

Boule Diagnostics Q1 2024

Torben Nielsen CEO
Holger Lembrér CFO

May 7 2024



Introduction new CEO Torben Nielsen

Torben Nielsen, CEO

Born: 1973, Danish citizen

Education: Exp. Tech., Copenhagen Business School

Previous assignments:

- SVP Analytical Solutions & Customer Enablement EMEA| PerkinElmer
- VP Orthodontics Business EMEA, Envista
- VP Envista Business System Office for Commercial
- President Radiometer America
- Director Sales Europe Radiometer Medical
- Director Global MKT, Radiometer Medical



Q1 Highlights

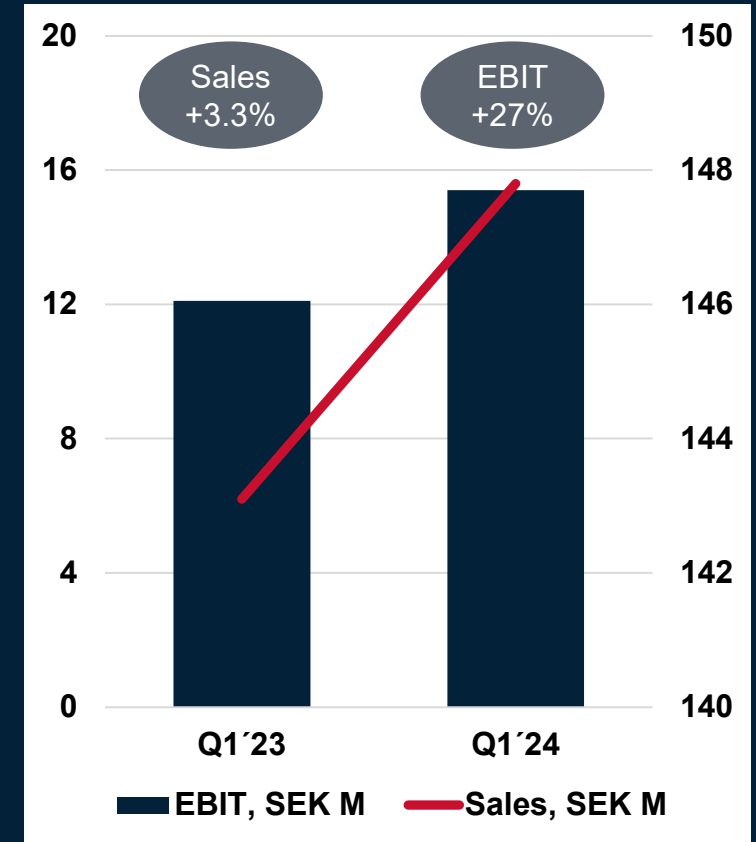
- Good organic sales growth of 5.4%
- Growth driven by a larger order of instrument to India
- Continued strong growth in Europe for veterinary instruments
- Significant efficiency improvements in our operation offset dilution from strategic order to India
- Strong operating profit improvement
- Good cash flow from operating activities and continued solid liquidity



