

REVENIO GROUP CORPORATION

Q2/2023 HALF-YEAR REPORT:

**NET SALES BELOW EXPECTATIONS
DUE TO MARKET CONDITIONS**

JOUNI TOIJALA, CEO
ROBIN PULKKINEN, CFO

August 10, 2023

REVENIO

Disclaimer

This presentation does not constitute an invitation to underwrite, subscribe for, or otherwise acquire or dispose of any Revenio's shares.

Revenio's past performance is no guide to future performance, and persons needing advice should consult an independent financial adviser.

This presentation contains statements that are estimates based on the management's best knowledge at the time they were made. For this reason, they involve a certain amount of inherent risk and uncertainty. The estimates may change in the event of significant changes in general economic conditions.

We aspire to keep the wonderful world visible for all

Jouni Toijala
CEO



Robin Pulkkinen
CFO



Agenda

- 1. Financial guidance**
- 2. Highlights of the quarter**
- 3. Financials and shareholders**



Financial guidance

Financial guidance for 2023

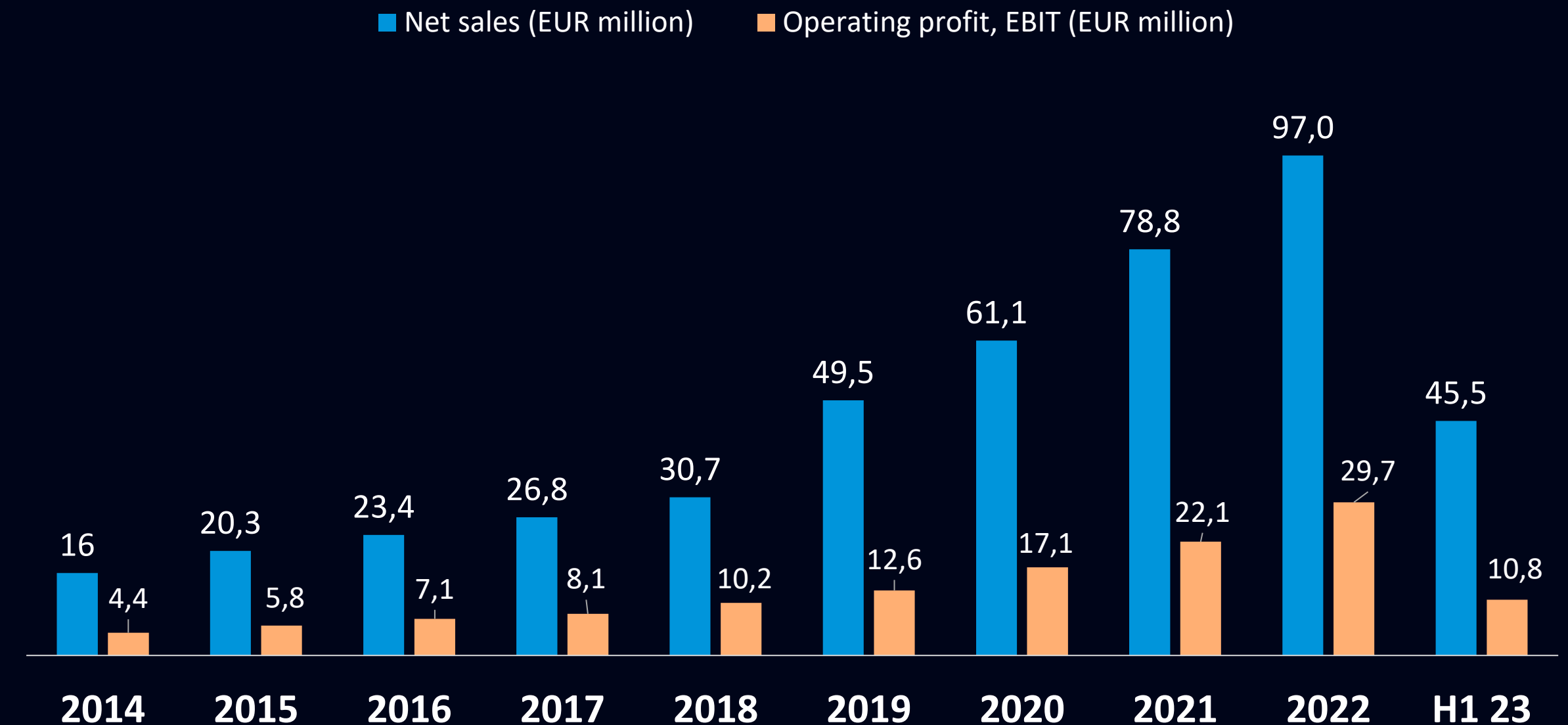
(published on August 1, 2023)

