

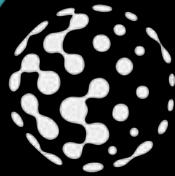


INTELLIGENT
ULTRASOUND[®]

for smarter scanning

2021 PRELIMINARY RESULTS

3 May 2022



INTELLIGENT
ULTRASOUND®

“Our vision is to make ultrasound easier to learn and simpler to use by providing ‘classroom to clinic’ training, guidance and real-time support to medical professionals”

Another year of progress

Revenue increased by
47% to **£7.6m**

New product
extension to
women's healthcare
agreement with **GE**



GE Healthcare continue to roll out
world's first fully integrated
AI tool on Voluson SWIFT

NeedleTrainer
our 3rd **AI** related
product launched

Operating
loss reduced to
£4.3m

Net cash used in
operations reduced to **£1.8m**

First plug-in AI
device for **in-clinic**
anaesthetist support
received **CE mark** and
launched in UK



Cash and
cash
equivalents of
£5.0m

HeartWorks
3D echo
launched

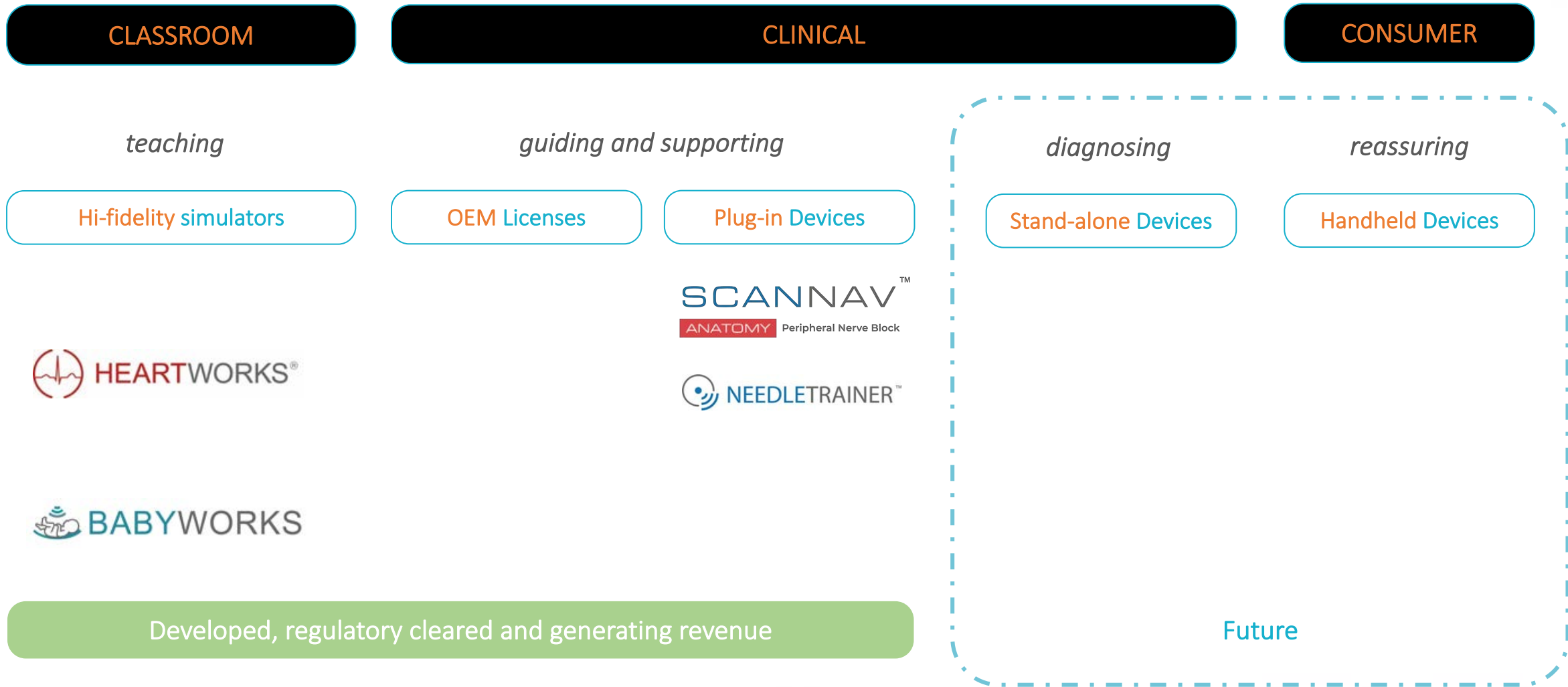
BabyWorks launched

First ESG report



CE approved AI products : **2**
FDA cleared AI products : **1**

Building our 'classroom to clinic' business





CLASSROOM SIMULATION

CLASSROOM SIMULATION

! "#\$%&'()*+,\$(-. , (
/"\$\$01"(world's
**leading ultrasound
training simulators**

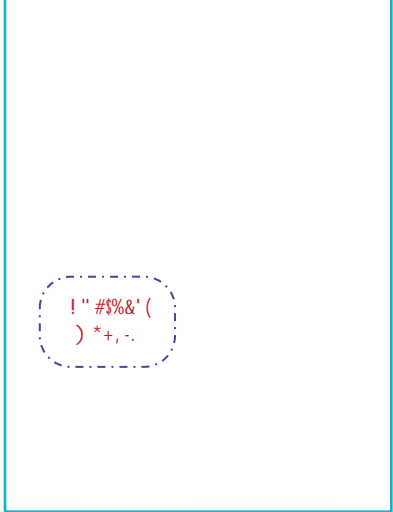


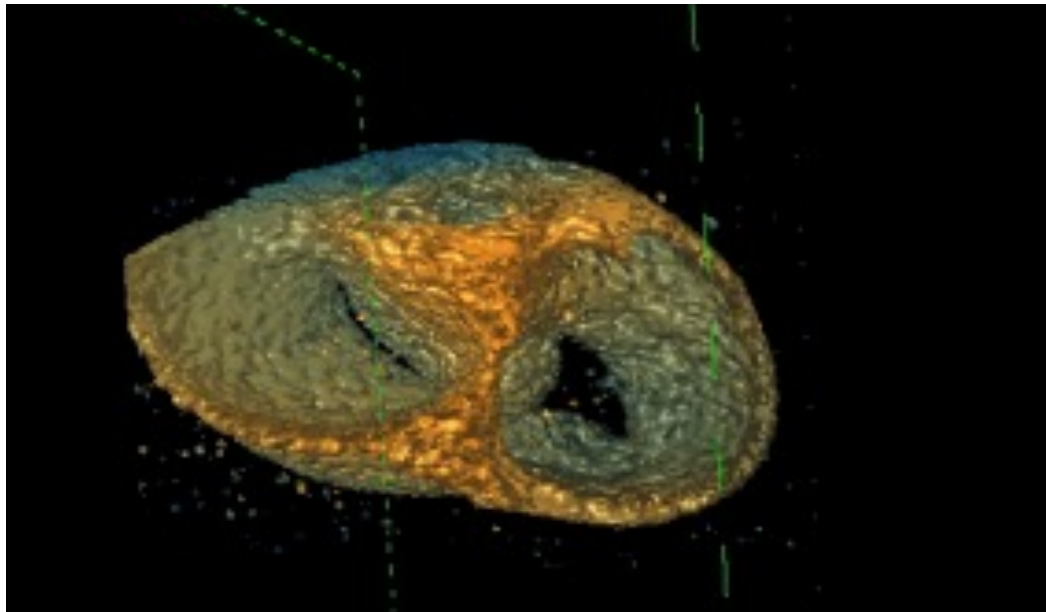
Over ! "#\$%
systems sold
to over ! "#
medical institutions



**Key markets in
2021:**

UK £2.5m (34%)
USA £2.7m (37%)
RoW £2.2m (27%)





- New HeartWorks 3D Echo simulator module
- Targeting existing 450 HeartWorks systems in the market
- Global launch at IMSH in January 2022



- New BabyWorks Sam manikin platform
- Targeting the neonate and paediatric market
- Global launch at IMSH in January 2022

