

Medistim ASA Q4 2022

March 1st 2023



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PRESIDENT & CEO

Thomas Jakobsen

CFO



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01 Highlights

Highlights 4th Quarter

	Q4 2022	Q o Q
Revenue	MNOK 141.8 (112.7)	 + 25.8 %
EBIT	MNOK 36.5 (19.5)	 + 87.4 %
Currency		 + 4.2 %
Number of units sold or leased:		
Flow systems	42	 - 19.2 %
Imaging systems	28	 + 12.0 %
Flow probes (ex USA)	3 090	 + 36.7 %
Imaging probes	38	 - 24.0 %
Procedures (USA)	19 284	 + 8.2 %

Another all-time high sales quarter for Medistim









- Beating our previous sales record by 20 %
 - Imaging sales up 33.5 % in NOK, Flow sales up 28.1 % in NOK
 - Vascular sales up 8.8 % in NOK, Cardiac sales up 34.2 % in NOK

- Currency neutral total growth was 21.6%
 - Currency neutral growth for own products was 24.6%
 - Asia up 51.8 %
 - Europe up 32.8 %
 - USA up 9.8 %
 - RoW down 32.5 %
 - Third-party products up 6.5 %

EBIT margin at 25.7 % (17.3 %)

The Board of Directors suggest to the General Meeting a dividend of NOK 4.5 per share (NOK 3.75)

Highlights 2022

Full Year 2022		YoY	
Revenue	MNOK 491.9 (427.3)	 + 15.1 %	
EBIT	MNOK 141.3 (116.3)	 + 21.5 %	
Currency		 + 4.6 %	
Number of units sold or leased:			
Flow systems	153	 - 1.9 %	
Imaging systems	105	 + 12.9%	
Flow probes (ex USA)	8 606	 + 7.7 %	
Imaging probes	171	 + 11.0 %	
Procedures (USA)	86 030	 + 19.4 %	

Best year ever for revenue and EBIT

- Sales revenue grows 15.1 % in NOK and 16.6 % when excluding the PPP grant revenue of MNOK 5.3 from 2021
 - Imaging sales up 44.0 %, Flow up 10.6 % in NOK
 - Vascular sales up 27.3 %, Cardiac up 18.8 % in NOK

- Currency neutral total revenue growth was 10.5%
 - Currency neutral growth for own products was 14.0 %
 - USA up 22.2 %
 - Asia up 15.6 %
 - Europe up 8.4 %
 - RoW up 2.2 %
 - Third-party products up 2%

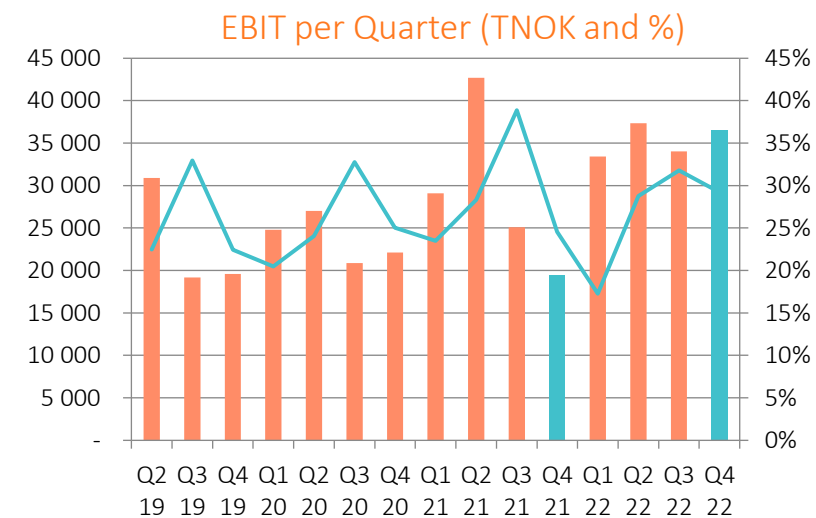
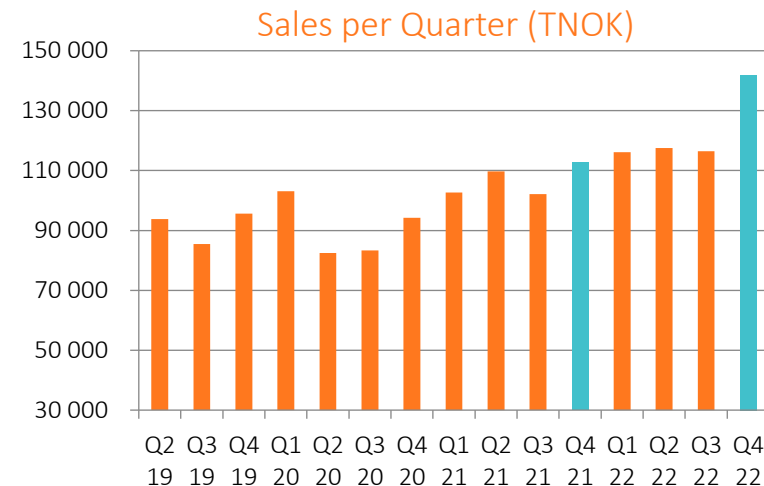
Record operating result (EBIT) at MNOK 141.3, with margin at 28.7 % (27.6 %)



