interest paid</th>
<th>Net financial debt Dec 31, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>€m</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3,0</td>
<td>5,0</td>
<td>-19,5</td>
<td>6,1</td>
<td>11,3</td>
<td>-24,6</td>
<td>0,2</td>
<td>0,3</td>
<td>-18,2</td>
</tr>
</tbody>
</table>

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

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\(^{(1)}\) CIR: research tax credit / \(^{(2)}\) CICE: tax credit for employment and competitiveness
## Balance sheet at December 31st, 2019

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>31/12/2019</th>
<th>31/12/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-current assets</td>
<td>90.4</td>
<td>73.6</td>
</tr>
<tr>
<td>Goodwill</td>
<td>40.1</td>
<td>31.4</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>27.7</td>
<td>22.7</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>13.9</td>
<td>8.3</td>
</tr>
<tr>
<td>Financial investments</td>
<td>1.3</td>
<td>1.0</td>
</tr>
<tr>
<td>Deferred tax assets</td>
<td>1.7</td>
<td>4.8</td>
</tr>
<tr>
<td>Other non-current assets</td>
<td>5.8</td>
<td>5.3</td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td>103.9</td>
<td>77.4</td>
</tr>
<tr>
<td>Inventories</td>
<td>26.3</td>
<td>22.8</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>22.4</td>
<td>26.4</td>
</tr>
<tr>
<td>Other</td>
<td>4.9</td>
<td>6.6</td>
</tr>
<tr>
<td>Cash</td>
<td>50.3</td>
<td>21.6</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>194.3</td>
<td>151.0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LIABILITIES</th>
<th>31/12/2019</th>
<th>31/12/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shareholders' equity</td>
<td>124.9</td>
<td>90.8</td>
</tr>
<tr>
<td>Non-current liabilities</td>
<td>34.4</td>
<td>24.9</td>
</tr>
<tr>
<td>Non-current financial liabilities</td>
<td>25.0</td>
<td>16.9</td>
</tr>
<tr>
<td>Non-current provisions (incl. deferred tax)</td>
<td>2.5</td>
<td>5.2</td>
</tr>
<tr>
<td>Other non-current liabilities</td>
<td>6.9</td>
<td>2.8</td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td>37.1</td>
<td>35.4</td>
</tr>
<tr>
<td>Current financial liabilities</td>
<td>7.1</td>
<td>7.7</td>
</tr>
<tr>
<td>Current provisions</td>
<td>0.7</td>
<td>0.5</td>
</tr>
<tr>
<td>Other current liabilities</td>
<td>27.2</td>
<td>27.1</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES</strong></td>
<td>194.3</td>
<td>151.0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>31/12/18</th>
<th>31/12/19</th>
<th>Var.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inventories</td>
<td>22.8</td>
<td>26.3</td>
</tr>
<tr>
<td>Trade rec. / payables</td>
<td>10.6</td>
<td>7.9</td>
</tr>
<tr>
<td>Debt / acquisition</td>
<td>- 0.2</td>
<td>- 6.7</td>
</tr>
<tr>
<td>Other rec. / payables</td>
<td>- 2.0</td>
<td>- 2.2</td>
</tr>
<tr>
<td>WCR</td>
<td>31.2</td>
<td>25.3</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>31/12/18</th>
<th>31/12/19</th>
<th>Var.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross financial debt (excl. cash liabilities)</td>
<td>20.6</td>
<td>30.8</td>
</tr>
<tr>
<td>Cash liabilities</td>
<td>4.0</td>
<td>1.3</td>
</tr>
<tr>
<td>Cash asset</td>
<td>-21.6</td>
<td>-50.3</td>
</tr>
<tr>
<td>Net cash</td>
<td>-17.6</td>
<td>-49.0</td>
</tr>
<tr>
<td>Net financial debt</td>
<td>3.0</td>
<td>-18.2</td>
</tr>
</tbody>
</table>
ACQUISITION OF ELLEX LASER AND ULTRASOUND ACTIVITIES
Acquisition of Ellex Laser and Ultrasound activities

Buys for €55m

➔ 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

Ophtalmic lasers

Diagnostic equipment

AREAS OF EXPERTISE: MULTIPLE EYE DISEASES

- Glaucoma
- Retinal diseases
- Earky AMD
- Cataract

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

225 employees worldwide

Adelaide HQ

R&D

Factory

Sales offices:
- USA
- France
- Germany
- Japan
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
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
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.

- Material processing
- Instrumentation and metrics
- Surgery, biomedical
- Research and defense
- Information and telecommunications
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
- Lumbird 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)

567
2019 avg headcount

€9.3m
2019 R&D expenses

+10%
2019 revenue growth

2019 revenues

€71.4m
Laser (64% of revenues)

€39.3m
Medical (36% of revenues)

€110.7m

69%
Percentage of 2019 export revenues
An international group

Geographical breakdown of sales

**LASER – €71.4m**

- **Americas**: 21%
- **Asia**: 16%
- **Europe**: 21%
- **R-O-W**: 3%

**MEDICAL / OPHTALMOLOGY – €39.3m**

- **France**: 39%
- **Americas**: 18%
- **Asia**: 21%
- **Europe**: 25%
- **R-O-W**: 19%

**2019**
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

Public: 49.88%
Esira/Eurodyne: 50.12%

Share performance since January 2017

Lumibird
CAC Small