CLASSROOM SIMULATION

Simulation summary

- 42% growth in sales in 2021
- Established and growing sales network (direct and reseller)
- Operational base in UK and US, with room for growth
- Core simulator range now 4 platforms
- Contributed £4.5m gross profit to the group's total overheads in 2021





CLINICAL AI SOFTWARE

Over the last **4 years** a **strong AI capability** has been built in **real-time ultrasound imaging**

Built on the **foundational work** of the **University of Oxford**



Cutting edge AI expertise

Prof Alison Noble OBE

Prof Aris Papageorgiou



24 AI related employees:

- AI developers
- Clinical team
- Segmentation team



Database of c. 15m curated **images**

FDA and CE regulatory experience **in-house**

Strong clinical **key opinion leader** team across **multiple medical specialities**

GE Healthcare partnership



3 AI devices launched and **5 devices** in development

● We develop, build and sell world leading AI software to provide real-time support to medical professionals

SCANNAV™

ON-MACHINE

Royalty-based licences with major ultrasound manufacturers

ASSIST

Automated image analysis
for protocol-based scanning



First licensed software launched with GE

First extension to the GE agreement signed



OFF-MACHINE

Devices sold direct through existing sales network in UK and US

ANATOMY

Automated anatomy highlighting
for ultrasound guided needling



PNB device CE approved and on sale in UK





Examination complexity is reduced through easy-to-use automation tools that optimize and enhance workflow, while still enforcing standards and consistency

Confirms image meets protocol

Confirms scan is complete



Obstetrics							
Head TV	✓	Head TT	✓	Cerebellar plane	✗	Profile	✓
Nose/Lips	✓	Orbits	✗	Transverse Thorax	✓	4-Chamber Heart	✓
IVDT	✓	SVT/SVV	✓	AC	✗	Kidneys	✓
Abdominal Cord	✓	LVDT	✓	Bladder	✓	3VC	✓
Spine	✓	Femur	✓	Foot	✓	Hand	✓

Commercial rationale

- Helps minimise errors and patient recall
- Decreases scanning time
- Reduces stress on operator

SCANNAV™ ASSIST

Automated image analysis
for protocol-based scanning

- 10-year exclusive partnership with GE Healthcare in women's health ultrasound
- ScanNav Assist technology is integrated into SonoLyst software on the Voluson SWIFT, the first product in the range to launch
- However, global roll-out was impacted by Covid in 2021
 - No congresses/exhibitions for KOL and sales team launches in 2020 and 2021
- Extension of product and take-up rates will be key in 2022
 - First extension to the agreement added for a new product segment announced in Jan '22
- Additional Assist AI software products in development



The **world's first** fully **integrated AI tool** that recognises the **20 views** recommended by **ISUOG*** for **mid-trimester scans**

- For ultrasound-guided regional anaesthesia
- **CE approved** in 2021 and plug-in device **on sale in UK** through our direct sales team
- **Anticipated FDA clearance in 2022** for sale through our US direct sales team

SCANNAV™
ANATOMY Peripheral Nerve Block

Automatically highlights key anatomy

For both training and clinical use

Hardware plus recurring annual license

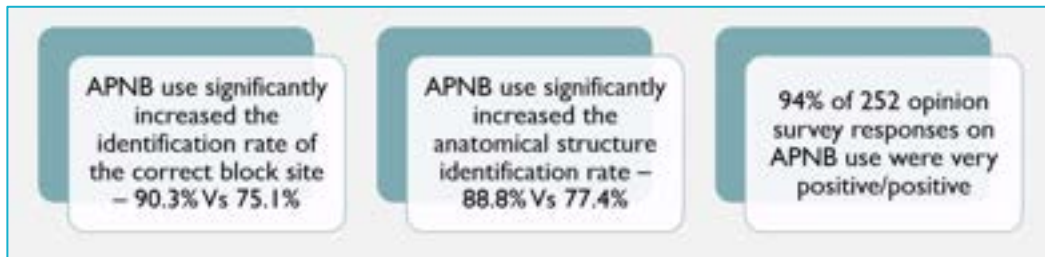


- Peer reviewed papers published
- First clinical sales in the UK
- Close links with UGRA key opinion leaders in UK, Europe & USA
- Trainer version launched in US in Q1 22
- Dedicated salesperson in UK and US from Jan 22