02 Financial Statements

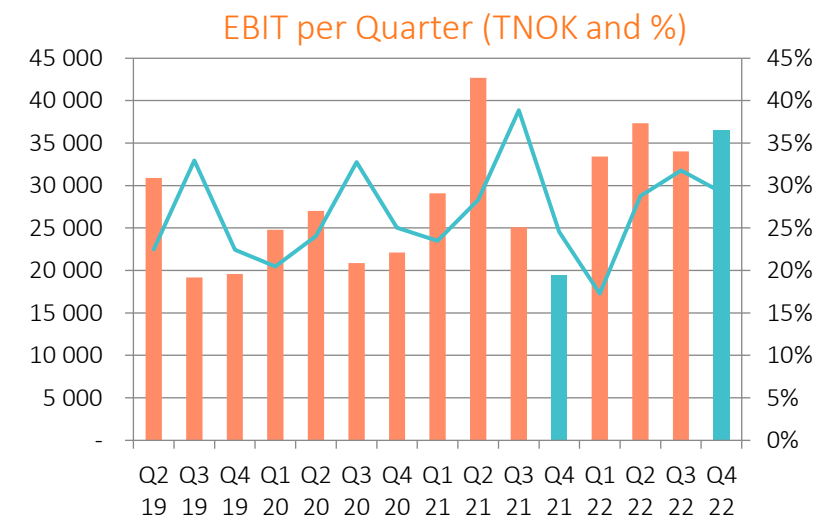
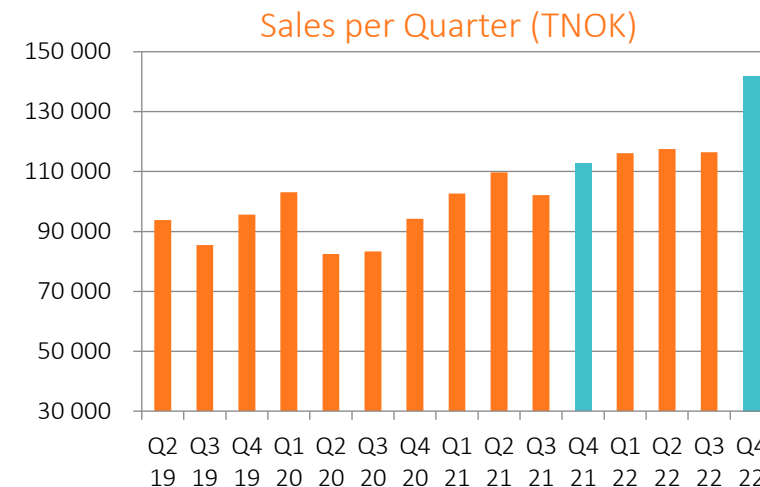
Profit and loss Q4

Profit & loss	Q4 2022	Q4 2021
1=NOK 1000		
Sales revenue	141 823	112 740
Other revenue	-	-
Total revenue	141 823	112 740
Cost of goods sold	32 771	27 884
Salary and social expenses	42 797	41 418
Other operating expenses	23 847	17 951
Total operating expenses	99 414	87 252
EBITDA	42 409	25 488
<i>EBITDA%</i>	29,90 %	22,61 %
Depreciation	5 935	6 027
Operating result (EBIT)	36 474	19 461
EBIT %	25,72 %	17,26 %
Financial income	2 051	1 664
Financial expenses	(3 383)	1 710
Net finance	5 434	(46)
Pre tax profit	41 908	19 415
Tax	9 431	3 302
Profit after tax	32 477	16 113



Profit and loss 2022

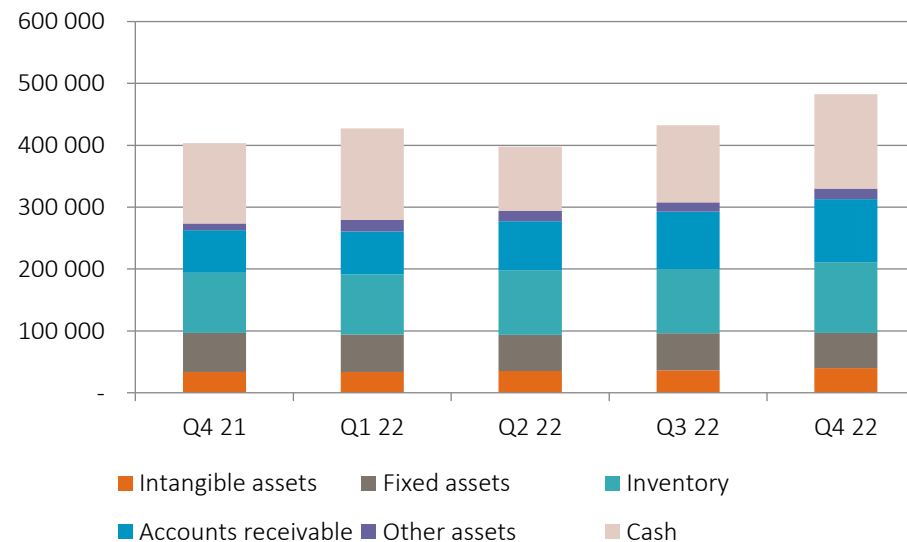
Profit & loss	FY 2022	FY 2021
1=NOK 1000		
Sales revenue	491 937	421 984
Other revenue		5 292
Total revenue	491 937	427 276
Cost of goods sold	106 485	97 114
Salary and social expenses	146 376	134 507
Other operating expenses	74 537	55 950
Total operating expenses	327 398	287 571
EBITDA	164 539	139 705
<i>EBITDA%</i>	33,45 %	33,11 %
Depreciation	23 288	23 427
Operating result (EBIT)	141 251	116 278
EBIT %	28,71 %	27,56 %
Financial income	16 546	8 173
Financial expenses	11 748	10 380
Net finance	4 799	(2 207)
Pre tax profit	146 049	114 071
Tax	32 077	23 171
Profit after tax	113 973	90 900