Revenio Group's exchange rate-adjusted net sales growth is estimated to be between 1 - 5 percent compared to the previous year and profitability, excluding non-recurring items, is estimated to remain at a good level.

Previous guidance, published on February 1, 2023:

Revenio Group's exchange rate-adjusted net sales are estimated to grow strongly from the previous year and profitability, excluding non-recurring items, is estimated to remain at a good level.

Net sales



Financial guidance for 2023

- As stated in the profit warning published on August 1, 2023, our current operating environment appears challenging
- We expect inflation and high-interest rates to influence the purchasing behavior of our customers
 - Visible especially among private equity-funded optometry sector
- When assessing the outlook for the second half of 2023, we took into account a large non-recurring delivery of nearly EUR 5 million that was related to a multinational clinical trial and took place in the second half of the previous year
- While the next 6 to 9 months look challenging due to the macroeconomic outlook, our long-term growth targets and prospects remain unchanged
- Although we saw a slowdown in demand in our key market areas in the second quarter, we were able to grow faster than the market in the first half of the year in tonometry and fundus imaging
 - The market for eye diagnostic devices has an average annual growth rate of just over 4%; the estimated annual market growth rate for intraocular pressure measurement devices is around 2–3%, just over 4% for fundus imaging devices, and around 2% for perimeters (source: Market Scope)

January – June 2023 highlights

Net sales below our expectations due to market conditions

- Net sales totaled EUR 45.5 (44.6) million, an increase of 2.0%
- The currency-adjusted growth of net sales in January–June was 4.3%
- Operating profit was EUR 10.8 (12.7) million, or 23.8% of net sales, down by 14.6%
- EBITDA was EUR 12.7 (14.4) million, down by 11.6%
- Cash flow from operations totaled EUR 0.1 (4.4) million
- Earnings per share was EUR 0.281 (0.379)

NET SALES

45.5 MEUR
+ 2.0%

EBIT

10.8 MEUR
- 14.6% YoY

Highlights of the quarter

- The first half year of 2023 was two-fold in terms of results: The year started strongly with double-digit growth, but the second quarter was exceptionally weak in terms of demand
- The net sales development for the second quarter was below our expectations and the decline in profitability was due to weakening of demand and one-time project costs
- During the review period, iCare ILLUME's features were expanded to screen for age-related macular degeneration and glaucoma
- iCare and the French company OphtAI launched distributor cooperation during the review period
- We added the Quick Measure feature to the iCare IC200 intraocular pressure measurement device
- The industry expert working group we have assembled is preparing a consensus document that recommends extending the reimbursement policy in the USA to cover also the device, either in full or in part, as part of the patient's care pathway

Key takeaways

- We have an up-to-date growth strategy and a strong global team that implements it
- We renewed our organisational structure as of February 1, 2023
 - With the new organizational model, we will support our growth and clarify the management and transparency of our strategic priorities
- We will hold a capital markets day (CMD) in November 2023, focusing on the progress of our strategy and our performance in implementing the strategy