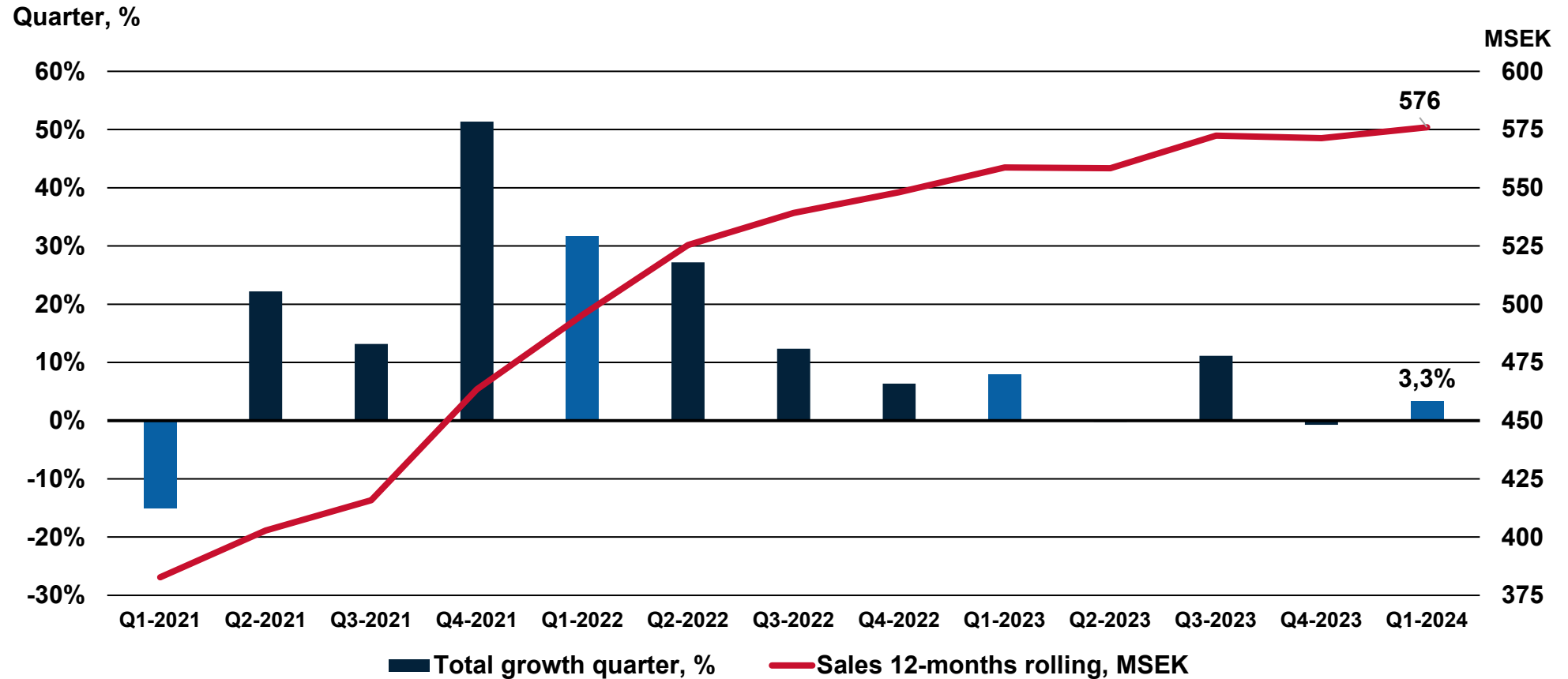
Summary Q1 2024

- **Sales SEK 147.8 M (143.1)** **+3.3%**
 - +5.4% organic growth
 - -2.1% currency
- **Gross profit SEK 68.3 M (66.1)** **+3%**
- **Gross margin 46.2% (46.2)**
- **One-time cost for CEO change 3.7 MSEK**
- **EBIT SEK 15.4 M (12.1)** **+27%**
 - Adj. EBIT 19.1 M (12.1) **+58%**
- **Operating margin 10.5% (8.5)**
 - Adj. Operating margin 12.9% (8.5)
- **Cash flow from operating activities SEK 12.5 M (-9.0)**
- **Investments in new technology platform SEK 19.5 M**
- **Available liquidity at the end of quarter 100 MSEK**