Commercial rationale

- For the competent but less confident clinician
- Helps increase number of clinician who can perform PNBs
- Increasing PNB could save a typical hospital up to £1m pa



PMCS study data – November 2021

NEEDLETRAINER™

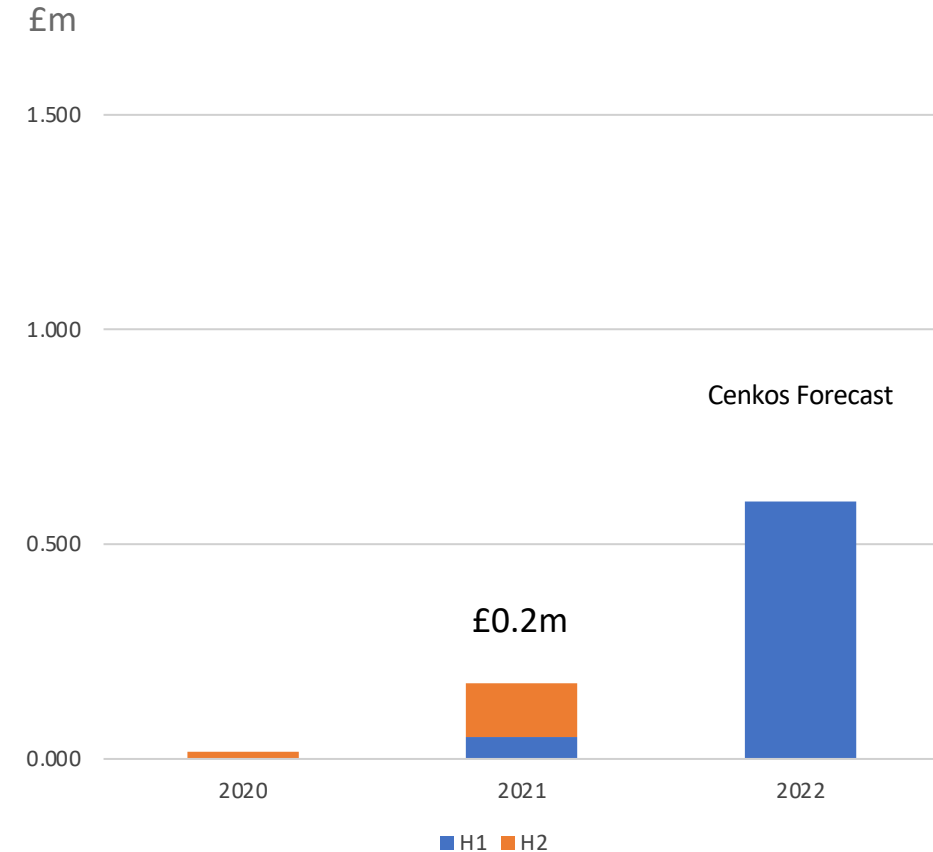
- Global launch at IMSH in January 2022
- Targets ultrasound guided needling market
- Provides augmented reality needling for entirely non-invasive, safe and realistic needle training
- Incorporates ScanNav Anatomy PNB Trainer AI software