FINANCIALS

ROBIN PULKKINEN, CFO

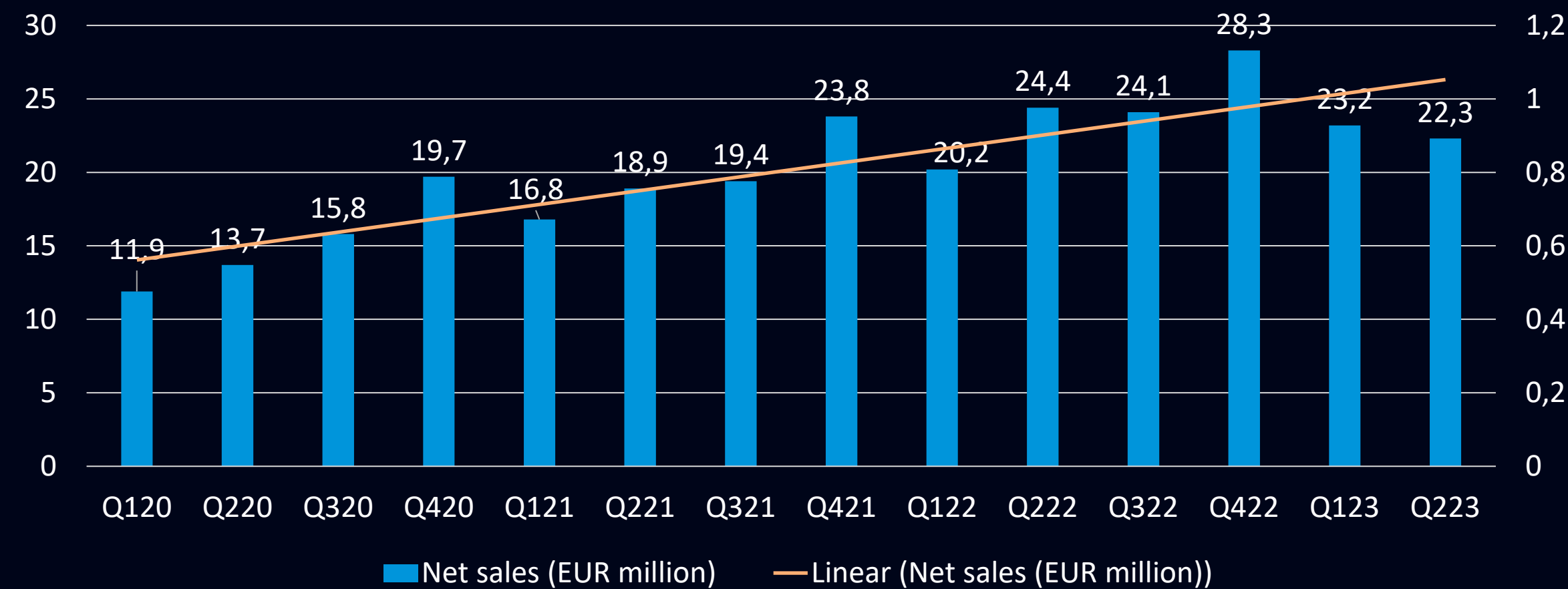
Development of Revenio's key figures

MEUR	4-6/2023	4-6/2022	Change- %	1-6/2023	1-6/2022	Change- %
Net sales	22.3	24.4	-8.7	45.5	44.6	2.0
Gross margin	15.8	17.4	-9.1	32.2	32.1	0.3
Gross margin, %	71.1	71.3	-0.3	70.8	71.9	-1.1
EBITDA	5.6	8.0	-29.3	12.7	14.4	-11.6
EBITDA - %	25.3	32.7	-7.4	27.9	32.2	-4.3
Operating profit, EBIT	4.7	7.1	-34.5	10.8	12.7	-14.6
Operating profit -%, EBIT	20.9	29.2	-8.3	23.8	28.4	-4.6
Adjusted operating profit, EBIT	5.5	7.1	-22.9	11.7	12.7	-8.1
Adjusted operating profit - %, EBIT	24.7	29.2	-4.5	25.6	28.4	-2.8
EPS	0.122	0.203		0.281	0.379	
Net gearing, %				1.9	7.0	-5.1
Equity ratio, %				71.1	66.2	4.9
Cash flow from operations				0.1	4.4	
Av. number of employees				214	188	

- Gross margin remained healthy
- FX impact for the 1H'23 was 124k€ compared to 2 880k€ in 1H'22
- We incurred EUR 0.8 million non-recurring costs of one-time projects which had a negative impact on the operating profit and EBITDA for the review period.