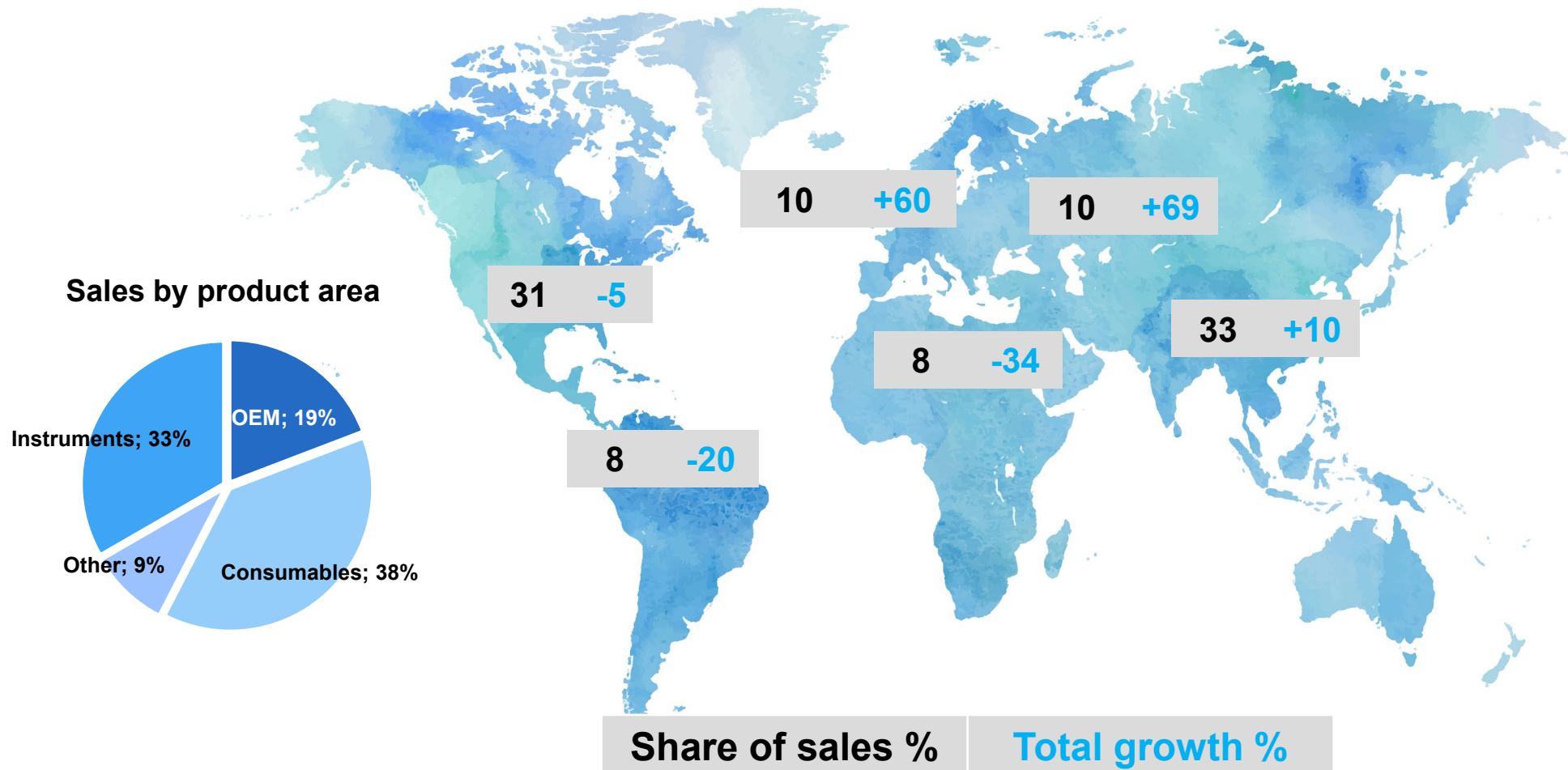
January – March 2024



Sales growth by quarter

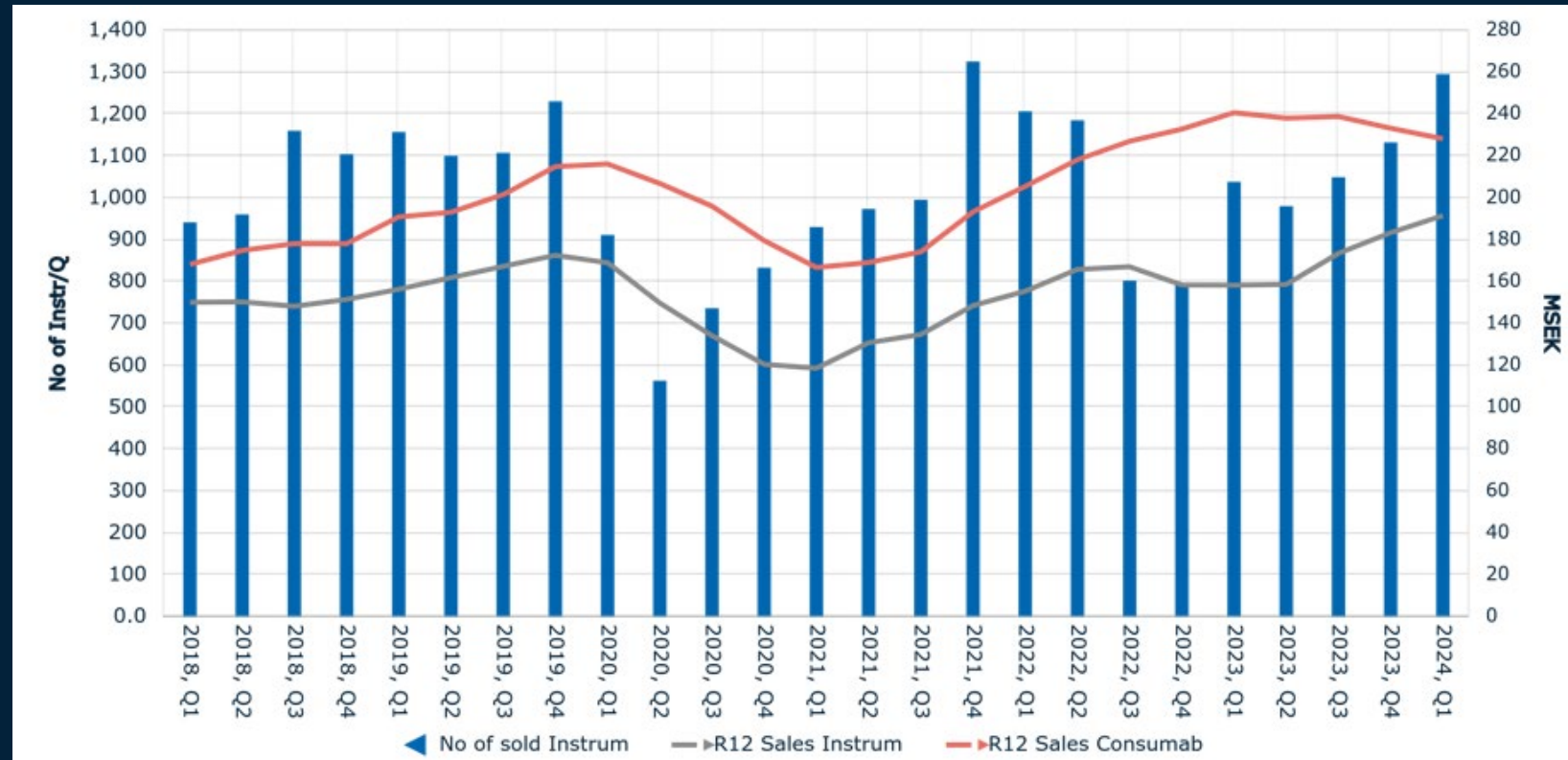


Sales by region Q1 2024



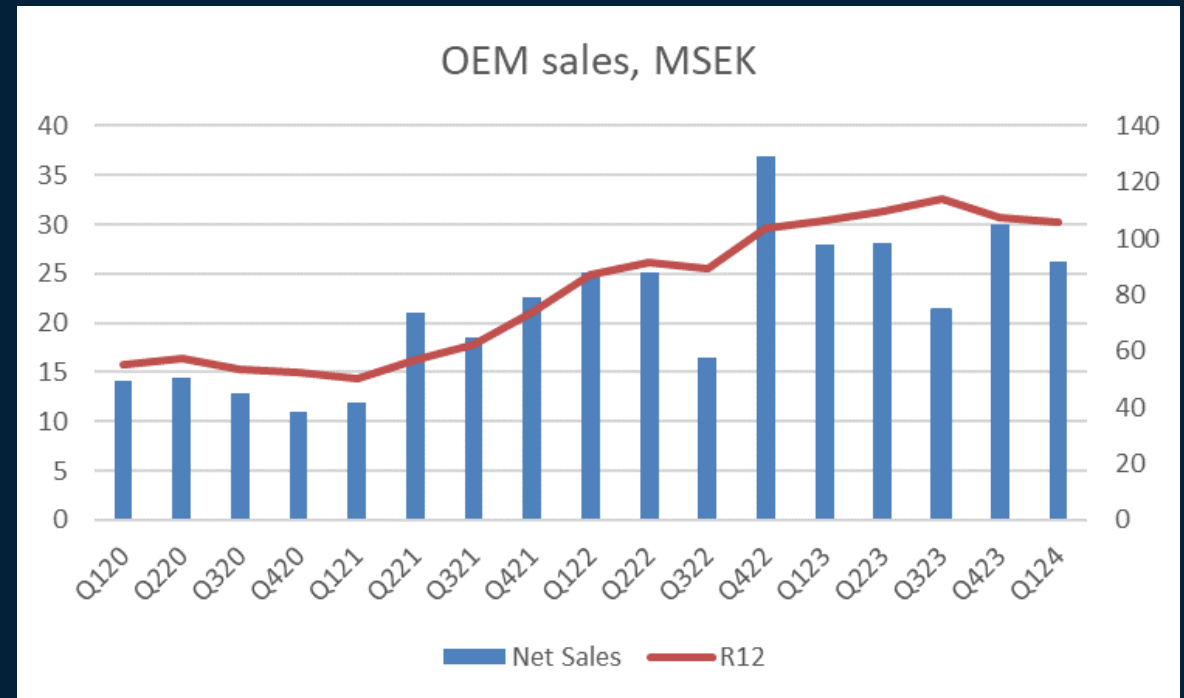
High instrument sales in Q1 2024

- Sold 1377 instruments
- 3-part instruments sales increased thanks to strategic deal in India
- Veterinary instruments increased in Europe
- India reagent revenue start to decline as we switch to reagent license business model



OEM consumables sales decline in Q1

- OEM sales declined by 6%
- Sales funnel for new projects continue to grow and mature creating significant growth opportunities going forward



