



Boule Diagnostics AB

Pareto Securities' 11th Annual Healthcare Conference
September 3, 2020

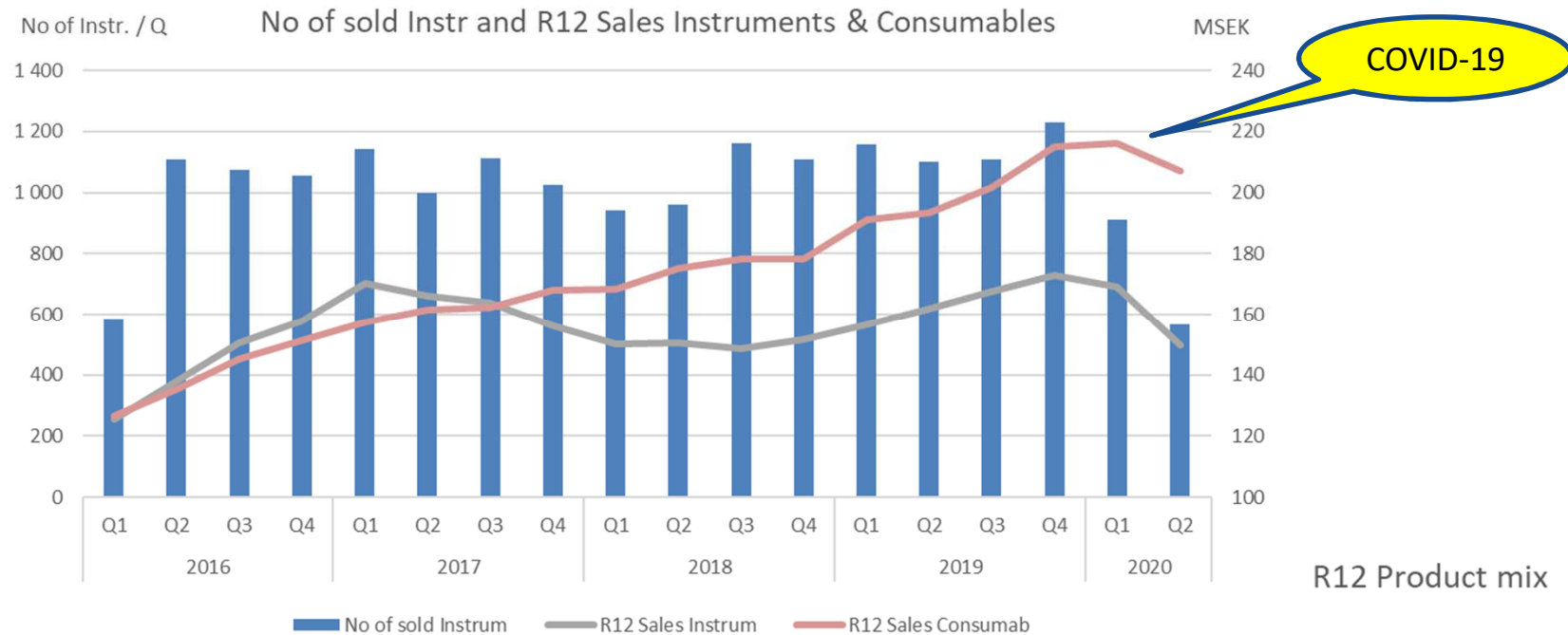
Jesper Söderqvist, *CEO and Group President*

Boule Diagnostics

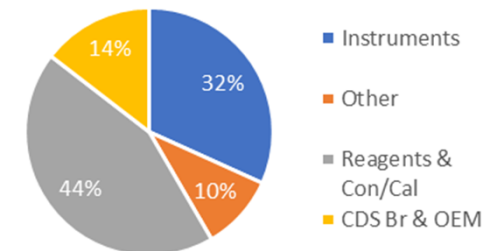
- Develops, manufactures and market complete blood count analyzers
 - Strong heritage in hematology
 - Both human and veterinary markets.
- Control of complete value chain
 - One-stop shop: instruments, reagents, blood controls, and calibrators
 - Ensures reliability and quality
- Focus on the growing, decentralized near patient diagnostics segment
- Sales in 100+ countries
- Consumables sold to OEM partners



Attractive business model with 50+% recurring revenue



- A growing installed base generate sales of reagents and other consumables
- The OEM business of reagents are stable
- Only a global lock-down slows down growth of recurring revenue...