Balance sheet – Assets

- Cash position by end of the year was MNOK 152.6
- Securing end-of-life components and keeping security stocks explain the high inventory level
- Increased customers receivables due to strong sales by the end of the quarter

Balance sheet	31.12.2022	31.12.2021
<i>All numbers in NOK 1000</i>		
Assets		
Intangible assets	39 660	33 410
Fixed assets	57 104	63 337
Total intangible and fixed assets	96 764	96 747
Inventory	114 333	97 413
Customers receivables	101 657	68 634
Other receivables	17 263	10 960
Cash	152 641	129 490
Total current assets	385 895	306 497
Total assets	482 659	403 244



Balance sheet **31.12.2022** **31.12.2021**

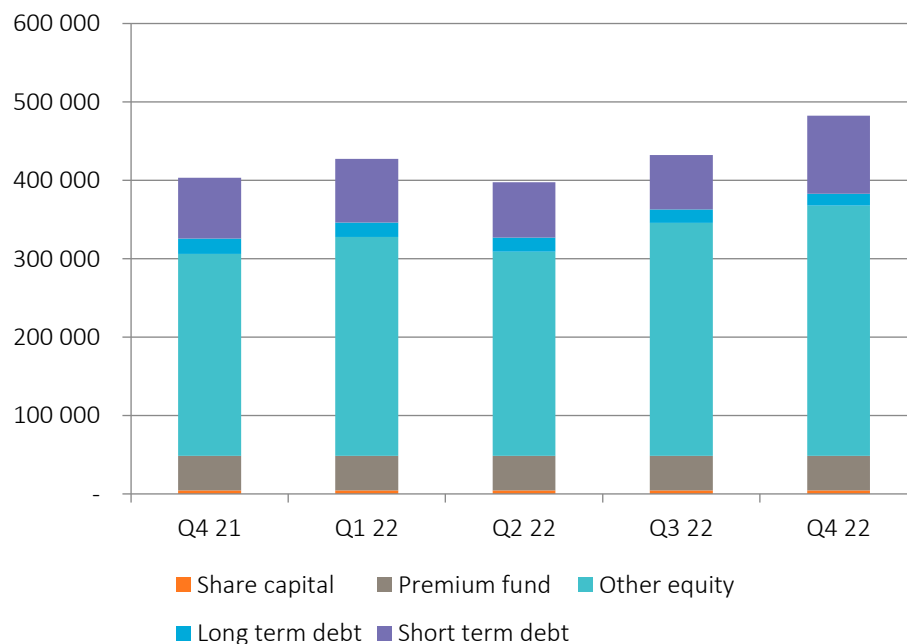
All numbers in NOK 1000

Share capital	4 585	4 585
Premium fund	44 172	44 172
Other equity	318 934	257 295
Total equity	367 692	306 052

Total long term debt	15 145	19 589
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Total short term debt	99 822	77 603
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Total equity and liability	482 659	403 244
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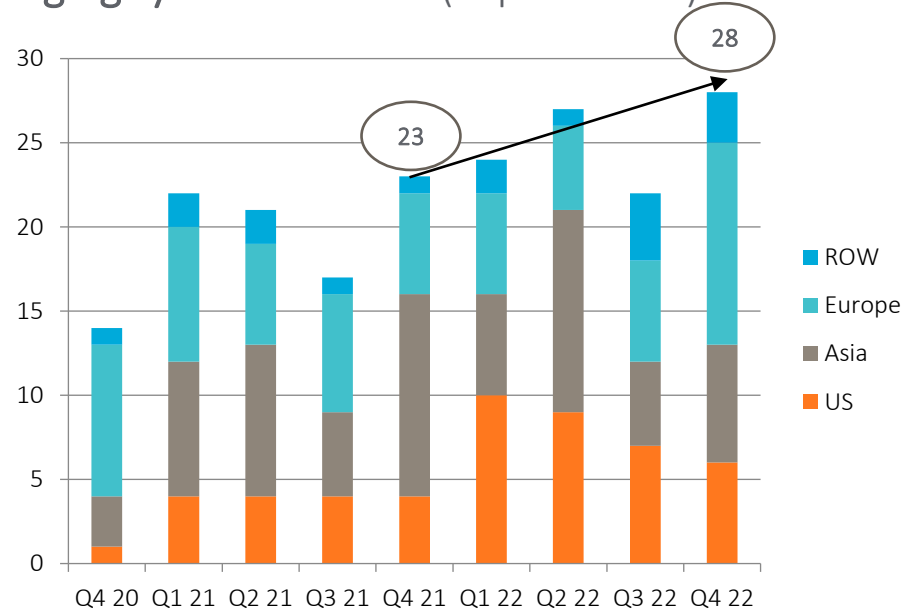
Balance sheet – Equity and Liability