Next-generation 5-part hematology system for humans

Advanced system for the premium segment in the decentralized market with autoloader and retics measurement

- Fully connected
- Robust and accurate
- Designed with the user in mind
- Tailored to multiple applications (oncology, anemia, infections, urgent/decentralized care)

- Regulatory submission during 2025
- Commercialization in main markets 2026

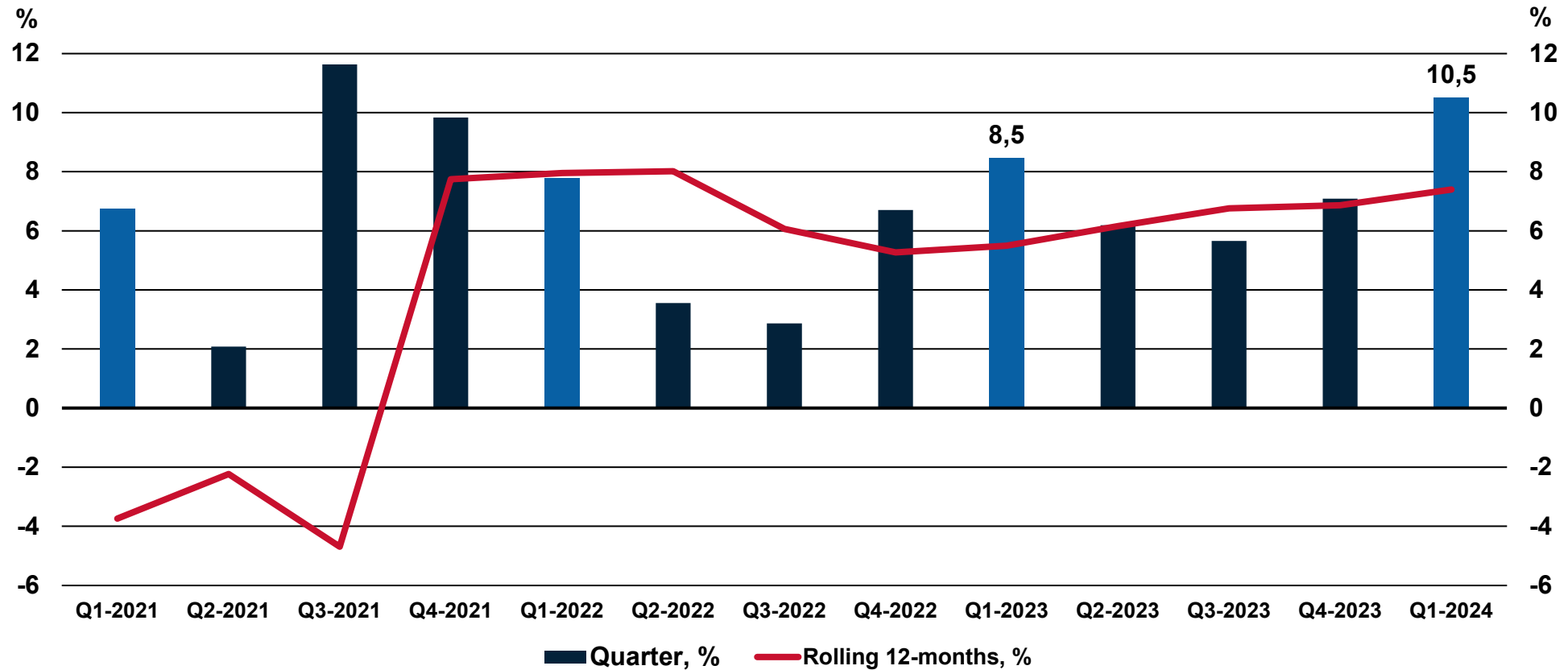
Boule™ 950-series



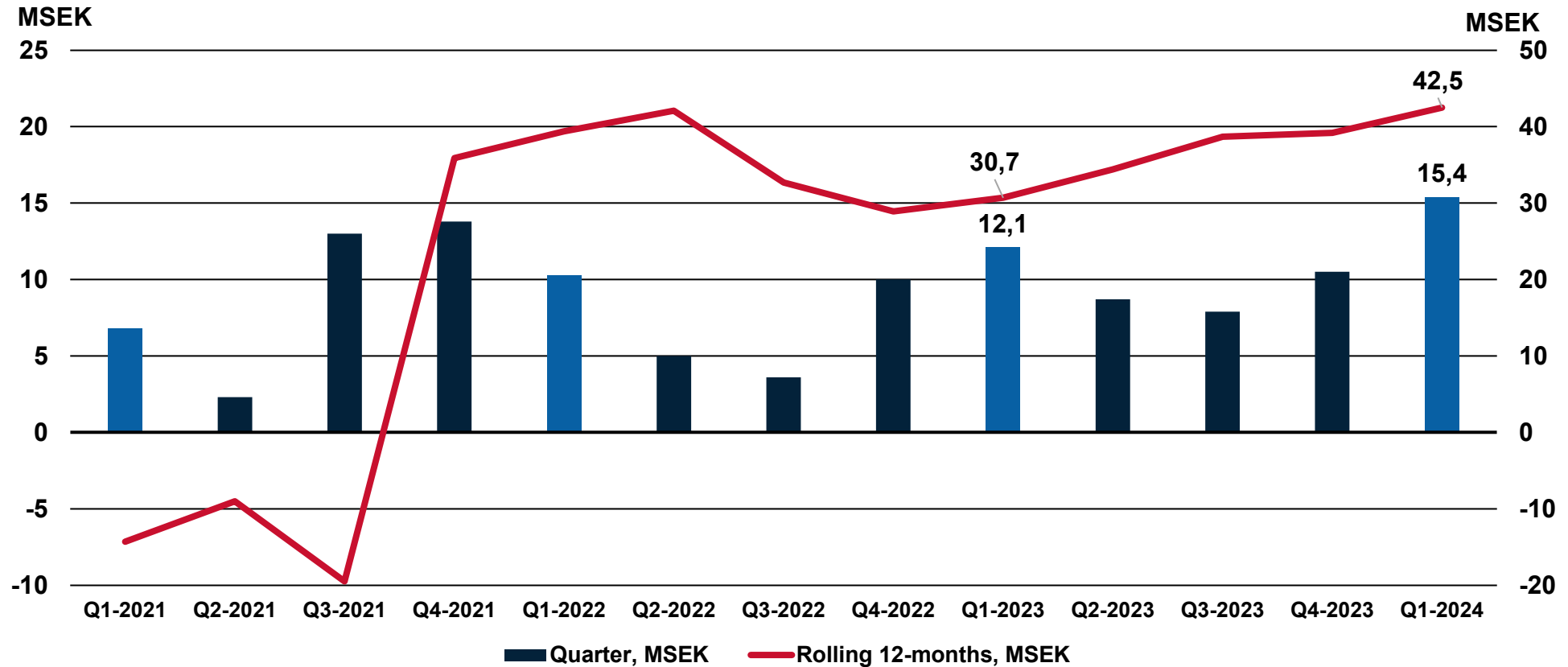
Financial summary

MSEK	Jan-Mar 2023	Jan-Mar 2024
Net sales	143.1	147.8
<i>Organic growth, %</i>	8.1%	5.4%
COGS	-77.1	-79.5
Gross profit	66.1	68.3
<i>Gross margin, %</i>	46.2%	46.2%
Operating expenses	-49.4	-49.6
Other operating income/expenses	-4.5	-3.3
Operating profit	12.1	15.4
<i>Operating margin, %</i>	8.5%	10.5%
Net financial items	-1.6	-2.1
Income tax	-2.8	-3.5
Profit for the period	7.9	9.8
Earnings per share, SEK	0.20	0.25
Cash flow from operating activities	-9.0	12.5
Available cash and cash equivalents	121.5	100.1