Note: R12 = Rolling 12 months



Dynamic market that will continue to grow

Growth drivers

Aging population: increasing demand for diagnostics

Increased access to healthcare in emerging markets

Attractive to patients and healthcare systems

Large potential: >100k small and mediums sized labs globally

Decentralized market

Hematology grows

Growth of near patient testing in clinics

Opportunities in nearby segments

New technologies will fuel growth

Boule

8 %

Market share

10,2 %

Average growth last five years
(2015-2019)



2020 impacted by COVID-19

RESULTS Q2

NET SALES [MSEK]

90.6 (119.7)

YoY GROWTH

-24.3% (+11.1%)

GROSS MARGIN

40.8% (43.4%)

EBIT-MARGIN

-3.3% (5.0%)

CASH FLOW Q2 [MSEK]

+17.6 (+15.6)

RESULTS YTD

NET SALES [MSEK]

209.0 (238.4)

YoY GROWTH

-12.3% (+15.0%)

GROSS MARGIN

44.1% (44.5%)

EBIT-MARGIN

5.9% (9.5%)

CASH FLOW YTD [MSEK]

+32.2 (+10.3)

STRONG CASHFLOW IN Q2, IMPACT FROM COVID-19

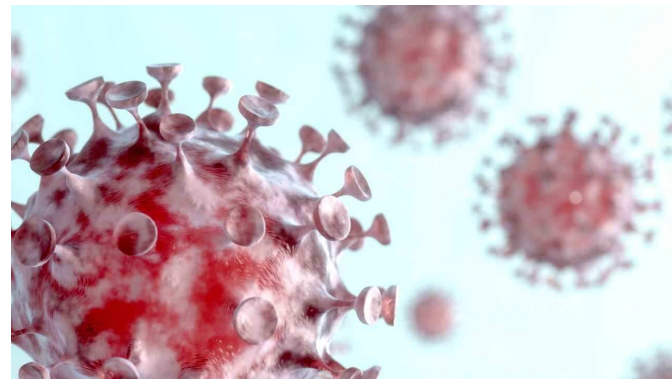
- Lower demand in Q2 due to lock-downs
 - Instrument unit sales -49% and revenues -45%
 - Consumable sales for own instruments -18%
- Gross margin impacted by low capacity utilization
- Operating expenses amounted to SEK 39.4 million (44.6*)
 - Cost savings related to sales and marketing activities
 - Continued investments and expenses for prioritized future oriented activities
- Postponed CAPEX project
- Following an impairment test of the associated company biosurfit, Boule wrote down the entire shareholding, resulting in a negative non-cash effect on profit of SEK 36.6 million

** includes bad debt provision of SEK 5.9 million*



COVID-19 market recovery

- Sales and order intake increased in June after a slow start of Q2
- Recovery is driven by ease of restrictions in our key markets
 - Speed of recovery uncertain as some markets partly close again
- M&S adopting new ways of working
- Boule ready to ramp-up shipments when demand return



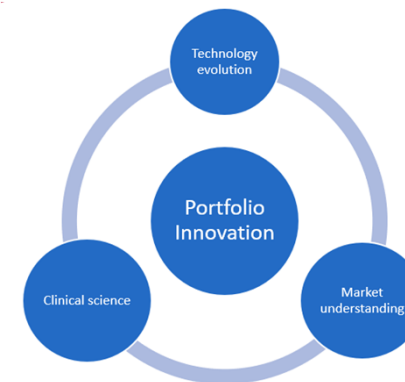
Stable platform for long-term value creation

SHORT TERM ACTIVITIES

- Strengthen team
- Improve operational excellence
 - reduce working capital in instrument production
 - bring extended product portfolio to market
- Local production in Russia
- Readiness for new quality system requirements (IVDR)
- Digital transformation of ways-of-working
- R&D → active life cycle mgmt and future product platform

LONG-TERM OPPORTUNITIES

- Increased activities in growth economies
- Leverage OEM partnerships
- Innovation
- Renewed product platform
- Expansion into nearby segment



Financial targets

- Operating Margin >15%
- Long-term sales growth >10%
- Net debt to EBIT ratio <3 times



My short term priorities

- COVID-19 recovery
- Balance growth and profitability
- Efficiency → reduce working capital
- Continue to strengthen organization





Thanks for your interest in Boule!