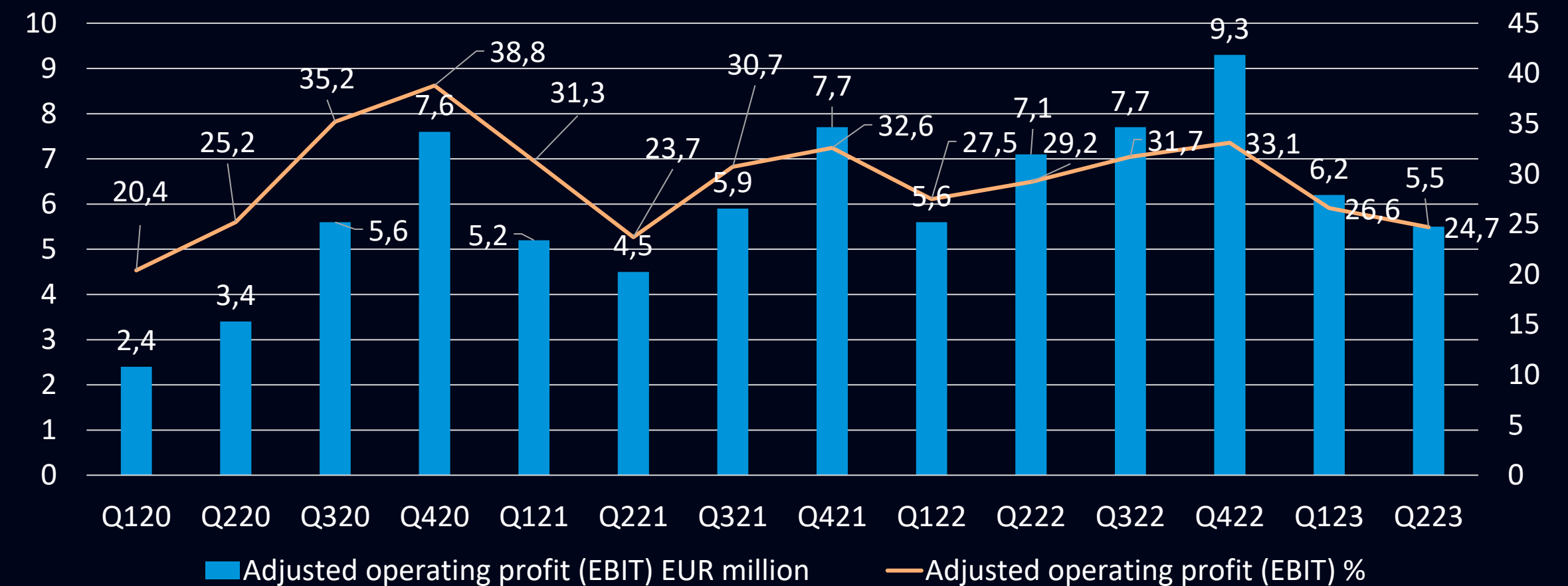
Net sales below our expectations due to market conditions

Net sales (EUR million)



- Second quarter was exceptionally weak in terms of demand
- Despite the slowdown in demand in our key market areas in the second quarter, we were able to grow faster than the market in the first half of the year in tonometry and fundus imaging