Operating margin, %



Operating profit, MSEK

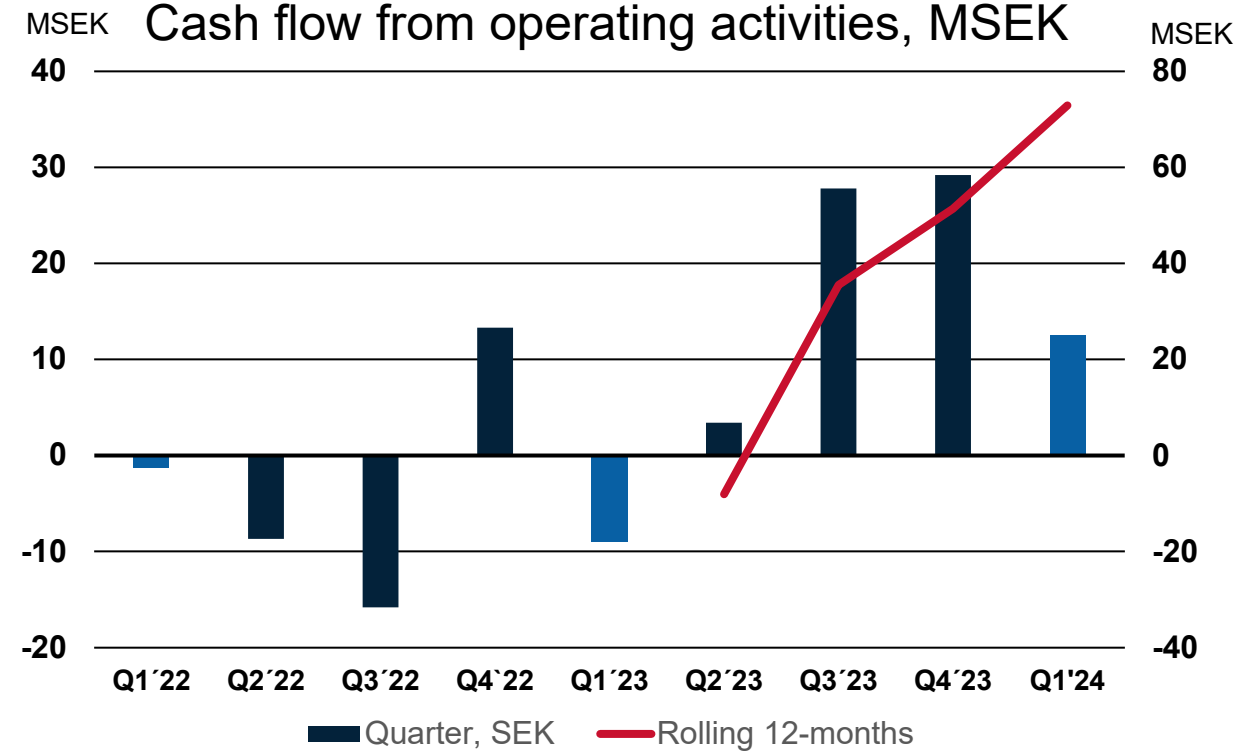
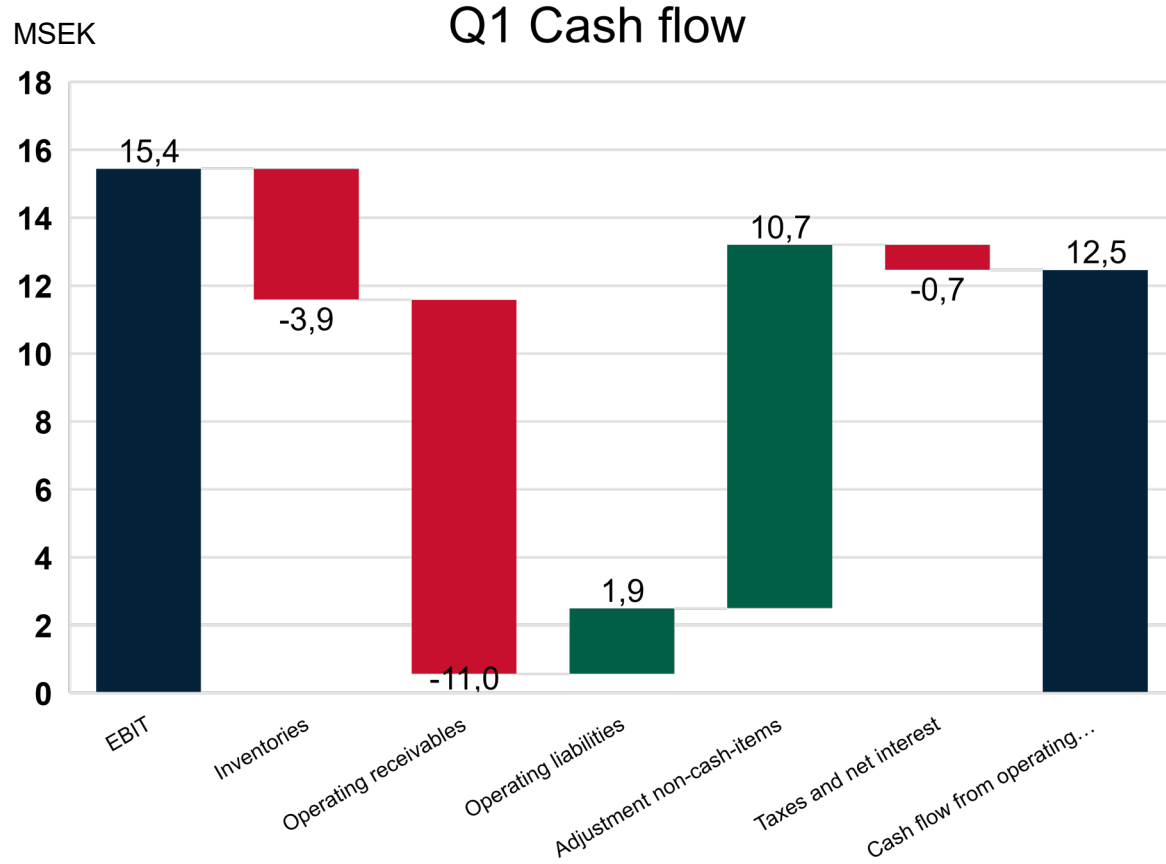