- No interest-bearing debt
- 17.1 MNOK in obligations related to lease contracts where 10.0 MNOK is long term. Deferred revenue related to extended warranty amounted to 5.1 MNOK
- Strong balance sheet with 76.6 % equity ratio



03 Business segments update

Imaging systems in units (capital sales)

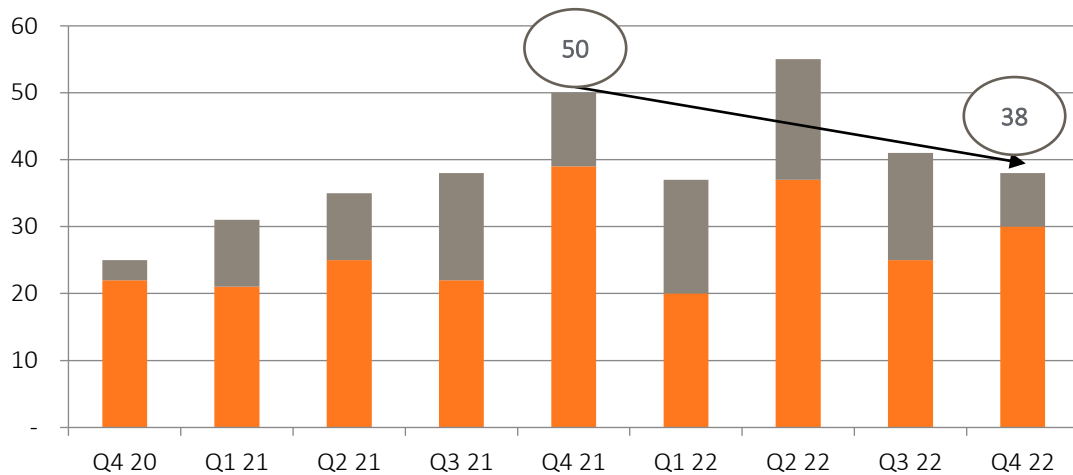


Imaging probes and systems in units

- Unit sales of imaging systems sold as capital equipment continue to be strong, **growing 21.7 %** this quarter

- Unit sales of imaging probes vary since one probe can be used 100 times, this quarter **down 24 %**

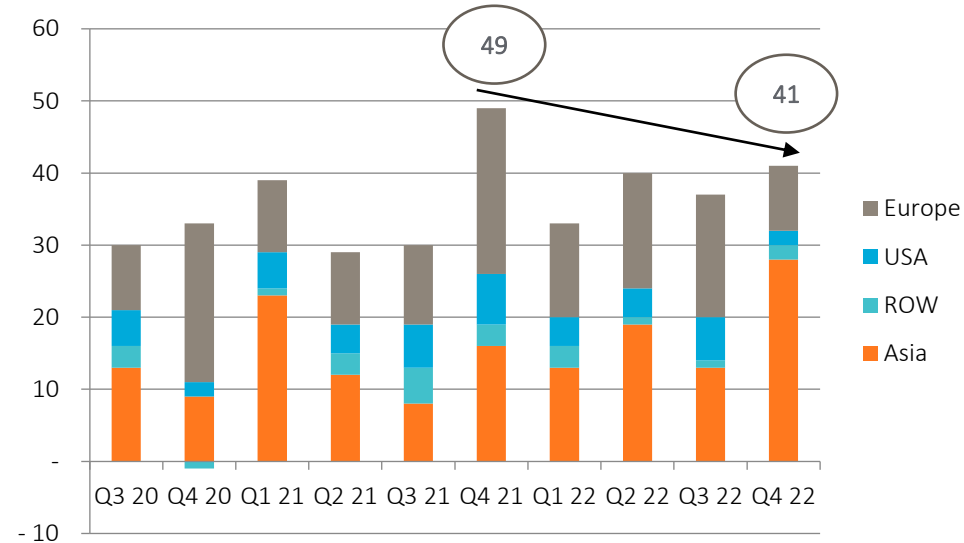
Imaging probes in units (capital sales)



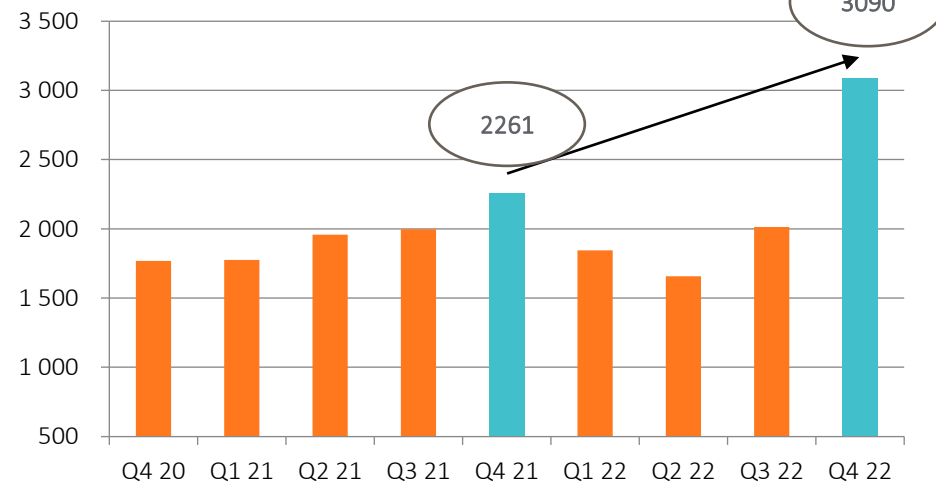
Flow probes and systems in units

- Number of flow systems sold as capital equipment is down **16.3 %** from Q4 last year
- The **total sale of systems** (Flow and Flow-and-Imaging) sold as capital equipment shows a decrease of 3 units this quarter
- **Strong development** in number of flow probes sold this quarter with 36.7 % growth, partly driven by an announced price increase in 2023