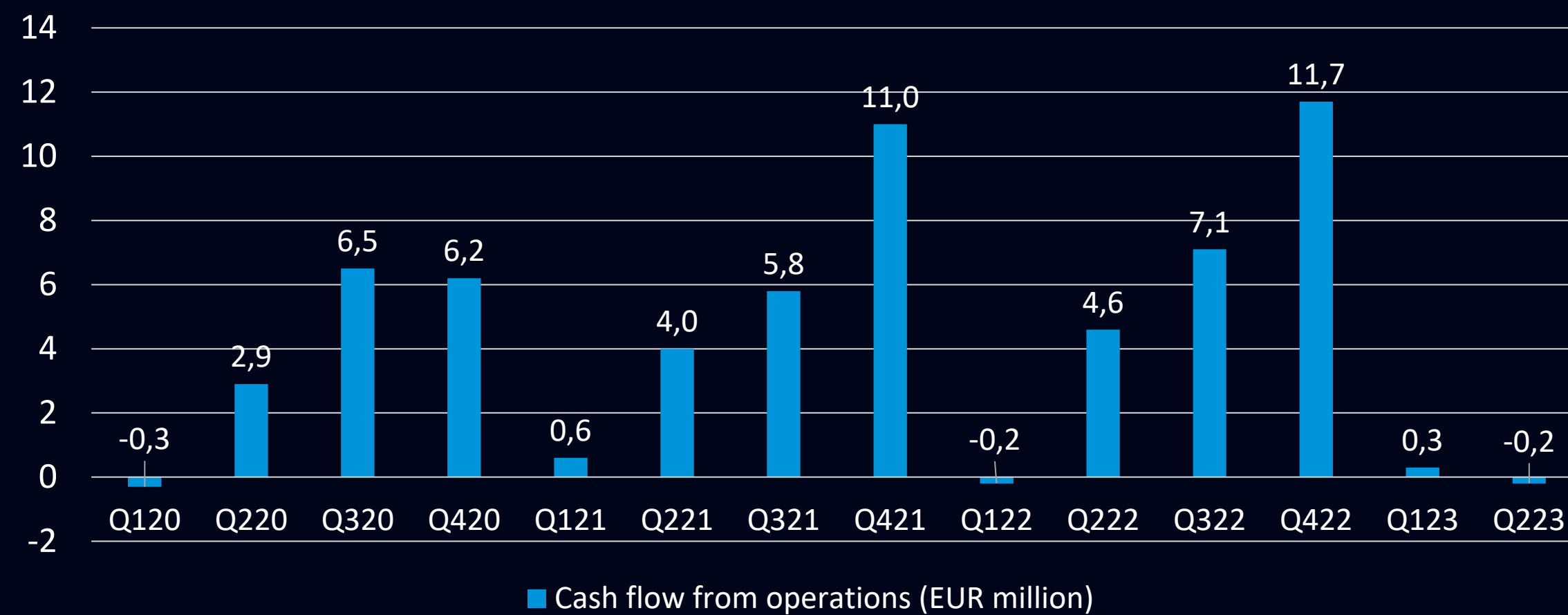
Adjusted operating profit EUR million and % (EBIT)



- Profitability % was low compared to 2022 but on a similar level with what we saw in Q2'2020 and Q2'2021
- The 0.8M€ costs from one-time projects had a negative impact on the reported profitability in the second quarter