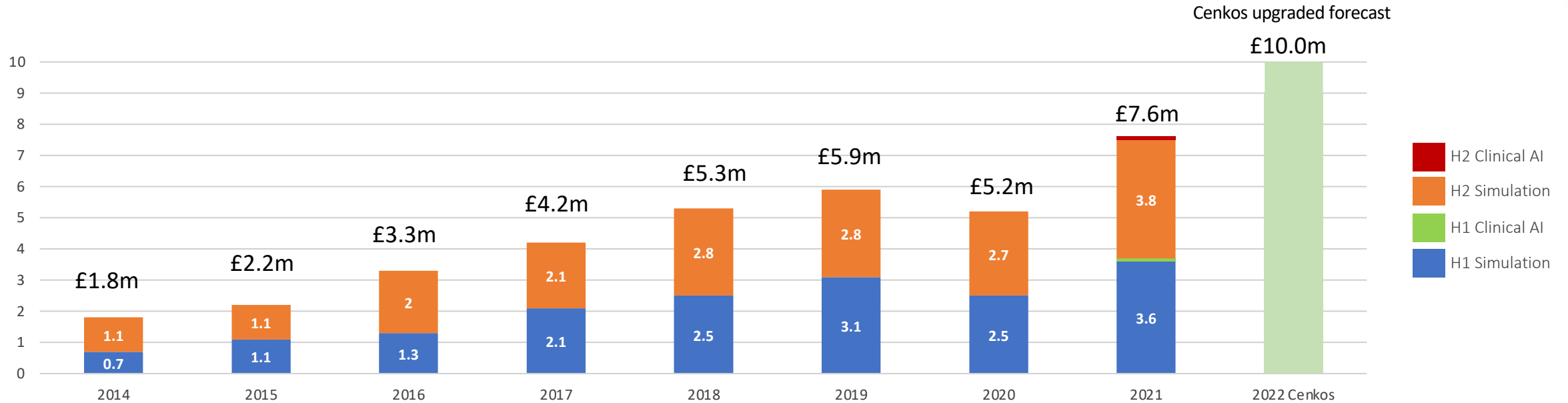
CLINICAL AI SOFTWARE

revenue

- Early stage of new technology
- Launched under pandemic restrictions
- AI revenue growth is expected in 2022 and beyond due to:
 - Increase in face-to-face medical exhibitions and congresses
 - Continued roll-out of current products
 - New ScanNav Assist product extensions



Group summary financials



- 2021 was a very positive year for the Group, despite the ongoing pandemic that has restricted AI launches
- We are well placed to build on a growing range of both AI and simulation related products
- We have had a strong start to the year and expect revenue in 2022 to beat current market expectations

Financials

2021 unaudited preliminary results

Financial Highlights

Revenue

↑ 47%

£7.6m



Cash

↓ 44%

£5.0m



Operating loss

↓ 3%

-£4.3m



R&D Investment (expensed & capitalised)