Flow systems in units (capital sales)



Flow probes in units (excl USA)



Revenue performance by region

Mill NOK	Q4 22	Q4 21	Q / Q	2022	2021	YTD / YTD
Europe	60,5	49,3	22,5 %	200,6	190,2	5,5 %
USA	48,0	39,1	22,8 %	198,1	154,1	28,5 %
Asia	30,7	20,3	50,9 %	76,8	66,8	15,0 %
ROW (MEA, CAN, SA, AUS)	2,7	4,0	-32,5 %	16,4	16,1	1,6 %
Total	141,8	112,7	25,8 %	491,9	427,3	15,1 %

- **In Europe**, Q4 sales of **own products** increased with 32 % in NOK and currency neutral with 32.8%. **3. party** increased with 6.5 %. For 2022 sale of own products increased with 7.7% in NOK and currency neutral with 8.4 %. 3.party sales ended up 2 % compared to last year.
- **In the USA**, currency neutral sales for the quarter increased with **9.8 %**, hence a strong positive currency effect in NOK. For 2022, currency neutral sales increase with **22.1 %** (ex. PPP grant).
- **In Asia**, we continue to see recovery from the slow Q1. The regulatory approval in **China** for the upgraded version of MiraQ is now in place.
- **ROW** is a smaller sales territory for Medistim, with significant quarter to quarter variation.

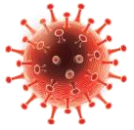
Positive currency effects for 2022 vs 2021 was 19.7 MNOK.

Average actual exchange rate for USD 9.61 and EUR 10.1 versus last year USD 8.59 and EUR 10.16.