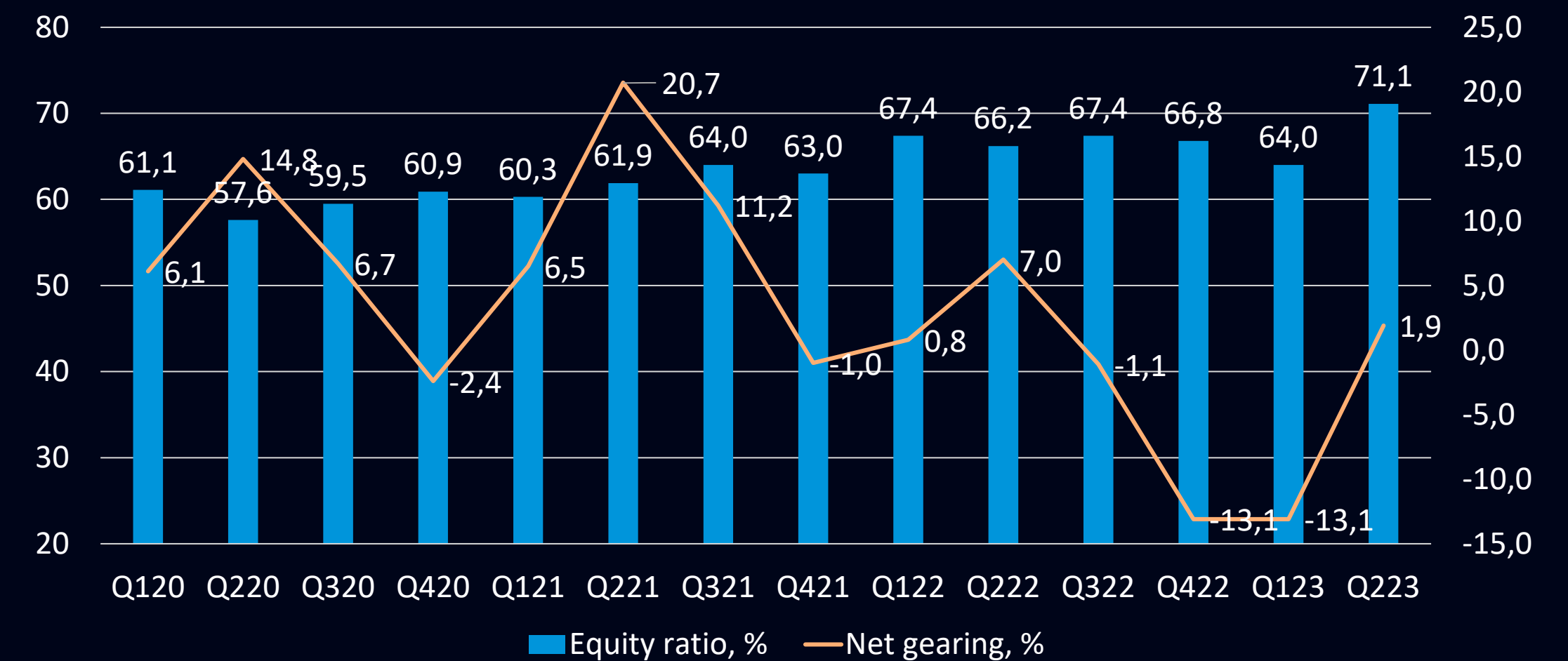
Strong balance sheet to secure financial flexibility

Cash flow from operations (EUR million)



- The cash flow from operations during the second quarter was significantly affected by the Italian subsidiary's income tax payments, which increased from the review period and included tax payments for year 2022
- Working capital was also impacted by the higher inventory levels, which were due to long component lead times and lower-than-expected sales

Equity ratio and net gearing (%)



- Equity ratio at the highest level seen since the acquisition of Centervue in 2019
- Net gearing was impacted by the dividend payments made in Q2'2023

Shareholders on June 30, 2023*

	No. of shares	%	Verified
1. William Demant Invest A/S	4,292,299	16.09%	2023-06-30
2. SEB Funds	1,232,759	4.62%	2023-06-30
3. Vanguard	845,490	3.17%	2023-06-30
4. Swedbank Robur Funds	698,565	2.62%	2023-06-30
5. Groupama Asset Management	628,092	2.35%	2023-03-31
6. Norges Bank	555,448	2.08%	2022-12-31
7. La Financière de l'Echiquier	522,583	1.96%	2023-03-31
8. Ilmarinen Mutual Pension Insurance Company	498,632	1.87%	2023-06-28
9. Nordea Funds	470,544	1.76%	2023-06-30
10. TIN Funds	367,869	1.38%	2023-06-30

Owner distribution by country:

Finland	47.13%
Denmark	16.74%
United States	10.37%
Sweden	9.96%
France	6.31%

**Finnish
ownership
47.13%**

**Foreign
ownership
52.87%**

* Source: Monitor by Modular Finance AB. Compiled and processed data from various public sources, including Euroclear Finland and Morningstar, and from direct shareholder disclosures. Whilst all efforts have been made to secure as updated and complete information as possible, neither Revenio Group nor Modular Finance can guarantee the accuracy of the data.