Cost breakdown as % of sales Q1 2024

%	Q1 '2023	Q1 '2024	Δ
Cost of goods sold	-53.8%	-53.8%	0.0%
Selling & marketing expenses	-18.9%	-20.2%	-1.2%
Administrative expenses	-6.1%	-7.4%	-1.2%
Research and development expenses	-9.5%	-6.0%	3.5%
Other operating income and expenses	-3.1%	-2.2%	0.9%
Operating margin, %	8.5%	10.5%	2.0%

- Efficiency improvements in production and high-capacity utilization offset margin dilution from strategic order to India
- Excluding redundancy costs for CEO, operating expenses decreased with 7%
- Quality expenses decreased with 42%
- Adjusted for one-time costs EBIT-margin was 12.9%
- Less headwind from currency

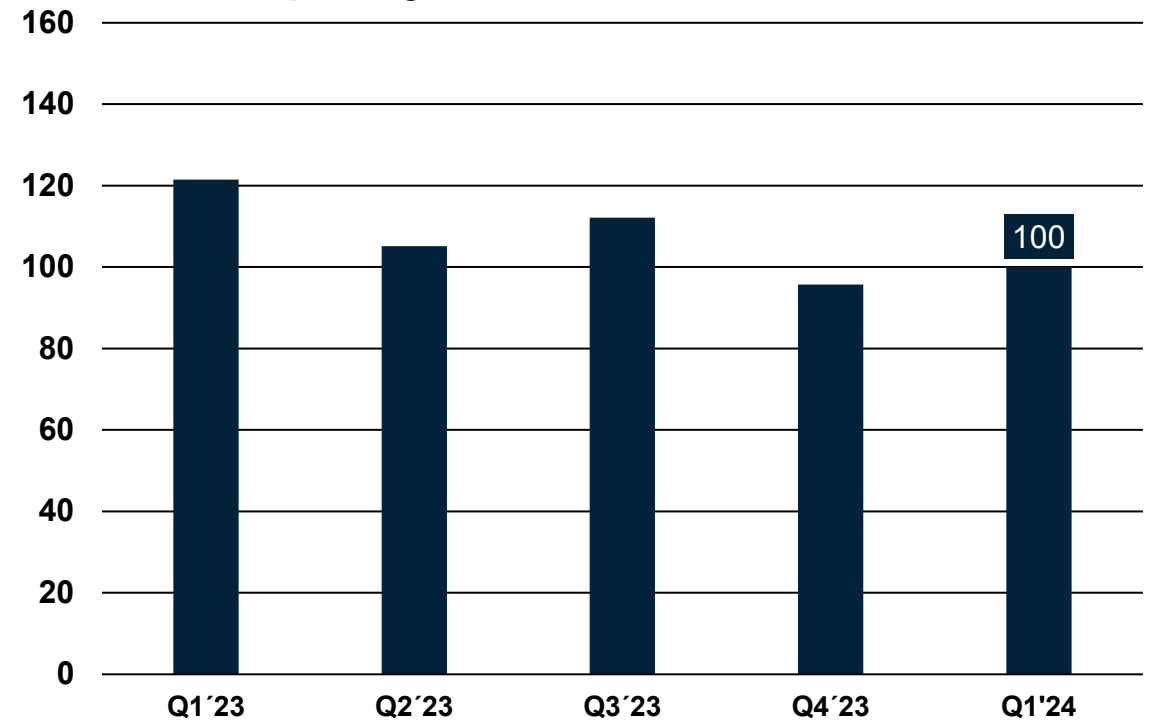
Cash flow from operating activities



Liquidity & credit facilities

- Solid cash position with 41 MSEK
- Additional 59 MSEK in credit facilities available if needed
- New technology platform BM 900 financed
- Net cash / EBIT (R12), times 0.2

Liquidity & credit facilities, MSEK



Conclusions

- Good start on the year
- Priority to complete the new 5-part instrument
- Continue to grow veterinary business
- Invest in OEM consumable business growth
- Further optimize working capital and efficiency in production



BOULE ASPIRATION

- Most satisfied customers
- Highly valued employer
- >500M tests yearly



FINANCIAL TARGETS

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





Thank you!

Q&A