



Boule Diagnostics AB

Q2 presentation

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Jesper Söderqvist CEO and Christina Rubenhag CFO

Q2 2020 in summary

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)

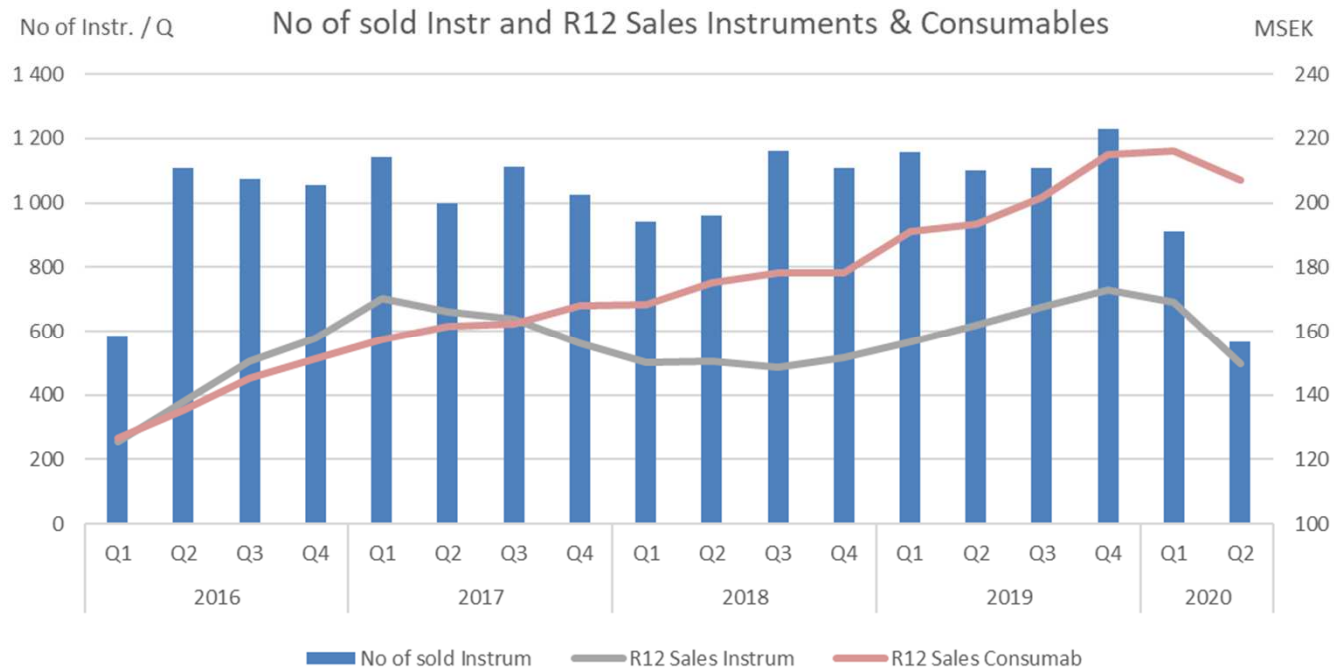
STRONG CASHFLOW, BUT EXTENSIVE IMPACT FROM COVID-19

- Instrument unit sales -49% and revenues -45%
- Consumable sales for own instruments -18%
- Gross margin impacted by low capacity utilization and thus negative production variances
- 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*



Long-term stability supported by business model

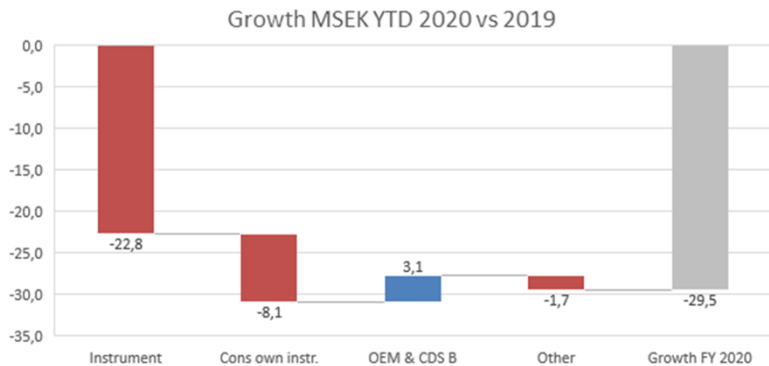
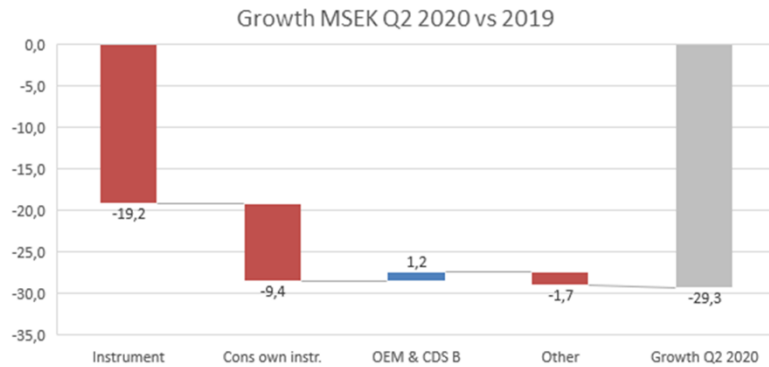


- Only a pandemic with global lock-down slows down growth of recurring revenue...

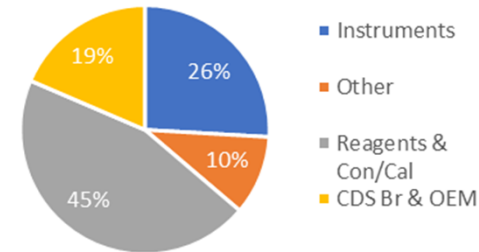
Note: R12 = Rolling 12 months



COVID-19 impact on instrument and consumable sales



Q2 revenue allocation

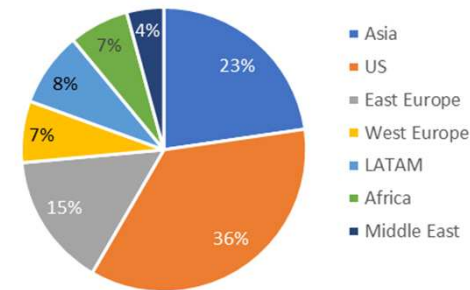


- Sales of new instruments has slowed down
- Decrease in sales of consumables in shut down markets as this results in fewer number of blood samples
- Continued growth in OEM business

All regions have been impacted



Revenue per Region - QTD 2020



- All regions have been impacted by COVID-19 to various degree
- Slow down in US was only -5% thanks to strong OEM sales
- US sales of Boule instruments and own consumables was -21%, mainly due to low instrument sales
- The main gap in Asia was explained by lower instrument sales

Short term outlook

MARKET RECOVERY

- Sales and order intake increased in June after a slow start of the quarter
- 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

PROGRESS FOR KEY ACTIVITIES

- Instrument production
 - reduce working capital and improve efficiency
- R&D → Active life cycle mgmt and future product platform
- Local production in Russia
- Readiness for new quality system requirements (IVDR)
- Digital transformation → enable increased digitalization

Current priorities

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



Financial targets

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





Thanks for your attention and
interest for Boule!

Have a nice summer!