↑ 27%

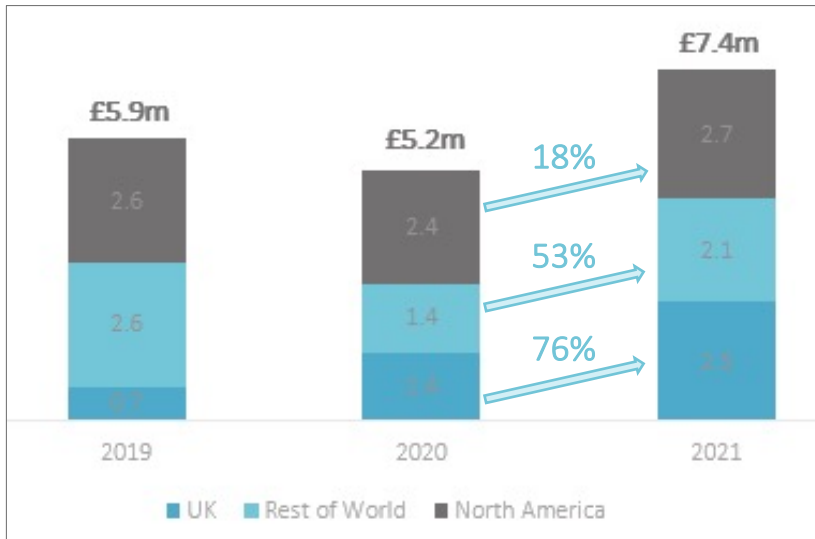
£3.3m



Year of revenue growth & key product development

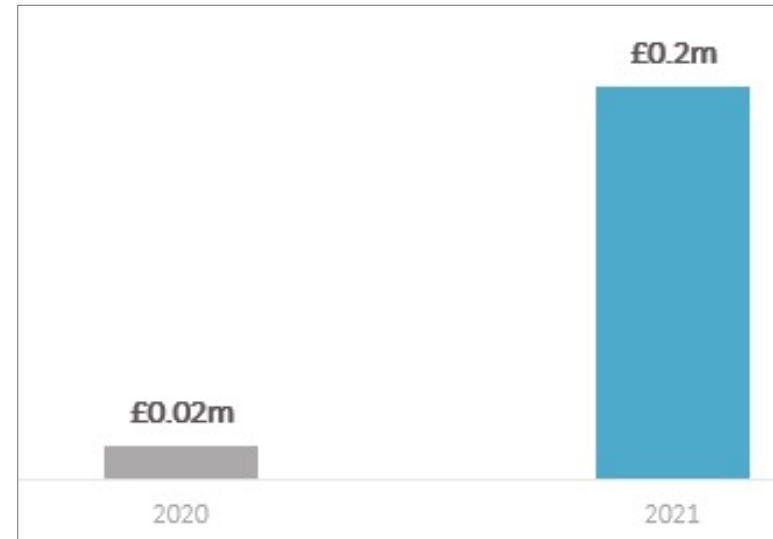
Revenue

Simulation



- **43% growth** in revenue from existing product range:
- **Record** revenue in UK and North America
- Positive recovery in RoW
- Consistent average gross margin YoY – **61%**

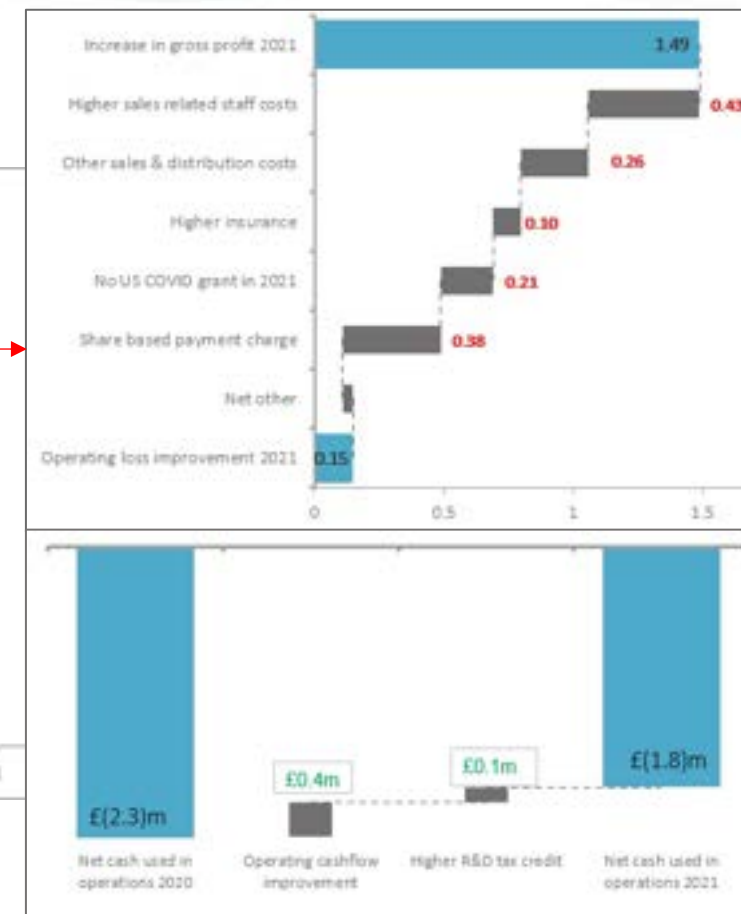
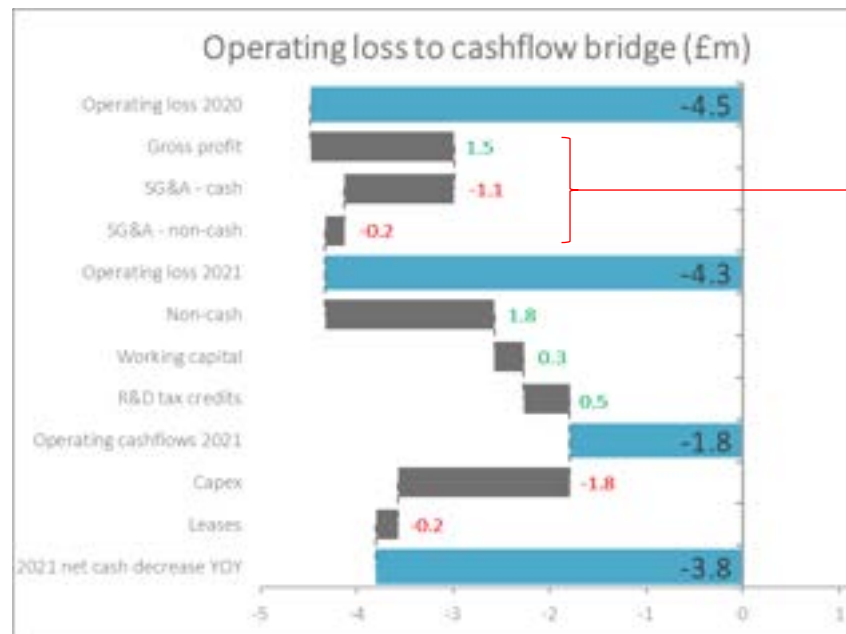
Clinical AI