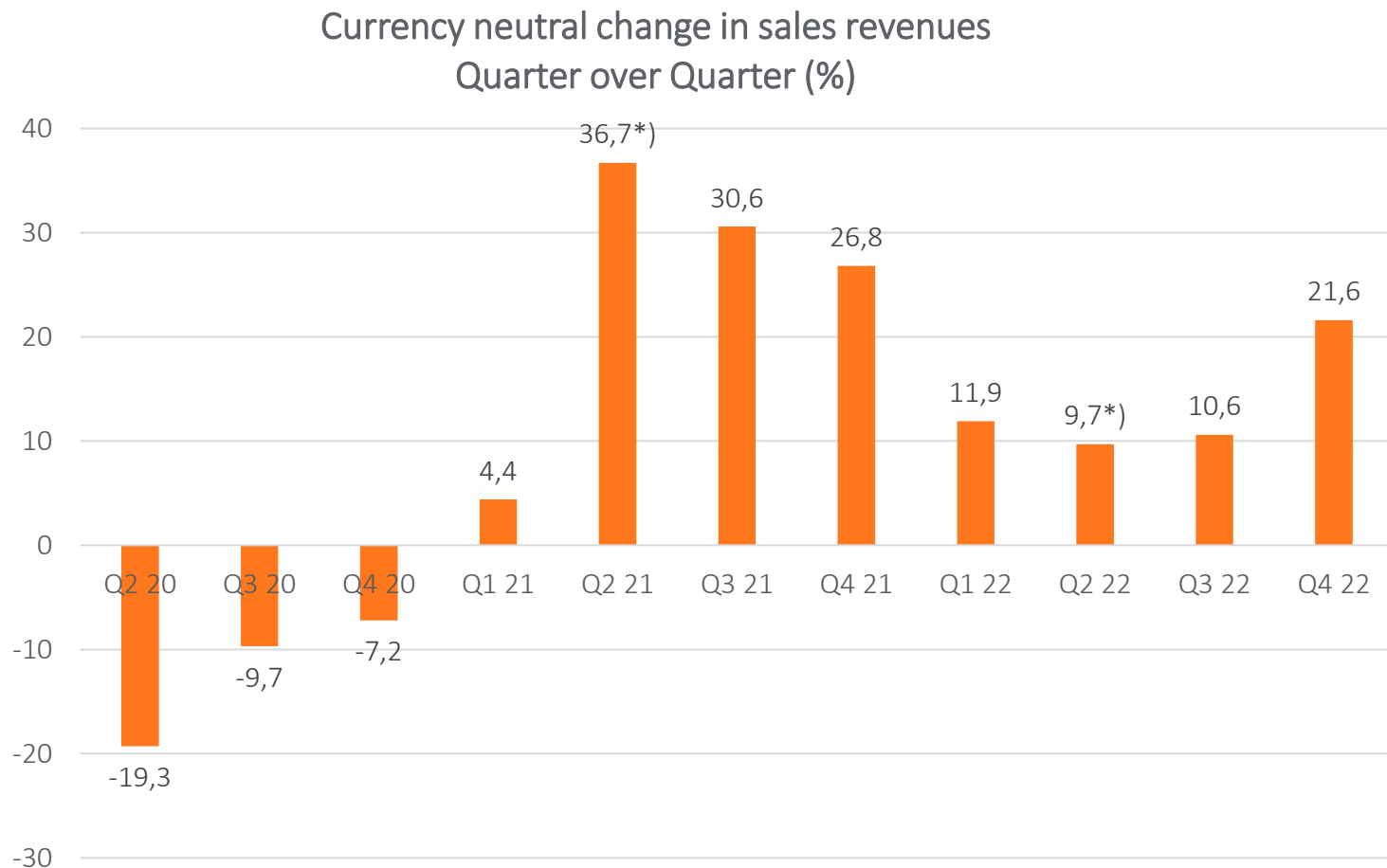
Revenue performance by product category

Mill NOK	Q4 22	Q4 21	Q / Q	2022	2021	YTD / YTD
Procedures (USA)	37,9	28,6	32,7 %	139,9	111,8	25,1 %
Flow probes	44,8	30,3	47,7 %	125,9	115,7	8,8 %
Flow systems (MiraQ)	13,2	17,6	-24,7 %	49,8	51,0	-2,3 %
Imaging systems (MiraQ)	20,6	15,1	36,2 %	86,6	57,9	49,6 %
Imaging probes	2,1	2,0	4,8 %	8,2	7,1	15,4 %
3rd party	19,6	18,4	6,5 %	75,8	74,3	2,0 %
Other	3,6	0,8	376,0 %	5,7	9,5	-40,0 %
Total revenues	141,8	112,7	25,8 %	491,9	427,3	15,1 %

- **Procedure sale in the USA:** Strong procedure sales both for the quarter and the year; the total number of procedures increased with 8.2 % and 19.4 %, respectively.
- **Flow probes:** In number of units; up 36.7% for the quarter and up 7.7 % for 2022. Sale of probes in 2021 is a strong comparable due to the increased activity level in the operating room after the slow-down during COVID in 2020. Sales for the quarter is partly driven by an announced price increase in 2023.
- **Flow systems (capital):** In number of units, down 16.3% for the quarter and at the same level as last year for 2022. The higher reduction in NOK for the quarter is due to the higher level of sales going through the **distribution sales channel**.
- **Imaging systems (capital):** 21.7 % increase in units for the quarter and 21.7 % for the year. The higher growth in NOK is driven by strong sales through the **direct US sales channel and positive currency**.
- **3rd party products:** 6.5 % increase in sales for the quarter, and 2% growth for the year.
- **Other:** Other includes the US PPP grant of MNOK 5.3 in 2021



Covid-19: From gradually decreasing impact to strong recovery towards normalcy



*) Growth in sales; excluding PPP grant in 2021

Global supply chains and economy

- The ongoing Russian-Ukrainian war creates increased uncertainty in global supply chains and in the world economy at large
- Medistim is actively monitoring and managing the situation, particularly regarding sourcing and stocking up of components



04 Implementing the strategy

Medistim growth strategy

GEOGRAPHIES

Emerging high-growth economies (e.g. BRIC)	3		
Developing Medistim markets (e.g. USA, UK, France)	2		
Strong Medistim markets (e.g. Jp, Nordic, Germany) >50% CABG share	1	4	
	CABG surgery (2 BNOK)	Vascular surgery (>1 BNOK)	Other open heart surgery (1BNOK)

APPLICATION AREAS

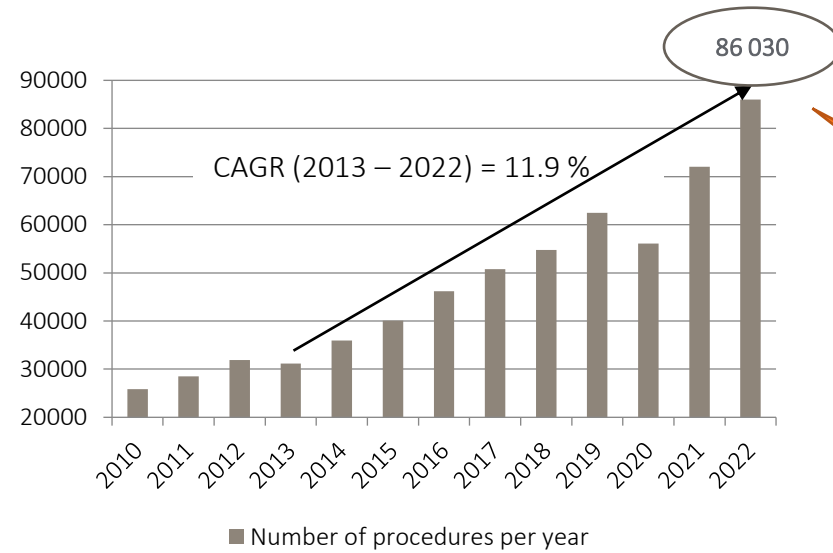
1. **Convert** the routine Flow market to a Flow-and-Imaging market by establishing *Surgical Guidance and Quality Assessment* as the new standard of care through
 - Early adopter & KOL support
 - REQUEST study
 - Ease conversion from flow to imaging with MiraQ
2. **Achieve routine use** of both Flow and Imaging by fighting ignorance, indifference and ease-of-use objections through
 - Clinical marketing, guidelines and educational programs
 - Product innovation for ease of use
 - Increased sales force capacity
3. Offer an **entry-level solution** to reach emerging, price-sensitive, high-growth markets
4. Build and **strengthen position in vascular surgery**
 - Dedicated system (MiraQ Vascular) & probes
 - Build position with societies and KOLs
5. Expand our **direct** market coverage