Financial guidance

Financial guidance for 2023

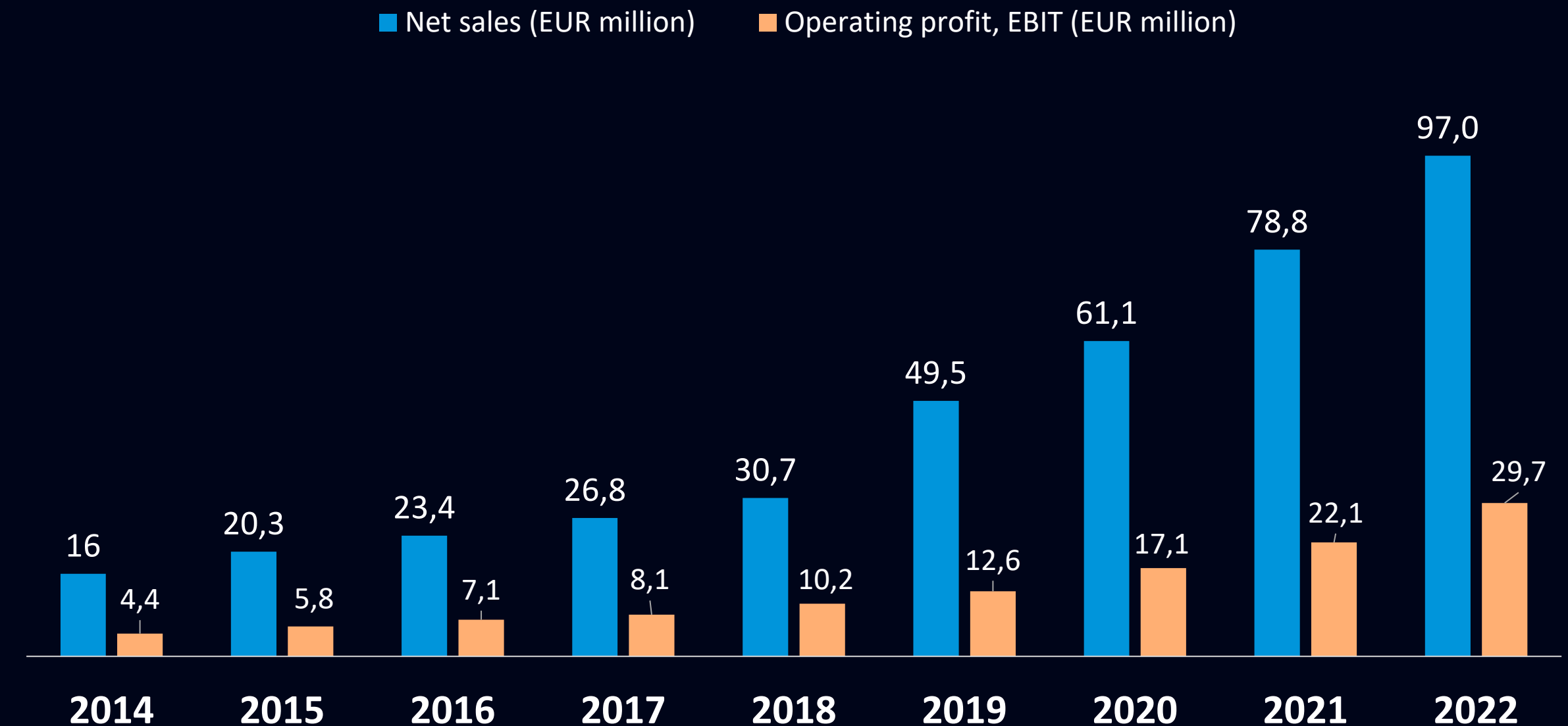
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Q&A

“We aspire to keep the
wonderful world visible for all”



Thank you!