- As pandemic restrictions relax and face-to-face meetings and exhibitions restart, we anticipate 2022 to be the year where we generate more significant sales growth from our AI based related products.

Income Statement

£m	2021	2020	%
<i>Simulation</i>	7.4	5.2	+43%
<i>Clinical AI</i>	0.2	0.0	+1088%
Revenue	7.6	5.2	+47%
Gross profit	4.7	3.2	+47%
Gross margin %	61%	61%	-
SG&A ₃	(7.0)	(5.7)	+24%
R&D ₁	(2.0)	(2.0)	-
Operating loss	(4.3)	(4.5)	+3%
Taxation	0.8	1.2	-36% ₂
Loss after tax	(3.6)	(3.3)	-9%



 Small improvement in operating loss in 2021

¹ Expensed R&D only – a further £1.3m of R&D was capitalised. Total R&D investment: £3.3m (2020: £2.6m)

² The like for like R&D tax credit for 2020 is £0.7m. The credit in 2020 of £1.2m includes £0.2m relating to 2019 due to accounting policy change & £0.3m deferred tax credit.

³ Includes Other income in 2020 of £0.2m in 2020 relating to a one-off US Covid grant

Balance Sheet and Cashflow

£m	2021	2020	M'ment
Intangible assets	2.6	2.0	0.6
PPE	1.4	1.3	0.1
Inventories	1.2	1.0	0.2
Trade & other receivables	2.6	2.0	0.6
Cash	5.0	8.8	(3.8)
R&D tax credit ₃	1.0	0.7	0.3
Current liabilities	(3.2)	(2.2)	(1.0)
Non-current liabilities	(0.9)	(0.9)	-
Net assets	9.7	12.7	(3.0)

£m	2021	2020	M'ment
Loss before tax	(4.4)	(4.5)	0.1
<i>Add back:</i>			
Non-cash (amort/depn/sbp)	1.8	1.5	0.3
Working capital movements	0.3	0.3	-
R&D tax credits received	0.5	0.4	0.1
Net cash used in operating activities	(1.8)	(2.3)	0.5
Capitalised R&D	(1.3)	(0.6)	(0.7)
PP&E	(0.5)	(0.4)	(0.1)
Share issue	-	4.8	(4.8)
Lease payments & interest	(0.2)	(0.1)	(0.1)
(Decrease)/increase in cash	(3.8)	1.4	
Cash at 31 December₂	5.0	8.8	(3.8)

₃ The tax credit receivable of £1.0m includes £0.2m relating to the 2020 credit which was received post year end.

₂ Cash and short term deposits

Summary

- 2021 has been a positive year for the Group
 - We have increased Group revenue by almost 50%
 - Are building an excellent partnership with GE Healthcare, the world's leading ultrasound company
 - Launched two new AI-related products into the exciting real-time ultrasound imaging market
 - Extended our simulations range to four platform products
- With restrictions around the world relaxing, we are focussed on growing sales
 - In the more established simulation market; and
 - The newer, but potentially higher growth AI imaging market.
- After a strong start to 2022 we expect revenue to be ahead of market expectations for FY22
- We will continue to monitor cash, investment in new AI products and expansion of our sales networks against this anticipated sales growth curve
- We remain excited about the long-term potential of our 'Classroom to Clinic' business.



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