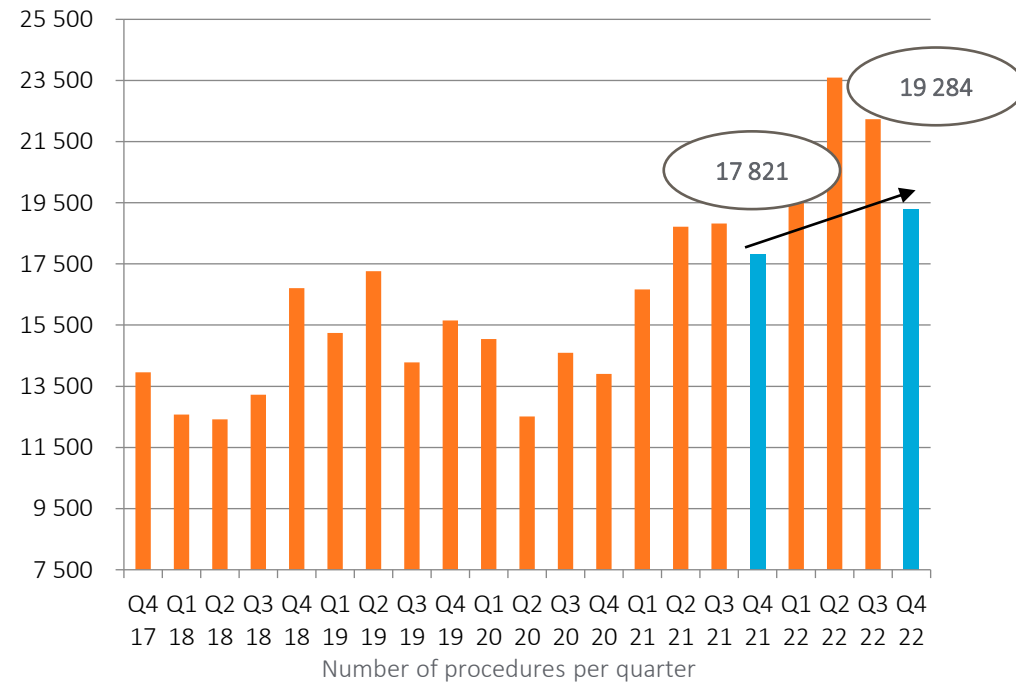
Developing the US market

Performance US sales

- Currency neutral sales revenue grows by 9.8 % in Q4 and 22.2 % in 2022, to USD 20.6
- Total number of procedures was up 8.2 % in Q4 and 19.4 % in 2022
 - Flow procedures up 6.3 % Q4 and 16.9 % in 2022
 - Imaging procedures up 17.2 % Q4 and 31.5 % in 2022
- Strong capital systems sales
 - 8 units this Q4 vs 11 last year
 - 46 units in 2022 where 32 was imaging vs 38 last year where 16 was imaging
- Keep winning new customers
 - 7 this Q4 vs 7 last year
 - 34 in 2022 vs 40 last year



> 30 % CABG market share



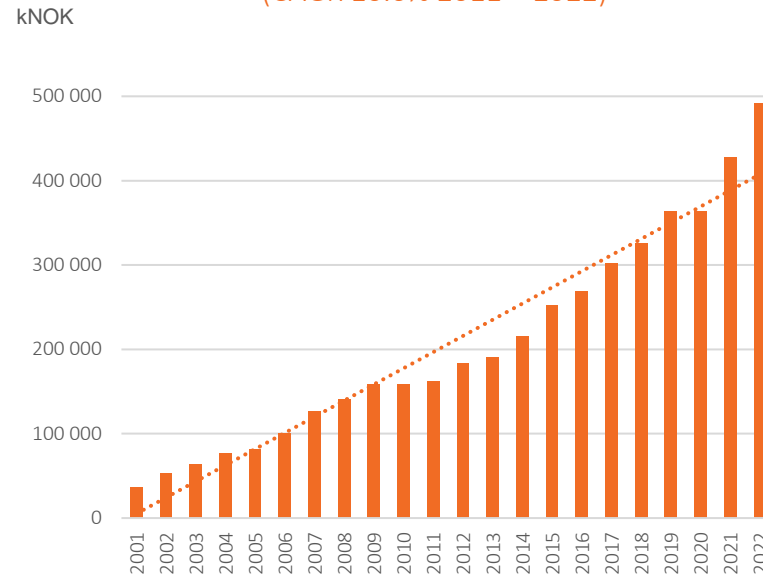
Adding another great year to our history

- 491.9 mill NOK in revenue
- EBIT margin of 28.7 %
- Equity ratio of 76.2%

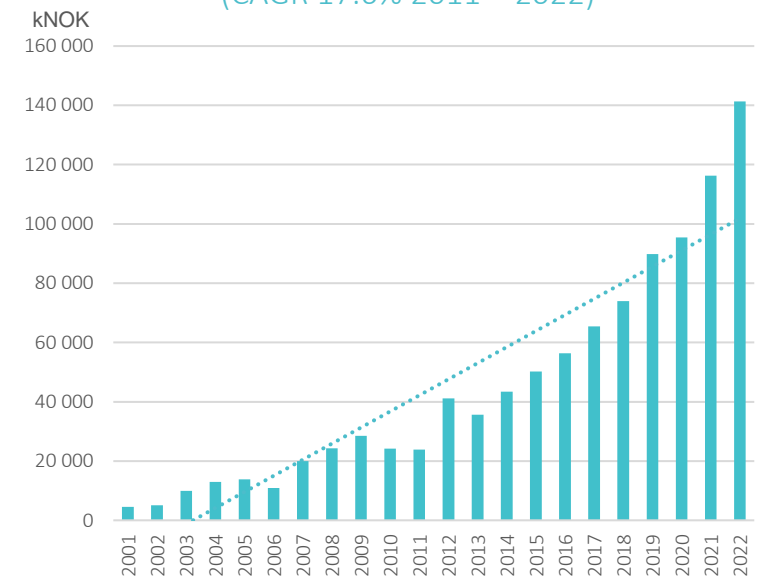
- Strong revenue and profit growth
- Strong cash flow
- No long-term liabilities

- Dividend paid since IPO in 2004

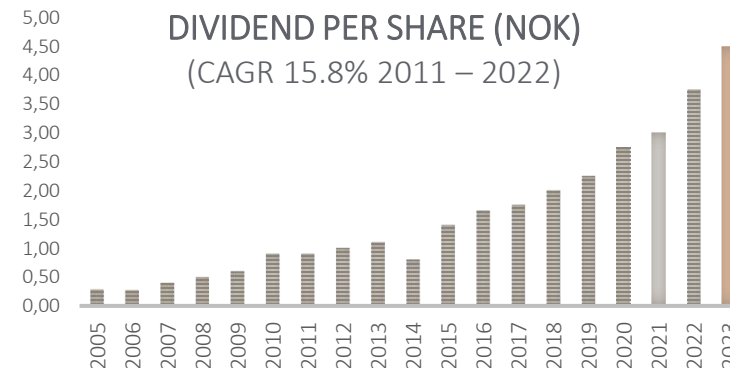
SALES REVENUE
(CAGR 10.6% 2011 – 2022)



OPERATING PROFIT (EBIT)
(CAGR 17.6% 2011 – 2022)



DIVIDEND PER SHARE (NOK)
(CAGR 15.8% 2011 – 2022)



Dividend proposal to General assembly of 4.50 NOK/share for 2023



Capital Markets Day with Medistim

Capital markets day March 21st – key topics

Grand Hotel, Oslo, from 08:00 to 11:00



Future of Cardiac bypass surgery

Prof. John D. Puskas,
Mount Sinai Health System, New York, USA

- Internationally recognized for his expertise in off-pump CABG and has performed more than 5000 off-pump procedures since 1996
- Global leader in the development of minimally invasive Hybrid Coronary Revascularization, which combines robotic bypass grafting with catheter-based stents in selected patients
- Lead investigator on the REQUEST study of TTFM and HFUS, published in 2020

Medistim in Vascular surgery

Prof. Pirkka Vikatmaa,
Helsinki University Hospital, Finland

- President of the Finnish Surgical Society
- Former board member of the European Society of Vascular Surgery (ESVS)
- Performing Peripheral Bypass surgery, Carotid Endarterectomy and other vascular and endovascular procedures
- Has performed 3-4000 procedures with Medistim's equipment

Innovation from Medistim

VP Innovation, Håkon Grøthe
VP Development, Erik Swensen
Medistim ASA

- Our history of innovation
- What's next?



20 largest shareholders per 28th February

Rank	Shareholder	Number of shares	Shares in %	Citizenship
1	Aeternum Capital AS	1 862 500	10,16 %	Norway
2	ODIN Fonder	1 800 000	9,82 %	Norway
3	SEB Fonder	1 716 166	9,36 %	Sweden
4	Øyvind A. Brøymer with companies	1 285 000	7,01 %	Norway
5	Swedbank Robur Fonder	1 155 000	6,30 %	Sweden
6	Follum Invest AS	970 000	5,29 %	Norway
7	Invesco	910 000	4,96 %	USA
8	Danske Invest	719 201	3,92 %	Denmark
9	Berenberg Funds	675 095	3,68 %	Germany
10	Fidelity Investments (FMR)	611 312	3,33 %	USA
11	SEBinvest	444 605	2,42 %	Denmark
12	Asbjørn John Buanes	381 876	2,08 %	Norway
13	Holberg Fonder	346 754	1,89 %	Norway
14	Montanaro	314 500	1,72 %	UK
15	Humle Fonder	275 234	1,50 %	Sweden
16	TIN Fonder	238 314	1,30 %	Sweden
17	La Financière de l'Echiquier	205 783	1,12 %	France
18	DNCA Finance S.A	203 549	1,11 %	France
19	Aktia Asset Management	180 337	0,98 %	Finland
20	Abrdn Investment Management	153 545	0,84 %	UK

MEDİSTİM